

**Notes for Remarks by**

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**To**

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**CHECK AGAINST DELIVERY**

Good evening, everyone. It is a great honour to be here tonight and to be able to deliver a very important message. First, I would like to thank the organizers – Tech de Monterrey, CEDAN and the Club of Rome for this wonderful opportunity.

I have been invited to many events and I make a lot of speeches, but this one is very special to me. It's special to me because speaking to you brings back many wonderful memories of the six-and-a-half years that I spent in Mexico.

Standing here, my mind is flooded with all the scenic and historic places I visited during my time here.

But the one thing that stands out in my memory is the warmth.

When I say warmth, I'm not talking about the climate. Though after six years of near-tropical heat, I still find Canadian winters far colder than I remembered.

And I'm not talking about the heat generated by habanera sauce. Though after six years of Mexican cuisine, I find Canadian food far blander than I remembered.

No, when I talk about warmth, I'm talking about the Mexican people. The friendships I made in Mexico will last forever. No matter how far away I am. No matter how much time passes.

I know when I see those friends again, it feels like I've only been away a day or two, instead of months or years.

It took me a while to figure out the source of that warmth.

Yes, it's in the energy of the people. The energy that they put into family and friends.

Mexicans don't just meet and pass time and then move on. They invest energy in their relationships and with the people closest to them.

It took me a while to recognize that, but once I did, I could see it everywhere. I could *feel* it everywhere. Every home I was invited into. Every street I walked down.

Where does that energy come from?

Maybe an anthropologist would explain it in a cultural context.

But I'm convinced it has something to do with the land itself.

The energy is there. It's in the hot springs and volcanoes. It's almost like the ground can't contain all of the energy in the land.

Given my new job in Canada, I can't help but to think about all of the rich sources of energy here – not just in Cuernavaca, where my family has a small home and our link back here – but in all of Mexico. Energy that comes from the power of the sun, the wind and water. These are the sources of energy that could be harnessed to usher in a renewable energy revolution in your country.

As you already know, we are at the beginning of a transformation of our industry.

I'm not exaggerating when I say we are at a watershed moment. A time to clean our air. To produce energy without polluting our environment. And to build the foundation of our future economic prosperity.

And I'm certainly not the first to say that the nations that lead the clean energy economy will be the nations that lead the global economy.

So, clearly, there's a lot at stake for all of us.

This evening, I'd like to share with you Ontario's story. Because we have a very good story to tell.

As some of you may already know, Ontario has recently implemented ground-breaking legislation that will chart a very different course for the province's energy future.

The *Green Energy and Green Economy Act* positions Ontario as a global leader in both conservation and renewable energy. The Act is expected to encourage billions of dollars of investment in Ontario's electricity sector and create 50,000 green-collar jobs in its first three years.

The cornerstone of the new legislation is its Feed-in Tariff program or FIT, as we call it – incentives for renewable energy – the first and most comprehensive of its kind in North America.

We just launched it two months ago and the response has been overwhelming. I'd like to tell you a lot more about that – as well as the goals of the Green Energy Act – in a few moments.

But first, let me give you a little background as to what lead up to the recent legislative changes.

I should start by explaining a little bit about my organization's role in all of this.

The Ontario Power Authority was created in 2005 after the breakup of a decades-old electricity monopoly.

At the Power Authority, it's our mandate to ensure the province has a reliable and sustainable electricity supply.

We have three principal objectives – we plan resources for the long-term; we coordinate conservation initiatives and we contract new energy resources.

Essentially, we see ourselves as collaborators and enablers.

We don't own generation stations or transmit electricity. We're also not involved in local distribution – that's up to about 80 local distribution companies across the province. These companies don't exist in Mexico as there is a different model here.

At the time we were created, Ontario was having trouble attracting investment into the energy sector.

We were so stretched, we went through a couple of summers with our fingers crossed. Hoping we'd be able to keep the lights on – that our supply wouldn't run out.

I'm very happy to say that isn't the case right now, and we're secure for another few years. We even have periods of surplus base load generation.

But at that time, and as we looked to the future, the picture was pretty bleak. Our nuclear fleet, comprising about 50 percent of our supply, was aging, and it will soon be in need of refurbishment.

The provincial government also made a decision to get completely off coal – which has traditionally accounted for about 20 percent of our electricity supply. This is the single largest climate-change initiative in Canada, and coal will be gone by 2014.

As far as we know, we're the only jurisdiction in the world that is getting rid of coal altogether as a source of generation. We had to replace it with something.

