



## **Distributed Generation: Regulatory and Political Constraints**

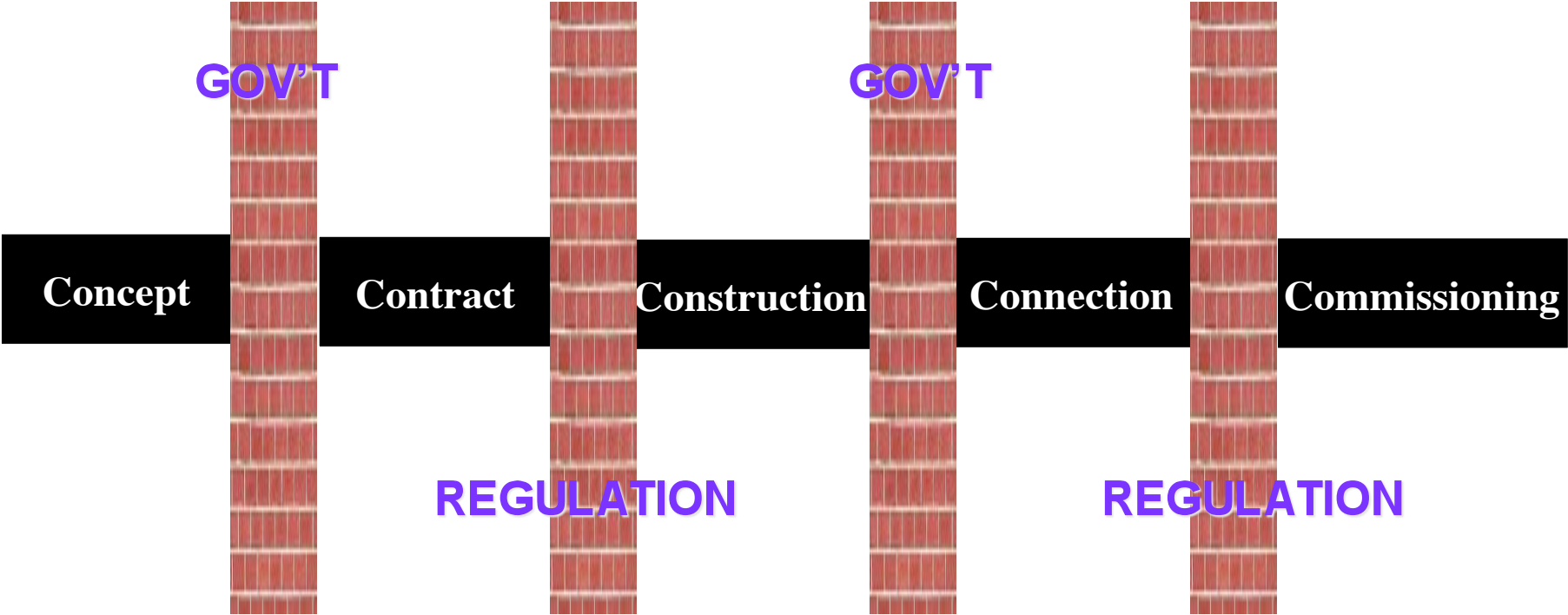
**Mike Richmond**  
Partner & Co-Chair, Energy Law

