

CanWEA Spring Forum 2018 - President Robert Hornung's Day One Opening Address

April 10 – 11, 2018, The Westin, Calgary, AB

Calgary, Alberta, April 10, 2018 - Please find below the text of the opening address delivered by the President of the Canadian Wind Energy Association (CanWEA), Robert Hornung, on the first day of this year's CanWEA Spring Forum 2018 (check against delivery).

Good morning everyone and welcome to CanWEA's 2018 Spring Forum. My name is Robert Hornung and as the President of the Canadian Wind Energy Association I would like to thank you for taking time out of your busy schedules to join us for this event.

Before we begin, I would like to acknowledge that we stand today on the traditional territories of the people of the Treaty 7 region in Southern Alberta, which include the Blackfoot Confederacy—comprising the Siksika, Piikani, and Kainai First Nations, the Tsuut'ina First Nation, and the Stoney Nakoda, which includes the Chiniki, Bears paw, and Wesley First Nations. The City of Calgary is also home to the Métis Nation of Alberta, Region III.

We thank you for your hospitality, and we are excited to be here.

I would also like to recognize and acknowledge the support of our event sponsors at this time. They are:

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Please join me in showing our appreciation for their support.

I am pleased that we are holding this event in the heart of Canada's energy sector. For the better part of a century, this province's natural resources have created wealth, driven GDP, and financed public services that underpin its enviable quality of life. Alberta's massive untapped wind resources represent a new opportunity to build on this legacy and can make an important contribution as Alberta transitions to playing a leadership role in the future low carbon economy.

In December our industry made history here in Alberta when we demonstrated that wind power is now the most cost-effective choice for new electricity in Canada.

That first procurement under Alberta's Climate Leadership Plan saw three successful developers commit to provide Alberta with almost 600 megawatts (MW) of clean and renewable wind energy at a weighted average price of \$37 per megawatt hour.

Capitalizing on that outcome, Alberta has moved quickly to launch two new procurements that will see an additional 700 MW of new renewable energy contracts awarded by the end of 2018.

Importantly, Alberta is seeking to ensure that at least 300 MW of this total will see Indigenous peoples holding a minimum 25 per cent equity stake in the projects. Many Indigenous communities have expressed a strong interest in participating in this process, and I am confident that there will be no shortage of positive and innovative partnerships between the wind energy industry and Indigenous communities.

Wind energy's recent record-setting prices in Alberta reflect global trends that have seen the cost of wind energy fall by about 67 per cent since 2009. Indeed, I expect we will see similar pricing in Saskatchewan, when SaskPower announces the winners of its 200 MW wind energy procurement later this year.

To put it plainly, wind energy is moving to the forefront of the Canadian electricity sector.

This is reflected in the fact that wind energy has been the largest source of new electricity generation in Canada for a decade, and there are now more than 350,000 wind turbines in operation in more than 90 countries around the world.

It is also reflected in the fact that wind energy's cost-competitiveness has caught the attention of the corporate sector in the United States and Europe, and increasingly in Alberta, as companies pursue power purchase agreements with wind energy suppliers that lock in low electricity prices and enable them to meet their own sustainability goals.

Wind energy's major cost declines have, and will continue to be, critical to opening up new opportunities for our industry throughout Canada – whether it is to support the phase-out of coal-fired generation, to fill an emerging power supply gap as nuclear power plants are refurbished in Ontario, or to help the northeast United States reduce its reliance on fossil-fuel powered generation through clean electricity imports from Quebec and Atlantic Canada.

Despite our successes to date, however, challenging times lie ahead for this industry. Our ability to fully capitalize on Canada's massive wind energy potential will require us to become even more cost-competitive and to provide a broader range of products and services to support the grid.

Why? Simply put, the competition to provide the energy services that electricity delivers is becoming more and more intense.

On the demand side, energy efficiency and structural shifts in the economy have created a situation where electricity demand in many jurisdictions is flat or falling. While increased electrification to address climate change will open up new opportunities for non-emitting generation over the longer-term, the fact that 80 per cent of Canada's electricity is already produced with no greenhouse gas emissions, limits opportunities for growth through the decarbonization of the grid.