So, clearly, our most pressing problem, even from the start of the OPA, was finding a way to rebuild our supply.

To put this in some sort of context, Ontario currently has about 33,000 megawatts of electricity serving 13 million people.

And, over the next few years, we're expecting to add about three to four thousand megawatts of green energy to our supply. Some of this is already in the pipeline. And some of that we expect to contract under our new Feed-in Tariff Program.

But before I turn my attention to our FIT Program, I'd like to say a few words about conservation.

Conservation and energy efficiency will always be first on our list.

After all, the cheapest megawatt of electricity is the one you don't use in the first place.

We are working hard to foster a culture of conservation Ontario.

We're already well on our way to meeting our target of reducing peak demand by 6,300 megawatts by 2025. For Ontario, this target is the equivalent of removing one in five households from the grid over the next 16 years.

It's the most aggressive conservation target in Canada. In fact, we're already one-quarter of the way there. And we're always looking at ways to accelerate our target.

Now, I'd like to talk about what many of you are especially interested in hearing about – our Feed-in Tariff Program.

We're certainly not the first to roll out a FIT program as a way of building our supply of renewable energy. There are 46 jurisdictions around the world that have adopted some form of a FIT program. And more than half of those have begun since 2002.

In fact, when we began to consider a feed-in tariff model, we looked first to the European experience – especially Germany and Spain – before coming up with our own blueprint, our own made-in-Ontario model.

Our FIT Program essentially opens the door to those wanting to invest in renewable energy projects in ways that simply weren't possible before – whether it's in solar, wind, waterpower or bio-energy projects.

FIT offers developers and entrepreneurs attractive incentives to invest in projects under long-term contracts of 20 or 40 years. The different prices, in an array of different technologies and sizes, are designed to cover capital, operating, maintenance and connection costs – and a reasonable return on investment.

Inside the program, there is also a standard process for permits and approvals as well as a “right to connect” that gives priority to renewable energy projects, as well as getting projects on line quicker.

And FIT includes special funding to encourage municipalities, Aboriginal and community groups to become involved in renewable energy.

The program was also designed to assure that the industry in Ontario would grow in an active way. And so, we have rules for domestic content.

We just wrapped up the pre-launch phase last night, and we received over 2,000 applications in FIT and microFIT. We are very excited about the response. We will be looking through the applications now for completeness, and we will soon be awarding contracts. There will be more information on the results later in the month.

Of course, there would be no point in bringing new green energy onto the grid without an acknowledgment that we desperately need to rejuvenate our transmission system.

In early October, the government announced the provincial transmission network will see a \$2.3-billion injection over the next three years. This is primarily to unlock significant potential for greener, cleaner electricity all over the province.

And our provincial energy regulator, the Ontario Energy Board, is changing the requirements for the local distribution companies, with an end to permit them to build out and develop their distribution systems.

There is a lot more information about all of this on our OPA website if you want to look more closely at the details of the programs.

Clearly, it's been a very busy period. There's never been a more exciting time to work in the electricity sector.

And if I'm going to be away from home, there's no more exciting place for me to be than Mexico.

My time spent working here in Mexico, building two combined-cycle gas plants for the Comision Federal de Electricidad (CFE) opened my eyes to the future. It helped me set my career compass. It made me realize my future was in electricity.

I speak openly about the success that the CFE has had with its independent power program, attracting world-class companies in such a competitive environment.

I know that many of you know Ingeniero Laris from the CFE, a man that I truly admire and respect, and to whom I took all my problems when we were constructing the plants.

Well, I am his equivalent in Ontario. I am seated at the table on the side of the government, listening to those same proponents, defending the values of the ratepayers and protecting our patrimony, and attracting, at the same time, competitive investment in the electricity system in Ontario. Yes, I learnt much in Mexico!

Before I finish my speech, I would like to thank Dr. Jose Etcheverry from York University in Toronto. Jose and I just met a month ago, but it was he who invited me to come and speak tonight. For those of you who don't know, Jose is a person very influential and committed to renewable energy, not only in Ontario but in the world. The OPA is going to support the efforts of Jose to create a North American Cooperation of Feed-in Tariffs. We wish to play a key role in the planning and promotion of the first workshop on this cooperation in North America. Obviously, if Mexico would be interested, please do not hesitate to contact either of us.

And if even in a small way our initiatives in Ontario inspire Mexico to move boldly on green energy, I'll feel like I'm making a small repayment for all the warmth I've felt here over the years. And the warm welcome you've extended to me tonight.

Thank you.