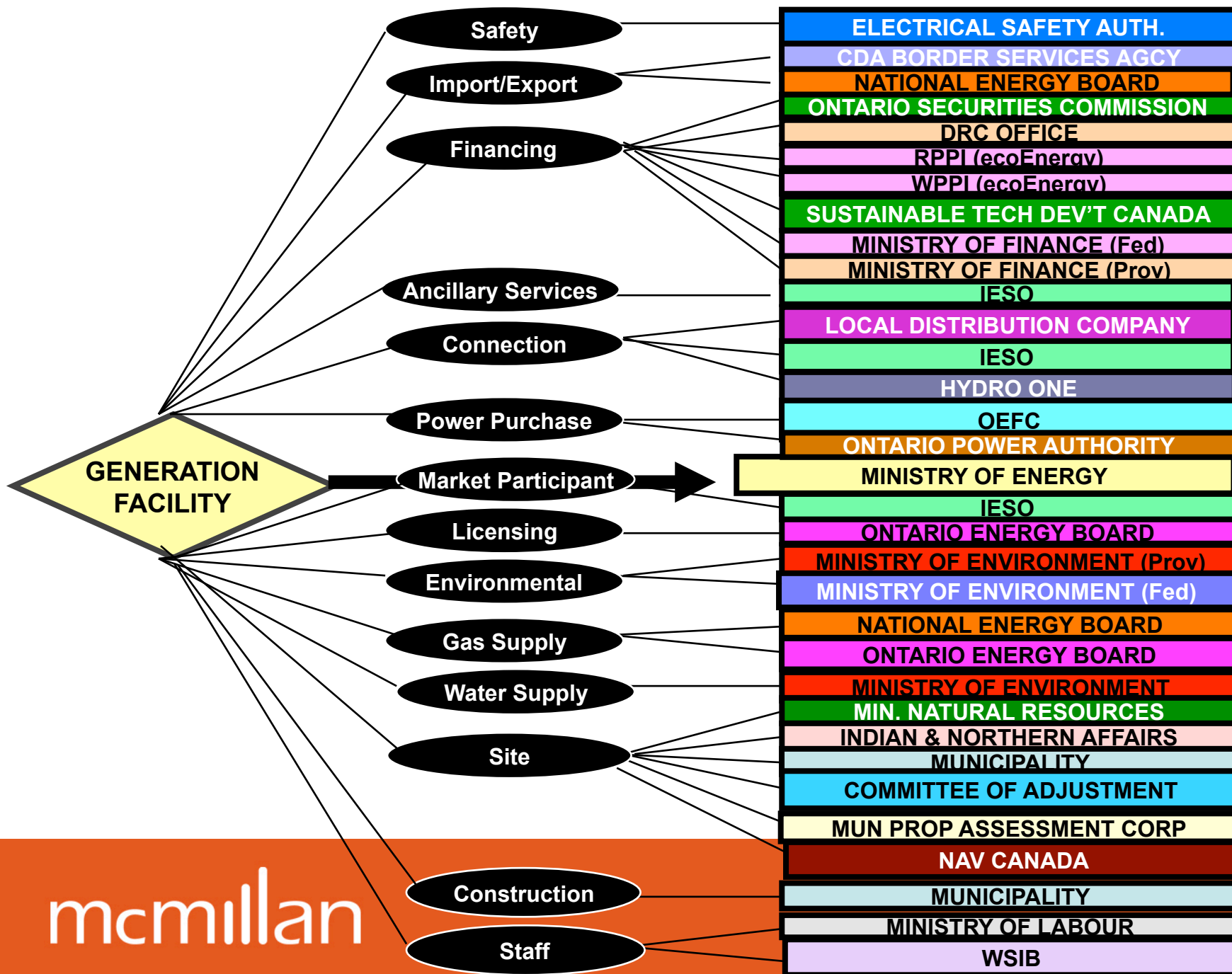
*Distributed Generation and  
The Future of Ontario's Electricity Grid*  
Queen's/Waterloo/CCRE  
October 27, 2008

