

Renewable Energy Announcement
Speaking Notes for
The Hon. Bill Dooks, Minister of Energy
Province of Nova Scotia
Red Room, Province House
Thursday, January 25th, 2006
Halifax , Nova Scotia

Check against delivery

Thank you for the kind introduction.

Minister Baker ... Mr. Lisi ... Mr. Woods ... Mr. Regan.

Ladies and gentlemen.

Thank you for attending today's announcement.

Last fall, I spoke to you at the Green Energy Conference.

And during my speech, I promised renewable energy regulations by February first, 2007.

Well today, I am here to fulfill my promise.

Ladies and gentlemen, it gives me great pleasure to announce the proclamation of Nova Scotia's Electricity Act and the setting of regulations for renewable energy standards and Wholesale Market Rules.

Simply put, these steps will make us a greener, cleaner province for generations to come.

They also signal that Nova Scotia is setting a new standard for renewable energy in Canada.

By 2013, Nova Scotia will generate almost 20 per cent of our electricity through renewable energy – wind, tidal, biomass, solar and hydro.

By 2013 --- based on today's capacity --- more than 100,000 homes will be powered by renewable energy in Nova Scotia.

In fact, our generation of green energy will grow by 10% in the next six years - a standard that is among the most aggressive in Canada.

Our regulations call for renewable energy increases of 5 per cent to our total supply by 2010 and 10 per cent by 2013, on top of renewables already in place as of 2001.

To stimulate our industry, we have decided that only independent power producers will be able to bid on renewable projects to meet the 2010 target.

And as our green energy use goes up in this province, our green house gas emissions will go down...making Nova Scotia an even healthier place to live and work.

Other provinces and states call for large “voluntary targets” of renewable energy. Not here.

Here, we are going to compel Nova Scotia Power to purchase more renewable energy.

And we are backing up our regulations with tough penalties – up to \$500,000 a day.

We are also opening up the market for municipal electric utilities.

As of February 1st (first), Nova Scotia’s six municipal utilities will be able to buy electricity, including renewable energy, directly from suppliers.

They will also be able to export electricity, including renewable energy, to other regions.

This is just another way that we are opening up the electricity market, and bringing competition into play.

Most importantly, these changes are going to mean a boom in Nova Scotia’s renewable sector.

In Nova Scotia, we currently have 100 megawatts of renewable energy either built or under contract.

In six years, that number is expected to grow by four times.

That means more wind turbines ... more biomass or wood chip plants ... new tidal demonstration facilities ... and perhaps even offshore wind farms.

At the same time, Nova Scotians want government to keep electricity prices as low as possible. That is why we are adopting a Renewable Portfolio Standard.

This R-P-S is a flexible, market-driven policy that balances our green energy targets with the need to keep emissions and prices low.

As Government, our job is to set targets, and then direct utilities to secure renewable energy at a cost-effective price.

That is why we are not using fixed price contracts for green energy – known as Standard Offer Contracts.

Under Standard Offer Contracts, people in Ontario are paying a lot more for wind energy than Nova Scotians...at least 50 per cent more.

Under our system, consumers will receive the benefit of a competition to determine what price we pay for new renewable energy.

This is the system used by most areas in North America.

And to facilitate this market reform, Nova Scotia Power must open its grid to wholesale electricity suppliers through a fair and open access transmission tariff.

Ladies and gentlemen, these are progressive regulations.

But I want you to know that we are not yet done.

By this spring, I want to come forward with new ways for independent power producers to sell green energy.

The industry has told me that they want to sell green energy attributes directly to manufacturers, municipalities and the public.

They want to give customers the chance to buy green energy through their utility ... giving people a personal stake in the type of energy they consume.

As Minister of Energy, I want to see this market expand and grow.

That is why my staff is assessing options around top-up and spill rates for municipal utilities as well as the sale of green attributes and null energy.

Down the road, I will be asking staff to review even greater methods of electricity market reform.

But for now, I want to thank Nova Scotia's renewable energy producers and their staff for a lot of hard work and a lot of success.

With these new regulations, we are helping Nova Scotia move towards a greener, cleaner energy system.

And we've only just begun.

Thank you for your time.