On the supply side, growth in distributed generation and new technologies that can increase the efficiency with which existing and new supply is used, means that wind energy will face more competition than ever before to meet the future electricity needs of Canadians.

Wind energy's low cost gives us an important head start. Electricity system operators, however, are not only concerned about the cost of electricity per kilowatt hour, they are also concerned about the overall system cost. They are not only concerned about environmental performance, they are also concerned about reliability. As a result, the electricity supply technologies that are successful in the future will be the ones that can best contribute to all of these objectives.

Wind energy is well positioned to do so and our future as an industry is increasingly contingent on our ability to visualize and communicate how we can most effectively support the entire electricity grid.

Our future is also contingent on our ability to secure and maintain community, public and political support for wind energy development. Experience shows that any new energy development, regardless of technology, can generate opposition. Those projects that succeed are the ones that can secure broad-based support. In truth, successful energy projects don't "win" such support – they earn it.

From a wind energy industry perspective, it all starts at the community level. We have to begin earning support the moment we knock on a door, meet with municipalities, or sit down to begin the work required to build a trust-based relationship with an Indigenous community.

We live, and we do business, in an age of accountability. Every new energy development is subject to debate and discussion, and it should be. Communities have a right to ask hard questions. Across Canada, our members now operate facilities in close to 300 communities. Together we have learned a great deal from those experiences. As we begin the process of building out a potential 5,000 MW of new wind energy in Alberta and 1,600 MW in Saskatchewan, we have an obligation to listen, learn and make our projects better.

I know we can earn the trust of these citizens and communities through transparency, through strong, authentic, and inclusive engagement, and through deep collaboration.

Community support can provide a solid foundation for public support. We commissioned public opinion polling earlier this year, and found a healthy majority—61 per cent—of Albertans agree that the provincial government should encourage the development of non-emitting electricity to reduce carbon emissions. About the same number of respondents expressed their support for provincial policy that would encourage the development of wind power.

This is a solid base of support to build upon. Maintaining that support requires us to demonstrate that wind energy is working for Alberta and Albertans. I know we are up to that challenge.

Public support can also provide a solid foundation for political support. But energy transition is a long game, and Canada's movement to a low carbon economy will extend well beyond the political cycles at the heart of our democracy. If we want to ensure a strong and stable policy framework that enables wind energy development and allows Canada to successfully compete for wind energy investment, we need to build support across the political spectrum in all jurisdictions.

There is a reason that both the Alberta NDP and the Saskatchewan Party have found common ground on wind and we need to ensure that all political parties see the benefits that wind energy can bring. Wind energy delivers benefits to society that transcend ideology and partisanship.

Wind energy is being procured through intensely competitive processes that have made it the most competitive source of new electricity generation in the country. It diversifies local economies and brings significant economic benefits to host communities through land lease payments, property tax payments, investment and job creation.

And critically, wind energy generates electricity without producing greenhouse gas emissions. In a time of intense and mounting concern over climate change impacts, wind energy provides an opportunity to balance economic and environmental goals.

It is important that we engage with all political parties. It is our job to ensure we are listening to concerns across all political stripes, and responding. This is not just something for the to-do list. This is a priority for me and our association, and I encourage you to make it a priority for your companies as well.

Our industry needs to stand up and challenge misinformation and engage, whenever and wherever, there are conversations underway about wind energy and the strong role it must play in Canada's future energy mix.

We are well positioned to lead. The fundamental characteristics of wind energy position us at the forefront of the energy transition. As we move forward on this journey to an energy future that is cleaner, more prosperous, and more sustainable, I ask every one of us in this room to make sure we are an industry that makes Canadians proud by learning from our experiences and continuously improving as we tackle the greatest challenge our world has ever known.

Thank you for your attention.

Robert Hornung
CanWEA President

About the Canadian Wind Energy Association

CanWEA is the voice of Canada's wind energy industry, actively promoting the responsible and sustainable growth of wind energy. A national non-profit association, CanWEA serves as Canada's leading source of credible information about wind energy and its social, economic and environmental benefits. Join us on [Facebook](#), follow us on [Twitter](#) and [LinkedIn](#). Learn more at www.canwea.ca.

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