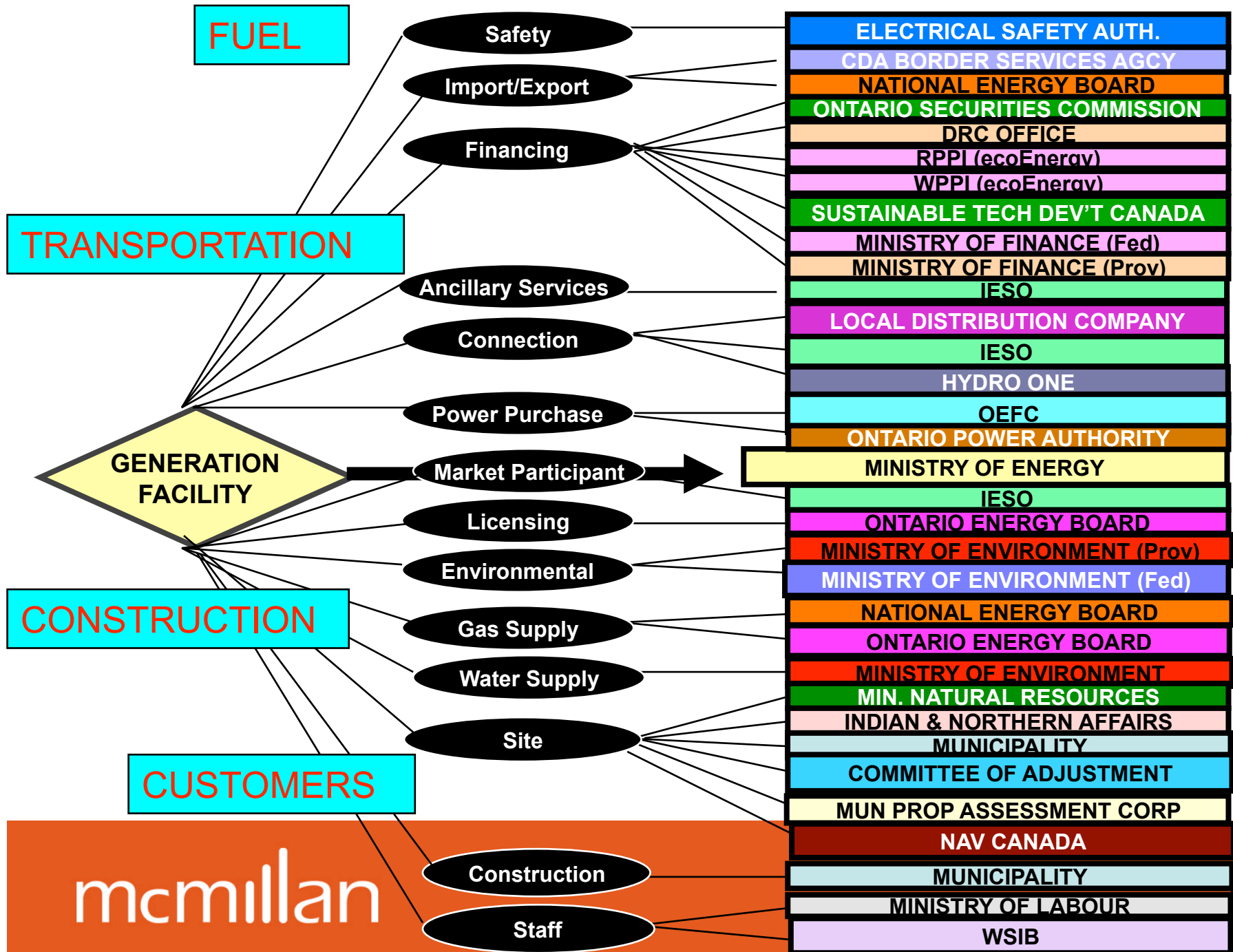
# The 5 C's

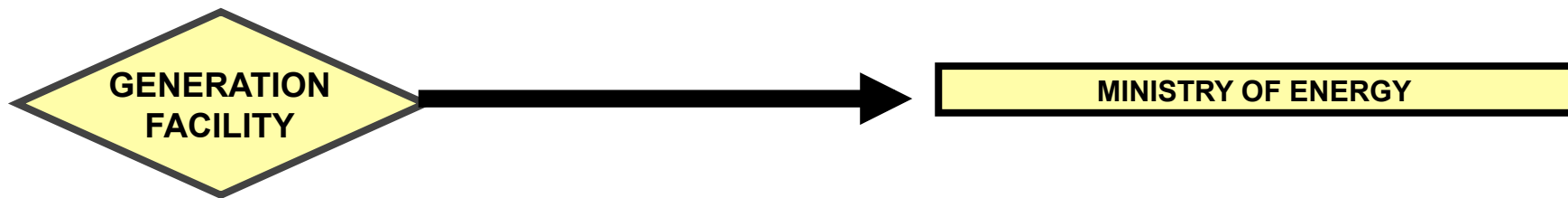


