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Green Energy Act Alliance

Vision:
To Make Ontario a Global Leader in Renewable Energy and Conservation,
Creating Thousands of Jobs, Economic Prosperity, Energy Security and Climate Protection

Creating a Green Energy Act Before Copenhagen 2009

The Green Energy Act Alliance would like to work with the Government of Ontario on the creation of a world class Green Energy Act that addresses several immediate and pressing needs of the province:

1) Meeting our 2010 renewable energy targets.

2) Securing green collar jobs and manufacturing.

3) Kick-starting a robust and sustainable economy.

4) Keeping the lights on.

Background: Important Facts

Ontario is set to re-build its electricity industry and infrastructure with an expenditure of **$60- billion**, an investment over a third of the amount spent to rebuild Europe after World War II under the Marshall Plan.

Ontario possesses renewable energy resources that far exceed world leaders, Germany, Spain, France and Denmark. Germany, the world's current leader, is 1/3 the size of Ontario with over 32,000 MW of installed renewable energy capacity. In Ontario, **32,000 MW** of renewable energy, double the IPSP target, would supply over 50% of our energy demands and employ **~215,000 people in new green collar jobs**, the number of people employed in the renewable energy sector in Germany today.

Ontario is in a position to take advantage of the relative lack of market development and manufacturing for renewables in North America. Although there are several jurisdictions in the US (Michigan, New Mexico, California, Minnesota and Iowa) who are actively speaking to manufacturers and promising legislation, very little has been finalized or confirmed. **It is NOT too late for Ontario to take the lead in North America,** enact sound legislation and attract manufacturing, but Ontario must act quickly and aggressively.

Although Ontario leads Canada in terms of new renewable energy with an installed capacity of ~550 MW, and leads North America in promoting renewable energy sources like wind, solar and biogas through North America's first Renewable Energy Standard Offer Program, **Ontario missed its 2007 *new* renewable energy targets** (1350 MW) by 65% and is likely to miss its 2010 targets (2700 MW) by the same degree.

Ontario needs a Green Energy Act that will ensure conservation and renewable energy projects are built, not simply contracted, and are built quickly so that we may: 1) meet our 2010 renewable energy targets, 2) secure green collar jobs, 3) kick start a robust and sustainable economy, and 4) keep the lights on.

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Best Practice

The best example of a *Green Energy Act* is Germany's Erneuerbare-Energien-Gesetz (EEG), or ***Renewable Energy Sources Act 2000*** which enshrined the concept of Feed in Tariffs which is credited with creating a world-beating industry in 15 years, almost from scratch. Latest figures show that 214,000 people are now employed in Germany in this sector. [1]

Ontario's *Green Energy Act* Alliance proposes to build on this model and also address additional matters such as the primary role of conservation, the role of energy utilities, access to energy for low income Ontarians, modernization of the energy sector with smart grid technologies and the expanded participation of communities and First Nations in the energy sector.

93% of Ontarians Support a Green Energy Act

The *Green Energy Act Alliance* also proposes to engage a wide variety of people in the energy sector as well as people affected by the energy sector: to wit, the people of Ontario. To start this process, the Green energy Act Alliance retained Pollara to ascertain public perceptions of a Green Energy Act with the following results:

- There is widespread general support for a *Green Energy Act* (GEA) in principle, without discussing any specific targets or electricity bill impact. Over six in ten Ontarians (62%) strongly support the concept, with an additional three in ten (31%) somewhat in support.
- Women are more likely (66%) than men (57%) to strongly support a GEA, and they generally support more ambitious renewable energy targets than men.
- The reduction of greenhouse gas emissions is viewed as the main argument in favour of a GEA by a majority (56%) of Ontarians.

[1] BMU (German Federal Environment Ministry) (2007) *General Information – Renewable Energies,* available at:http://www.bmu.de/english/ renewable_energy/general_information/doc/ 4306.php

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Core Goals of Ontario's Green Energy Act

The Green Energy Act Alliance facilitated a recent visioning session with over 100 participants from key stakeholder organizations to establish the key goals and priorities of a Green Energy Act for Ontario.

1. Make Ontario the leading jurisdiction in the world on green collar jobs, green energy policy and installed renewable and conservation projects.

2. Prioritize conservation, renewable energy and combined heat and power systems, in that order, over all other forms of new, procured electricity generation.

3. Enable all Ontarians: farmers, First Nations, community groups, municipalities, homeowners and companies, to become electricity conservers and generators and to make a profit in doing so.

4. Change the electricity procurement process to grant priority procurement and obligatory grid access via Advanced Renewable Tariffs for renewable energy and CHP projects.

5. Ensure a continuous improvement approach to conservation programs and ensure that all conservation efforts are considered first before expenditures on new supply.

