



The wind at his back

George Smitherman's green-energy odyssey has minister 'jazzed' over Ontario's potential

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NIAGARA FALLS—In just nine weeks George Smitherman has likely learned more about the green-energy industry than any energy minister before him, and then some.



George Smitherman, Ontario's minister of energy and infrastructure, at the Prince Wind Farm in Sault Ste. Marie.

Sitting in a meeting room at the Sheraton Fallsview Hotel in Niagara Falls, just minutes after giving his first major speech since being appointed energy and infrastructure minister in June, Smitherman enthuses like a kid who has just returned from Euro Disney.

He recounts his visit to a small community in Denmark that powers and heats itself with straw, municipal waste and geothermal energy. Then there was the neighbourhood in Freiburg, Germany, powered by rooftop solar panels atop high-efficiency homes. In Spain, he saw how the local electricity operator manages the country's 15,000 megawatts of wind turbines and a world-class stable of solar farms.

His travels also took him to California, where he learned how the world's fifth-largest economy used innovative conservation programs and energy-efficiency mandates to keep per-capita electricity consumption flat for the last three decades.

"Imagine a world where we could emulate their success?" asks an animated Smitherman, 44, who later turns to Amy Tang, an adviser sitting across the table. "Sorry, now I'm getting all worked up. Am I frothing at the mouth?"

The trips didn't end there. On his home turf, he has already visited the massive Prince Wind Farm in Sault St. Marie, the Atikokan coal-fired generating station near Thunder Bay, the province's three nuclear power stations, the massive Nanticoke coal-fired station, Hydro One's grid control centre in Barrie, and has been inside the Niagara Falls water tunnel currently being excavated by Big Becky.

"I call it sponging. I just went out there to try and learn as much as I possibly could," he says. "Everything I do, I learn something that's one more piece of, let's face it, a complex puzzle."

Smitherman says he's "jazzed" about his new job, a fresh change after five years as health minister. Premier Dalton McGuinty made it a promotion, insiders say, by merging the energy and infrastructure portfolios into a super-ministry.

His appointment, and clear enthusiasm for renewable energy and conservation, comes at a crossroads for the province. The government's electricity planning agency, the Ontario Power Authority, has already drafted a \$60-billion plan for how to expand and upgrade the system over the next 20 years.

It involves the shutdown of all coal plants by 2014, as well as the refurbishment and new construction of nuclear plants to maintain capacity at 14,000 megawatts. The target for renewable energy has been doubled to 15,700 megawatts; the goal for conservation is 6,300 megawatts.

But the concrete, while poured, has yet to harden. The Ontario Energy Board is in the midst of holding hearings on the agency's 20-year plan, and must give its blessing. Then came Smitherman's speech last week, announcing he has directed the power authority to review its plan and "fine tune" the targets for renewables and conservation — in other words, increase the former and move more aggressively on the latter.

It surprised many in the room, and jarred the regulatory process. It won applause from several corners, including the Society of Energy Professional, representing a group of 7,000 scientists, engineers and technologists working in Ontario's energy sector. Some, including those from anti-wind and pro-coal groups, called the government's quest for even more renewables expensive and its reliance on conservation misguided.

But Smitherman says he's convinced more can be done before the train leaves the station. We've just scratched the surface on our commitment to solar power, he says, adding that the price of solar is expected to drop significantly over the next few years.

He says we haven't maximized onshore and offshore wind, or given a serious enough look at hydroelectric pump storage, or enough weight to biomass and biogas as part of distributed energy systems. Are we investing enough in new transmission infrastructure to unlock this potential?

"Every day you get closer in one form or another to pricing carbon into fuels, the gap narrows, and the competitiveness of renewables is enhanced," he says.

He admits that high electricity prices in Europe have made many of these

technologies and approaches economical in countries like Germany and Spain, meaning they wouldn't necessarily work in Ontario. To the dismay of some environmentalists, he also emphasizes his commitment to stay the course with nuclear, which combined with hydroelectricity from Niagara Falls gives the province the strong foundation – and confidence – it needs to eliminate coal, he says. "We think we're fashioning a good balance."

At the same time, he's not so sure the assumptions built into the power authority's plan are as fresh as they could be, or reflect the potential economic and environmental benefits that green-power development could bring to Ontario, which is grappling with the hollowing out of its manufacturing sector.

"There's so much to examine," says Smitherman, heaping praise on McGuinty for making the commitment to phase out coal. "Now we have the opportunity on a bunch of these emerging technologies to actually get there before other people, to be part of designing them, and reap the economic and environmental rewards."

When he returned from Europe, Smitherman told McGuinty that key ministries had to work more closely, rather than in silos, if the province was to be a leader in the green economy. So McGuinty is creating a green cabinet committee, bringing ministers in charge of energy, environment, natural resources, northern development, and research and innovation to the same table.

"Creating clusters of collaboration amongst government ministries is absolutely necessary if we're going to stoke the flames of green-collar jobs as vigorously as we want," Smitherman says.

It signals a larger industrial strategy that escaped the mandate of the power authority. Recent energy board hearings clearly show the power authority didn't take job creation, environmental sustainability and other social goods into account as factors affecting the economic feasibility of its plan.

Sources say power authority officials, while surprised by Smitherman's directive, see it more as a tweaking – if that. Indeed, the whole exercise could lead nowhere.

Energy consultant Marion Fraser, who was a senior adviser to Dwight Duncan when the current finance minister held the energy post, commends Smitherman for his enthusiasm and willingness to learn.

"But there is a huge gap between policy and implementation," she says. "Ontario's biggest barrier to renewables and conservation is the mindset of the traditionalists who call the shots where the rubber hits the road."

She recalls the old adage: People don't change when they see the light, they change when they feel the heat. "Minister Smitherman will have to turn up the heat."

He's certainly capable, having earned the nickname "Furious George" for his aggressive style and willingness to battle critics. Whether he takes that approach with the power authority, Hydro One and other organizations that fall under his ministry remains to be seen.

Smitherman tells the *Star* he will work "very closely" with the power authority and its new chief executive, Colin Andersen, previously deputy minister of finance under Dwight Duncan. But he also stresses, "Nobody should associate me with the status quo."

Given the example of offshore wind power in the Great Lakes, which the power authority previously dismissed as too expensive to be considered in its 20-year plan, Smitherman says it's one of many areas that will be examined - and possibly reconsidered.

"Just because someone in the past has rejected it doesn't mean it should stay in that circumstance," he says. "That's what this time (this review) is all about."