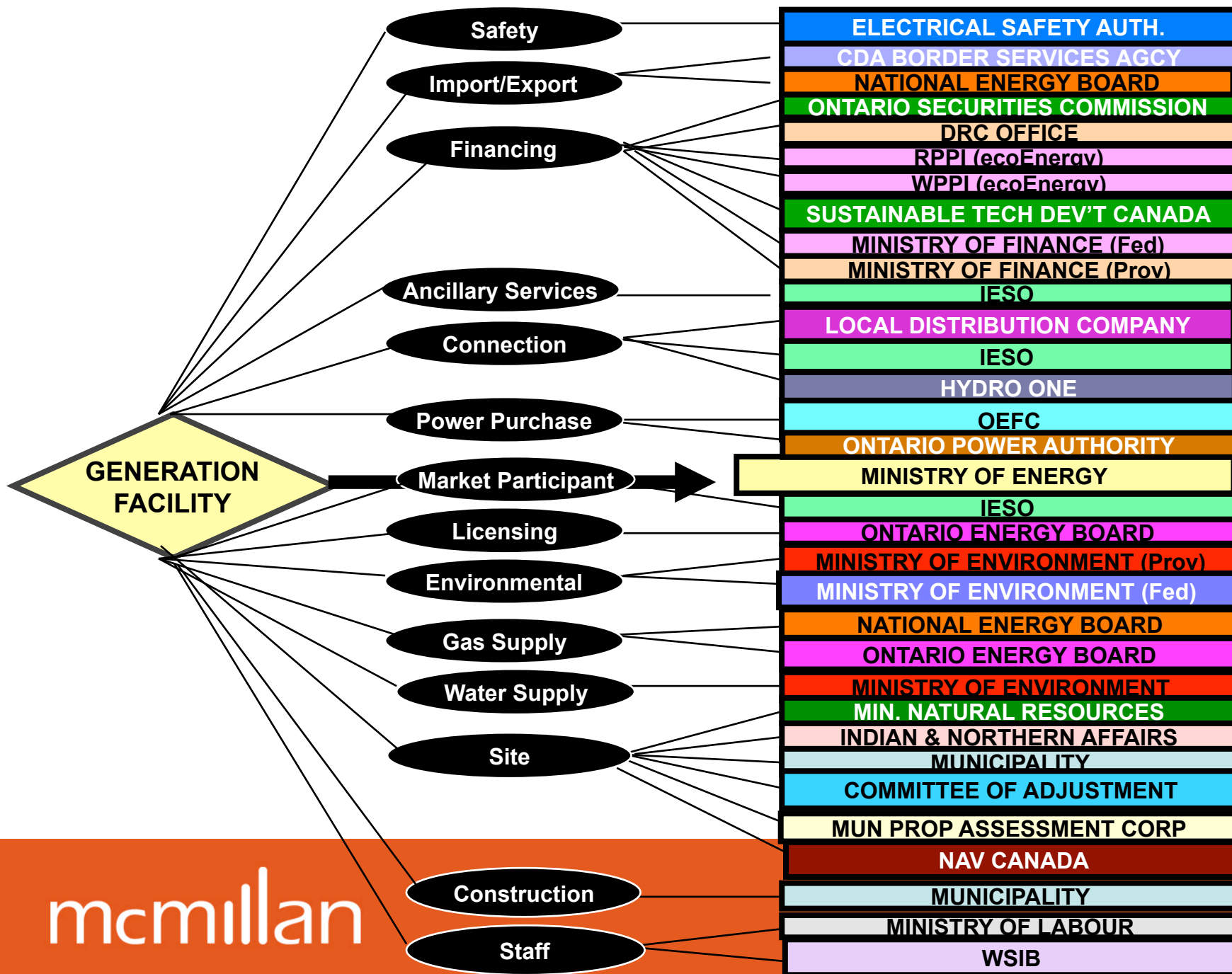
