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Co-operating with Washington on clean energy

What follows is an edited excerpt from a speech delivered by Environment Minister Jim Prentice to the Council for Clean and Reliable Energy in Ottawa on Sunday.

JIM PRENTICE

At the outset, let me emphasize the need to harmonize our regulatory regime with the regime that is evolving south of the border. Harmonize. Not follow.

The reasons for that are obvious: Canadians share a common environment with the United States. Our economies are integrated. And Canada is a major part of the North American energy equation.

We're a supplier, a business partner and a recipient of direct investment. We are not just the single largest supplier to the American market of oil, natural gas, hydroelectricity and uranium. If you live in the landlocked northern tier states, we are an indispensable supplier. We co-manage and co-own pipelines and power grids that transcend the border.

Canada and the United States have already moved down the path of policy convergence.

Last February, President Barack Obama and Prime Minister Stephen Harper agreed to commence a bilateral clean energy dialogue. We're jointly examining ways to build a more efficient power grid.

As well, we're expanding research and development into clean energy. One of the most promising areas for such co-

operation involves developing and deploying clean energy technology through carbon capture and storage (CCS).

In other areas, we have already found ways to harmonize regulations for industries that are fully mature, and have been integrated for generations. One good example involves the way in which we regulate the emissions from vehicles.

For a generation, Canadian and American automobile manufacturers effectively followed the same emission standards. The United States had mandatory standards for Corporate Average Fuel

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Economy, and Canadians manufacturers voluntarily complied with them.

But in 2007, the U.S. Congress passed legislation that prescribes new efficiency standards — a goal of 35 miles per gallon for the average new vehicle fleet by 2020. Last year, the U.S. Department of Transportation released a notice that it would increase fuel economy standards beginning with the 2011 model year.

We are also taking a collaborative approach with cap and trade: We will build a system in Canada that can be treated as equivalent to the system that will eventually be adopted in the United States. This does not mean we are waiting for the

Americans to act — far from it. It means that we are ensuring we create a system that does not inadvertently impose trade barriers.

Over the past months, I've met with every provincial and territorial leader to build consensus for a national position on climate change. We are looking for common ground on issues that, after all, often affect provincial and territorial jurisdiction. And there is indeed a consensus on at least one key issue: Each of the premiers and territorial leaders agrees we need to harmonize Canadian regulations — especially cap and trade — with the United States.

Canada has set its own targets. But targets that are within the range of U.S. objectives. By 2020, Canada has committed to reduce greenhouse gasses by 20% from their 2006 level; and by 2050 we are looking for a 60% to 70% reduction over 2006.

The nations of the world are responding to the challenges of climate change. Canada has developed many innovative technologies that will be vital in meeting those challenges.

We are researching, developing and deploying many new technologies. But the nuclear technology that we did so much to pioneer a half century ago will remain at the forefront of the global quest for clean and reliable energy.

As the sign reads on the walls of Indigo book stores across the country, “The World Needs More Canada.” That's true of our culture, yes. But it's true about our energy resources as well. And it is certainly true with respect to our energy technology — including yours.

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