Founding Green Energy Act Alliance Members:

- Environmental Defence
- David Suzuki Foundation
- Ontario Federation of Agriculture
- First Nations Energy Alliance
- The Ivey Foundation
- Pembina Institute
- Ontario Sustainable Energy Association
- Community Power Fund

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Green Energy Act Visioning Session Stakeholders:

Resterra and Transform TO
Ministry of Energy - Office of Energy Supply
Ministry of Energy - Renewables Group
Fisker Capital Inc.
Toronto Atmospheric Fund
Electricity Distributors Association
Seneca College
Ontario Centres of Excellence
Windfall Ecology Centre
Key Gordon Communications
EnerSource
First Nations Energy Alliance
The Conservation Council of Ontario
Ontario Power Authority
Green Communities
University of Toronto
Ulern
360 Energy
Community Renewable Energy Waterloo (CREW)
Huff Strategy
National Challenge System Inc.
Nipissing First Nation Ontario Canada
University Health Network
Greenwood & Associates
Clean Air Partnership
Miller & Associates
City of Hamilton
Sky Generation Inc.
Cornerstone Hydro Electric Concepts
Environmental Commissioner of Ontario
Net Zero Coalition
Key Gordon Communications
Coffey, Fisch & Associates
Ontario Clean Energy Alliance
Association of Power Producers of Ontario
ARISE technologies Corporation
SunEdison
Ontario Power Authority
PACE (Public Affairs & Community Engagement)
Toronto Hydro Corporation
TREC (Toronto Renewable Energy Cooperative)
INDECO
World Wildlife Fund
The Renewable Energy Cooperative
Alliance For Renewable Energy
Fraser & Company
Toronto Atmospheric Fund
Energy Profiles Limited
Carpenters Union
Voltaire Power Company
Wildside Foundation
ARISE Technologies Corporation
Port Albert Wind Farms, Ltd.
City of Toronto - Energy Efficiency Office
Carma Industries
Energy Advantage Inc.
Association of Municipalities of Ontario
Local Authorities Services Ltd.
Jacques Whitford Ltd.
Ontario Association of Architects
Canadian Wind Energy Association
Greenpeace
Pleasant View Farms Inc.
The Delphi Group
Canadian Environmental Law Association (CELA)
Enbridge Gas Distribution Inc.
Dearness Foundation
Green$aver
St.Lawrence College
BOMA Toronto
MegaWHAT?
Helix Synergy
Energy Management Systems
Ontario Liberal Party

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GEA Draft Issue List

Community Power

- Empower all Ontarians to be conservers and generators of green electrcity.
- Including: First Nations, Farmers, Municipalities, Institutions, Co-ops, Northern/remote diesel dependent communities, renters and homeowners.
- ***Financing***:
  - Protect vulnerable energy consumers through direct install cost conservation programs, bill assistance through universal service plans and emergency assistance.
  - Access to development dollars through seeding a Community Power Fund grant and loan program.
  - Provision of loan guarantees for up to 90% of the capital costs of First Nations community power projects.
  - Amendment of the Ontario Co-op Act to allow community power co-ops to raise share equity from their communities and communities across Ontario.

Renewable Energy Procurement

- Evolve the Renewable Energy Standard Offer Program: Advanced Renewable Tariffs
- No Caps (voltage, project size, size of program)
- Cost-based pricing (cost per technology and scale of project + a reasonable return on investment (10-15%)
- Tiered pricing (to allow from broad-based community participation and economic development opportunities across the province but still incentivizes more productive sites)
- 100% inflation indexing (to provide investors an attractive opportunity: guranteed rate of return over a 20 year period)
- Extend program to solar thermal, geo-thermal, off-shore wind, and storage

Grid Evolution

- Priority access for renewable energy projects and CHP projects.
- Obligation to connect renewable energy and CHP projects.
- LDCs are given the right to apply for rate relief for grid interconnection and reinforcement costs and to pass on these costs through to their rate base.
- Incorporate Smart Grid technologies that facilitate and make efficient use of broad-based conservation efforts, load shifting and renewable energy generation.
- Maximize distributed energy conservation and generation.
- Maximize storage to increase the reliability and efficiency of renewable energy and conservation efforts.

Conservation

- Regularly tighten energy efficiency in the Ontario Building Code and the Energy Efficiency Act. Require all energy efficiency standards to be reviewed and brought up to the international best practice on a three-year cycle.
- Base energy related government policy, legislation, taxation, regulations, codes and standards on a transparent application of the total societal cost test.

- Ensure a portion of the net benefits of conservation compared to supply are available for energy conservation programs covering research, development, education, market transformation, training, codes and standards, rating systems, implementation, monitoring and evaluation.
- Empower Consumers with relevant energy information through well-developed rating systems, building labeling, energy performance benchmarks, and energy assessment tools to make informed buying decisions.
- Ensure energy pricing reflects its full, time based costs.
- Require the Ontario Energy Board to ensure that utilities promote energy efficiency and conservation both in end uses and in the generation, transmission and distribution of energy.
- Allow Utilities to earn higher rates of return by reducing customers' bills and improving transmission and distribution efficiency.
- Support Greening (roofs, urban forestry etc.) through financing programs, incentives and building codes.

Environmental Protection

- Determine areas in need of protection from energy generation projects.
- Restrictions should be technology specific and based on legitimate and peer-reviewed scientific data.
- Exceptions for First Nations community power projects should be considered to the greatest extent possible.

Planning and Permitting and Environmental Assessments

- Streamline and coordinate environmental assessments.
- Streamline and coordinate planning and building permit process.
- Once environmental protention guidelines are clearly set, exempt a broad based of renewable energy projects from the provincial environmental assessment process.

Jobs and Training

- It is realistic to assume Ontario will require up to 200,000 trained workers and professionals knowledgable about the renewable energy and conservation industries over the course of the next 10 years (based on experiences from Spain and Germany).

Administration and Governance of the Energy Sector

- Transitioning to a more decentralized, community-based, sustainable energy sector will require a similar rethink of the administration and governance of all aspects of the electrcity sector

Other Act Amendments

- Condo Act Amendments
- Ontario Co-operative Act
- Planning Act
- Electrcity Restructuing Act
- Municipal Act

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