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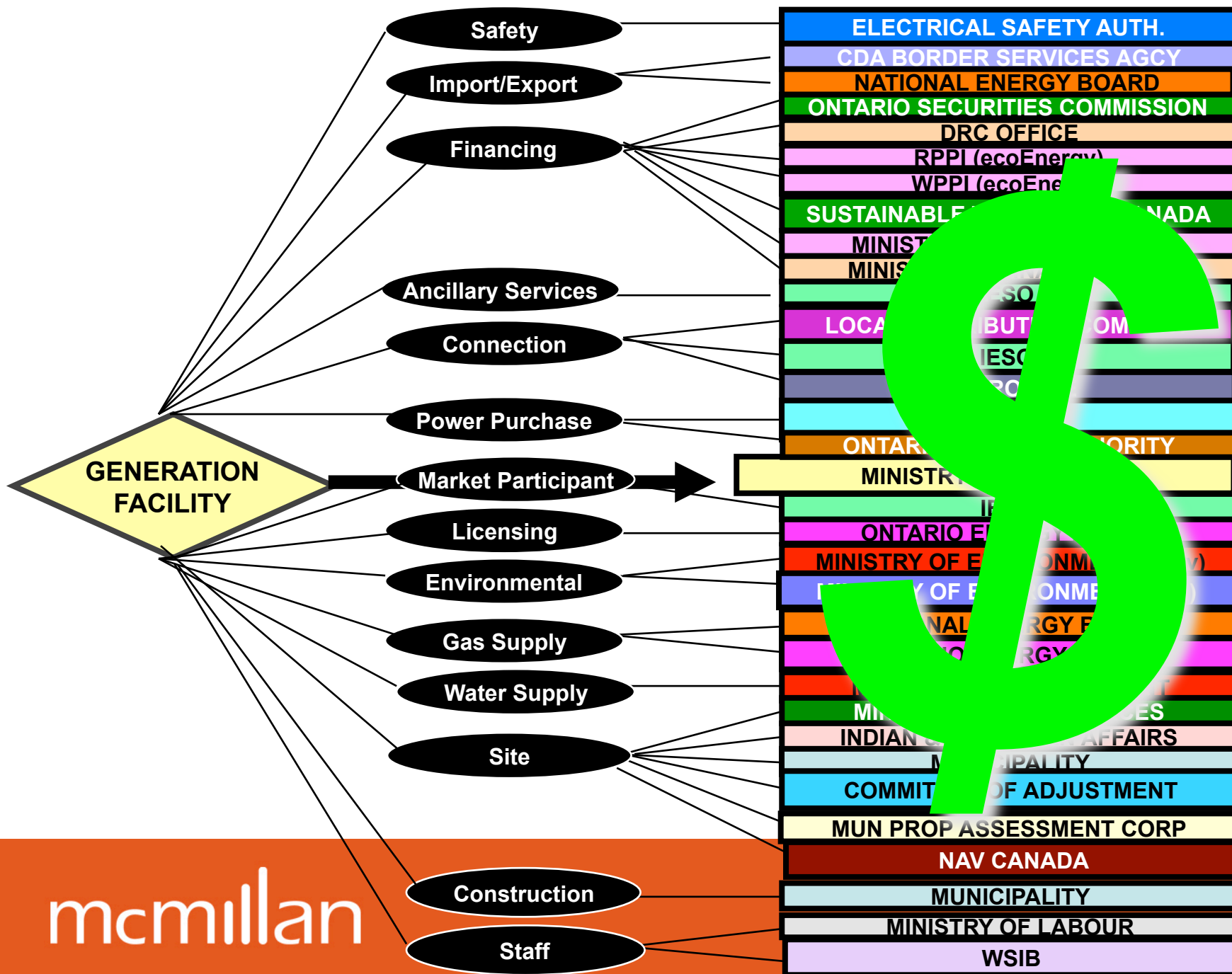












