

Conservation & Demand Management in a Sustainable Energy Future -June 11, 2012

Marion Fraser, Fraser & Company (moderator) - Opening Remarks

Good afternoon and welcome to a panel discussion on conservation and demand management programs, efficiency and sustainability.

Interestingly enough, there's sort of a double entendre in those words when it comes to conservation and demand management, demand side management, and so on and so forth. First of all, efficiency is clearly what we're all after, but we also want the programs themselves to be efficient.

Sustainability I think is definitely a huge issue when it comes to conservation and demand management because it is all about a culture change and you can't do that on an in and out basis; one day, you're doing it, next day you're not. As some of you may know, and some of you were there, at the time I was with Ontario Hydro and we actually started developing our demand-side management programs. I think our first approvals were for the Fall of 1988, and we implemented the programs on January 1, 1989, and those programs ran for about 4 years. In January 1993, the great departmentalist, Maurice Strong had become our Chair and managed to kill all our programs on the basis that he was going to do something entirely different, and if course he never did. So, in the space of basically one email from a director, the programs ended. There was clean-up and lawsuits and a few other things to deal with after that, and so, as a couple of other people mentioned today, we did have a lost decade. So, in many ways, the sustainability piece is critically important, not just for the messages we heard today at lunchtime, but for the whole notion of conservation, because it's not a one-shot deal. It's not one transaction, it's not one light bulb. It really is changing the way we think about and manage our energy use in the broadest sense of the word.

Now, in 2003 , when the Liberals were elected, I was invited to become the senior policy advisor on sustainability issues relative to, essentially, conservation and renewables. On September 8, 2004, I convinced then-minister Dwight Duncan and parliamentary assistant Donna Cansfield to let me organize an event. It was down at the Liberty Grand at the Exhibition Centre in Toronto. We had 500 chairs and about 60 people standing-room, for the whole day; a whole mass of people. What we did was explained and outlined directions with respect to going forward on conservation and renewable energy; primarily conservation, because we had created the Conservation Action Team. Based on my previous experience, we had started in September and launched programs on January 1. If anyone had told me then that I'd be standing up here 8 years later, and still wondering if we're half the way, I would not have believed them.

I stayed on advising ministers until after the election of 2007, and then I went out and one of the first things I got involved with was the Green Energy Act Alliance. So it kind of warmed my heart to hear Gord talk about the broken promises this morning because I still think we're working on broken promises. I think there are so many moving parts now in the energy sector that it doesn't all just come together very well. And frankly, there are many examples that I could stand up here forever and talk about that I think is wrong. But I think one of the most difficult parts for me, because I believed fully and foremost right from the beginning, was that the local distribution utilities had to be an important

part of the solution on conservation. We put that in the Green Energy Act Alliance documents, and George Smitherman absolutely agreed, and that's what was supposed to happen. However the current CDM code by the Ontario Energy Board is like a game of "Snakes and Ladders", but there are no ladders. I think that's a real tragedy in terms of where we should be and where we should be going. What I do like is that the OPA has stepped up and is working with Hydro One and Toronto Hydro on some of the great ideas that were put forward in their DSM plans. So, that's why I was thrilled to be asked to talk about efficiency and sustainability.

So, what we're going to do now is I'm going to call on our guest panel, some of whom you may already have heard speaking today.

We have **Alan Thomson** from the Boston Consulting Group.

We have **Tracy Lynch** who's standing in for Sarah VanderPelt from Union Gas. Sarah got a call Friday, the dreaded call that the regulatory affairs group needs you on Monday, so she had to turn it over to Tracy who is the Director of Demand Side Management in Union Gas. You know, sometimes when we're at an energy function in Ontario, you would think that 95% of our energy consumption was electricity when it's only 18%. Everyone seems to talk about the electricity sector, but natural gas is a very, very significant piece of our energy supply.

We have **Giuliana Rossini** from Hydro One. She very ably took on the conservation portfolio in 2004, and moved in very quickly with the Conservation Action Team; called for low income housing to be the top priority program, and to Hydro One's credit, they stepped in and did some really good work on that in 2005.

And we have **Julia Dalla Rosa** from the Summerhill Group. The Summerhill Group has consistently developed a lot of creative and innovative ways to reach and engage customers on a whole realm of things; not just energy conservation, but Car Heaven and other such things.

I think it's going to be a good panel. I am going to ask each of them to come up and talk about program efficiency and sustainability, in whatever terms and whichever part of that double entendre that they want to, for about 5 minutes, and then we are going to open it up for questions and hopefully have a really good discussion.

Thank-you.