



From the President's Desk

Greetings from the Energy Council of Canada.

One of my projects to commemorate Canada's 150th year is to share some ideas from time to time about energy in Canada arising from our events and activities. This note will get me started.

From a Privileged Perch

I am writing to you from my privileged position as the President of the Energy Council of Canada. My role is to work with our Members to make the most of the many unique characteristics of the Energy Council. No other energy organization has a mandate that covers all parts of Canada's energy system, from supply, through transmission and pipelines, distribution, and energy end-use applications. No other organization has the depth of executive experience representing our 74 member organizations. No other organization is so multi-sectoral, uniting industry companies, energy industry associations, the federal government and most provincial governments, and many leading companies which provide business and legal services to the energy industry. And further, we are well connected internationally through our role in representing Canada in the 97-country World Energy Council, and then disseminating the WEC's research results and the insights they provide on global energy issues and developments.

Quite the privileged perch in a unique energy organization!

Insights - From A Recent Event

Any examples of how the Energy Council tackles issues and facilitates dialogue, you say?

I will provide an example of a recent event to show how we work.

We start by identifying a theme that deserves attention, led by our Program Committee and our Members in the region. In planning our third annual Canadian Energy Industry: Updates and Insights event, we realized that energy end-use sectors – industry, buildings and transportation – are often overlooked in climate policy dialogue, even though those sectors are where 45%+ of Canada's emissions originate. To remedy this, we focused the first event in our 2017 cross-Canada program on ***Reducing Emissions from Energy Use: Policies, New Initiatives, What's Needed***. I believe that this was the first time that an Energy Council event delved into energy end-use in industry, transportation and buildings plus the use of energy commodities as feedstocks.

Let me share some features and insights from this event to illustrate our approach to facilitating influential energy dialogue.

First of all, there was a blend of government and industry speakers.

The Honourable James Carr underlined that the key ingredient is to get started now to make a gradual transition to clean energy. Minister Carr pointed out that the change to clean energy is well underway, noting that traditional forms of energy, oil, gas, and coal, will still be in demand for some time and that Canada is very well positioned to meet demand for such traditional sources of energy.

Minister Carr addressed head-on the argument being made for "keeping the bitumen in the ground", citing three immediate negative impacts from doing so: throwing thousands of people out of work in the energy sector and in the sectors which support it; forcing Canada to import energy supply resulting in higher costs and reduced

energy security; and third, a dramatic reduction in government revenues which support hospitals and schools, new bridges and safer roads, and the social programs that benefit all Canadians.

Speaking from an industry perspective, Elyse Allan, President and CEO, GE Canada, acknowledged that while Canadians want Canada to be part of the global transition, no-one is willing to pay the extra price required to make things happen. Mrs. Allan identified many key elements which define a positive and cost-effective way forward. One is through digitalization - broadly interconnecting energy systems, providing information in real-time to all players, and predicting future conditions to help optimize operation of energy systems. Other elements are: well-informed energy policy-making; using incentives prudently to accelerate change; a value-based approach to procurement by governments; and actions by the private sector to reap the commercial benefits from positioning Canada as a world leader. Colin Andersen, Chair of the ECC, added that a more engaged consumer, enabled by this digitalization, will be a significant driver of this transition.

Industry leaders made up the bulk of the Session Chairs and panelists. And, 9 of them were representatives of our member organizations.

A few ‘take aways’ to note from the sessions led by industry leaders included recommendations to:

- create policies aimed at both conventional (building retrofits) and new technologies (EVs),
- make the most of the Canadian advantage arising from our resources and talent,
- preserving the long-term vitality and viability of Canadian industry,
- support the implementation of balanced and equitable carbon policy,
- keep safety regulations up-to-date as technologies change, and,
- make comprehensive and current data on energy available to inform consumers and market players.

Our goal for this event was to raise the awareness of the huge potential for emissions reductions in the end-use sectors and to point out solution pathways that are practical and profitable. As Minister Carr pointed out *“... energy efficiencies can get us almost halfway there. Imagine if it was announced tomorrow that some new technology could get us halfway to meeting our climate change goals? It would be the lead story on every newscast and every newspaper around the world, and rightly so.”*

We judged this event to be a success. It illustrates the issue-focused, government-industry dialogue we convene. The theme was selected to raise awareness of the role of energy end-use sectors in reducing emissions. Sound recommendations emerged which point out ways to enhance policies focused on these sectors. And the attendees benefitted from meeting Canada’s energy leaders from the end-use sectors. Speaking of the attendees, the diplomatic community was well represented. Representatives of 38 countries were in the audience, including 18 Ambassadors or High Commissioners!

In addition to these highlights, those interested in more detail on the content and a breakdown of the organizations in the room, check out the event highlights report on www.energy.ca.

Welcome Your Views, Feedback

I hope that you enjoy reading these brief notes from the President’s desk which we will post from time to time. We welcome your feedback and contrasting or contrary views.

I hope too that you will share your ideas for making the Energy Council a more effective organization as we aim to fulfill our vision of ***an affordable, stable and environmentally-sound energy system providing the greatest benefit for all Canadians.***

Best regards,

Graham