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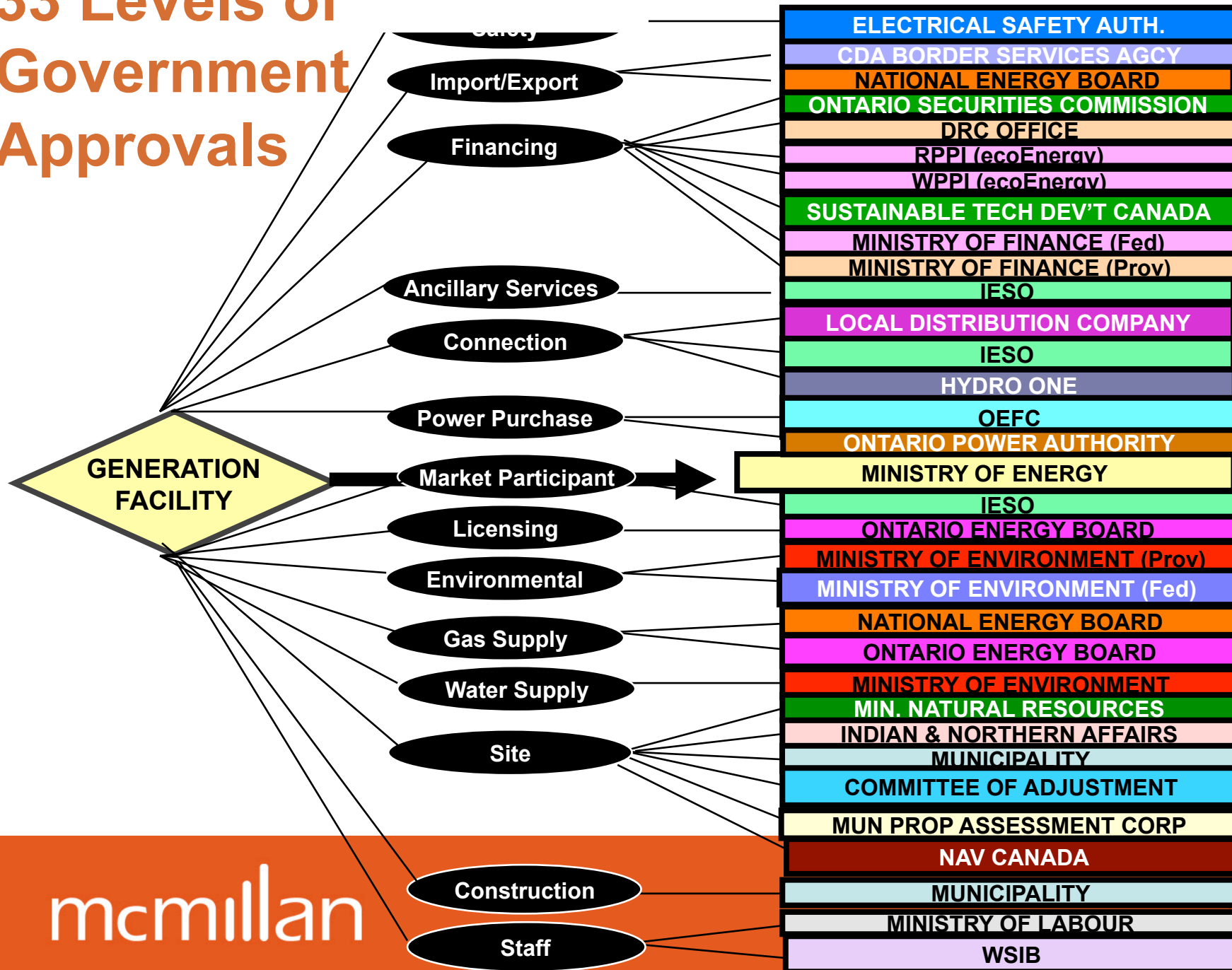
# 3 Levels of Government

