

Speaking Notes
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Thank you for inviting me to participate in this energy roundtable.

The Canadian Hydropower Association (CHA) is a group of hydropower producers, manufacturers and engineering firms that promote the wide ranging benefits of hydropower in Canada. Together, we advocate for the development and use of hydropower to meet Canada's electricity needs.

60% of electricity in Canada is generated by hydropower. It is an important contributor to our economy. It is a reliable and efficient technology that has spurred industrial growth for more than 125 years. Most importantly Hydropower is clean and renewable.

The long service life of hydro installations has translated into lower power costs for consumers both in Canada and the United States. In fact, British Columbia, Manitoba and Québec have some of the lowest electricity rates in North America, thanks to a predominantly hydro-based system. Hydropower is one of the very best long-term energy investments that a company, a community, a province or a country can make.

Water is a plentiful and stable domestic energy resource for North America. Hydropower installations are not subject to the volatile fluctuations in hydrocarbon fuel prices. As a result, hydropower provides energy independence and security for both Canada and the United States.

Hydropower's unique features allow it to generate power almost immediately while other sources can take hours or even days to come on to the grid. Because of this, hydropower provides the best backstop for intermittent energy sources like wind. As we integrate additional wind and solar power on to the grid, more hydropower will be needed to ensure network stability.

The good news is there are plenty more hydro projects that can be developed both economically and sustainably. Better yet, they can be developed in a way that is respectful to communities and the environment. And that is key.

For example, in the US, the current installed capacity for hydropower is 90,000 megawatts. It is estimated this could be increased by another 25,000 megawatts in time for the year 2025.

In Canada, we have 70,000 megawatts of installed capacity but we have the potential to develop an additional 163,000 megawatts. That's more than double. Right now in Canada over 12,000 Megawatts of projects are in various planning stages. This represents \$50 billion dollars of economic development over the next 10 years for our country.

Canadian hydropower heats our homes, drives our industry and powers our lights. It does all of this and helps us fight the growth of our greenhouse gas emissions. But what if it could fuel our cars? Hybrid and plug-in electric vehicles are on the horizon and if hydropower could be their primary source of energy, we would see a green revolution in the transportation sector.

Despite opportunities like this, hydropower in Canada faces hurdles. On average, thermal generating stations benefit from shorter and less costly environmental permitting processes than hydropower. Provincial and federal regulators place such a strong emphasis on the local environmental impacts of hydropower that it sometimes slows the development of our projects. This can impede the larger scale environmental improvements that hydropower offers.

The CHA works for a broader recognition of hydropower's economic and environmental benefits. We seek an investment climate that helps us compete more favourably with more carbon intense forms of power generation. In the development of climate change policy, we seek formal

recognition of all forms of hydropower as being clean, green and renewable.

Thank you for the opportunity to make these remarks; I look forward to your questions and our conversation.