**FEDERAL**

**PROVINCIAL**

**MUNICIPAL**

# 33 Levels of Government Approvals



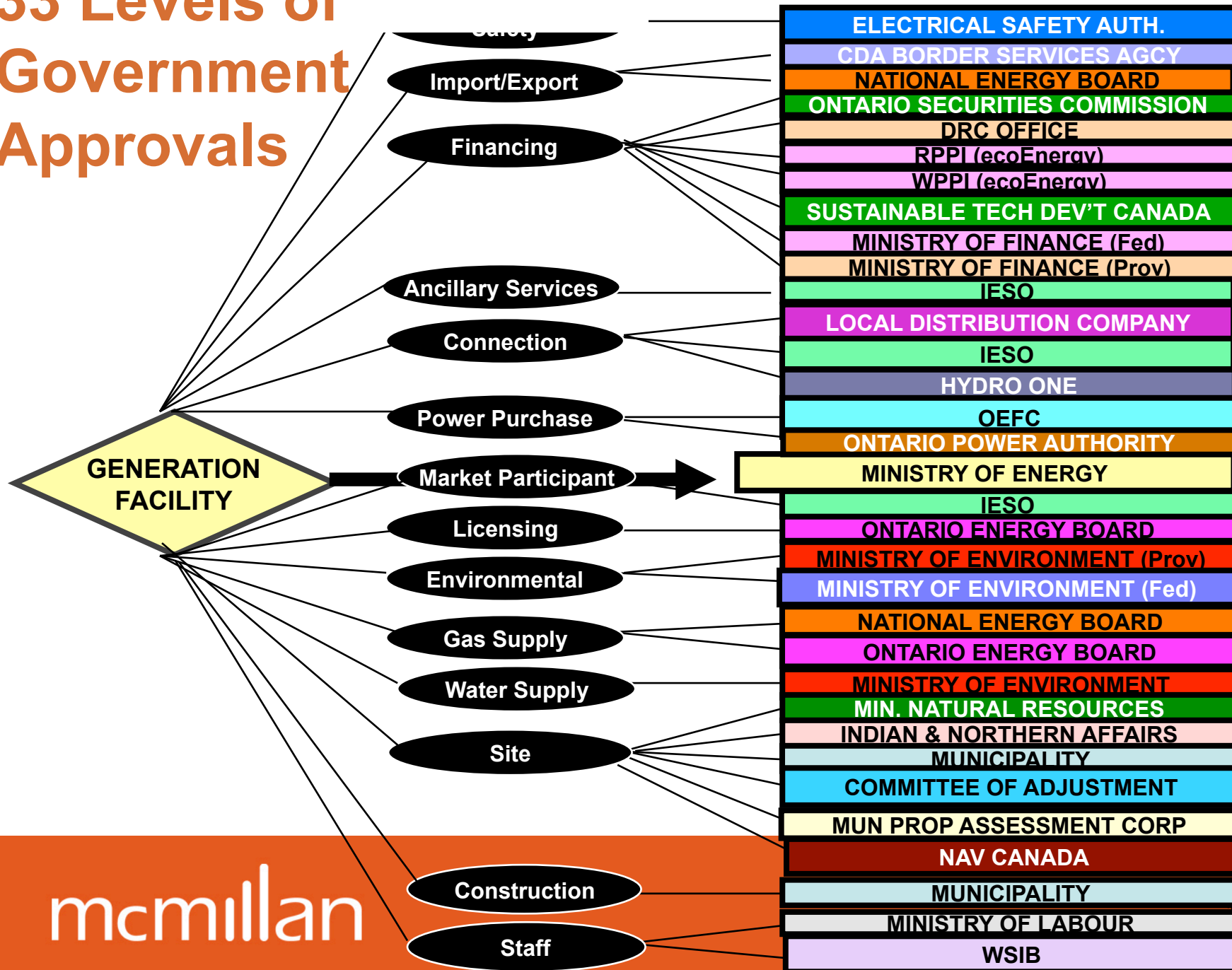
# 3 Levels of Government

**FEDERAL**

**PROVINCIAL**

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# 33 Levels of Government Approvals



# WHY political involvement?

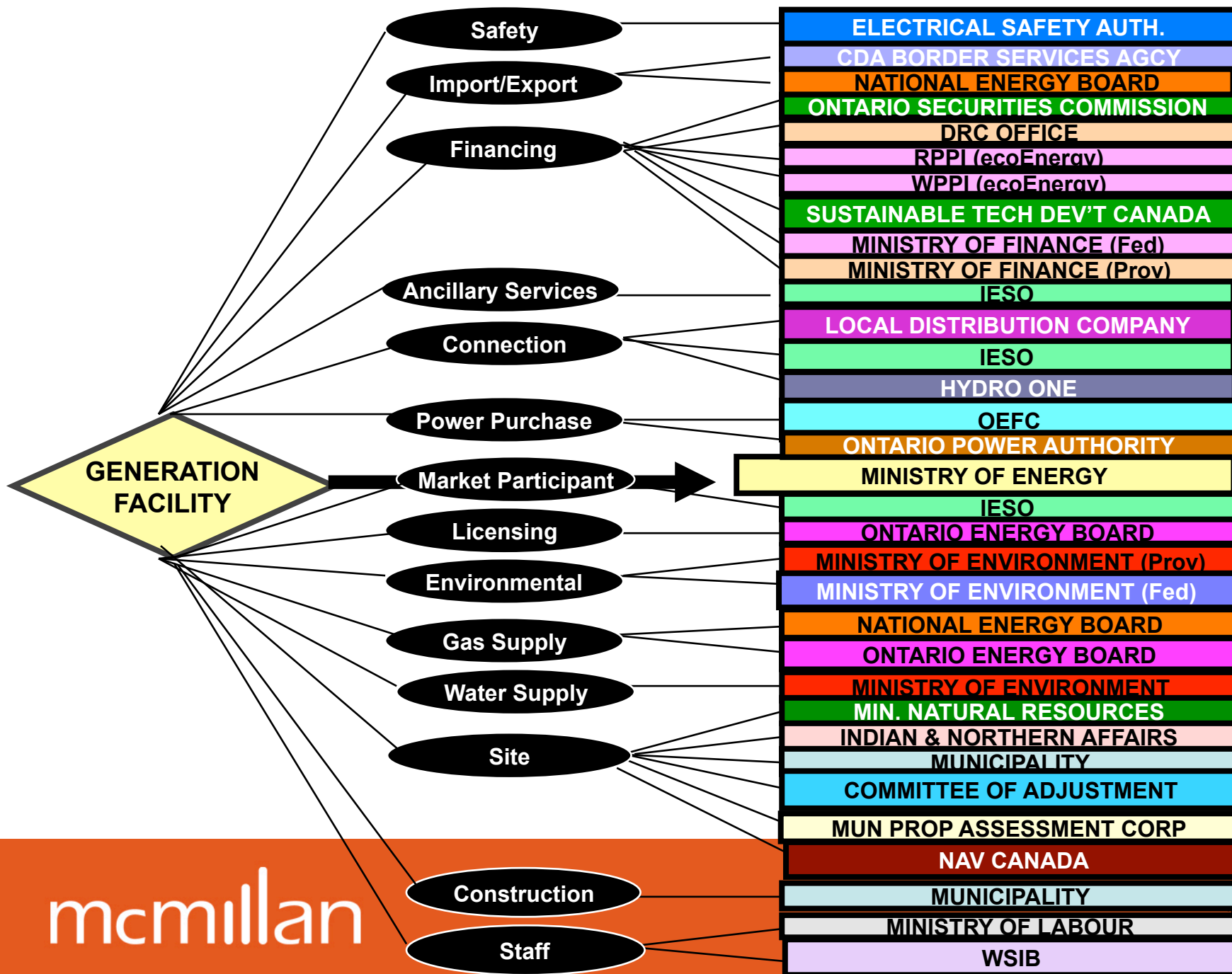


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# The 5 C's







# Effects of over-regulation: Ontario-Québec Intertie

Ontario Energy Board



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Ontario Environment Ministry



# Effects of over-regulation: Portlands vs. Hearn

- Lack of Transmission
  - Can't get power into Toronto
  - Distributed Generation needed inside the City

Portlands	Hearn
OPG ( <i>Provincially-owned</i> ) TransCanada ( <i>Canada</i> )	Toronto Hydro ( <i>City-owned</i> ) Constellation ( <i>U.S.</i> )
New building next door	Inside old building
\$700 million	\$560 million
Already permitted: Quick	Lengthy permitting process

# Effects of over-regulation: Portlands vs. Hearn



# Inherent Conflict

## – FREE MARKET

- Efficient
- Cost Effective
- On time
- On budget



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## – FREE ELECTIONS

- Responsible Gov't





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