

Electricity Privatization and Restructuring in Ontario and Abroad

November 30th, 2015

The Ontario government's decision to partially privatize Hydro One's transmission and distribution assets has restarted debate about the appropriate role of the private sector in the electricity industry, and ways in which privatization can affect short- and long-run performance. What will be the impact on costs, infrastructure investment, and rates of a part privately-owned entity? What can be learned from other jurisdictions that have also restructured their electricity sectors over the last 20 years?

Expert Panelists



Jan Carr

Jan Carr is the former CEO of the Ontario Power Authority and Vice Chair of the Ontario Energy Board. He has 43 years of experience in the electricity sector in both engineering and management. He has been a member of various public and private sector boards and is currently a member of the board of the Alberta Electric System Operator, an advisor to Gowlings and also to Hatch.



David Hay

David Hay is the former CEO of New Brunswick Power Corporation, and former Vice Chairman of CIBC World Markets Inc. where he focused on senior relationships with power, utility, and infrastructure clients. Prior to New Brunswick Power, he was a Managing Director with Merrill Lynch in Toronto and London.

Moderators



Guy Holburn

Guy Holburn is the Suncor Chair in Energy Policy, and an Associate Professor of Business, Economics, and Public Policy at Ivey Business School. His area of expertise is in the intersection of business strategy and public policy. Much of his research is applied to strategy and policy issues in the energy and utilities sectors.



Glen Wright

Glen Wright is the Chairman of the Council for Clean and Reliable Electricity, and also the Chairman of Waterloo North Hydro. Mr. Wright has served as the Chair of Hydro One Inc. and Chair of the Ontario's Workplace Safety and Insurance Board, and was a Member of the Commission for Environmental Cooperation. Mr. Wright is currently the Chairman of LeanCor Supply Chain Group.

Keynote Address: Stephen Littlechild

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Stephen Littlechild is Emeritus Professor, University of Birmingham, and Fellow, Judge Business School, University of Cambridge. He is an international expert on electricity privatization, competition, and regulation. Littlechild is the architect of the 'RPI-X' model of price regulation, and he was the first regulator of the U.K. electricity sector, appointed by Margaret Thatcher in 1989. He is now an advisor on power sector reform to the World Bank, governments, regulatory agencies, and corporations. He has also published some 200 papers on regulatory and other issues. Professor Littlechild has a Bachelor of Commerce degree, University of Birmingham, and PhD, University of Texas at Austin. He was awarded honorary degrees D Sc, Hon, University of Birmingham, and D Civ Law, Hon, University of East Anglia.



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Full Biographies

Stephen Littlechild – Stephen Littlechild is Emeritus Professor, University of Birmingham, and Fellow, Judge Business School, University of Cambridge. He is an international consultant on competition, privatization and regulation in the utility sector. Professor Littlechild advised the UK government on the regulation of the privatized industries during the 1980s. This included designing RPI-X incentive regulation for BT in 1983. He was the first Director General of Electricity Supply and head of the Office of Electricity Regulation (OFFER) from 1989-98. Previously he was Professor of Commerce at the University of Birmingham (1975-89) and Member of the Monopolies and Mergers Commission (1983-89). He has also been an Expert Member of the Airport Price Control Advisory Group of the Civil Aviation Authority (2005-9), and Commissioner at Postcomm (2006-11). He has advised the World Bank, governments, regulatory agencies and regulated companies in many countries including the UK, Poland, India, Algeria, Thailand, Philippines, Argentina, Brazil, Mexico, Italy, Germany, Australia, New Zealand, South Africa, Saudi Arabia, China, Russia, Romania, Guernsey, Jersey and Canada. He has published some 200 papers on regulatory and other issues. Professor Littlechild has a Bachelor of Commerce degree, University of Birmingham, and PhD, University of Texas at Austin. He was awarded honorary degrees D Sc, Hon, University of Birmingham, and D Civ Law, Hon, University of East Anglia.

Jan Carr – Jan Carr is the former CEO of the Ontario Power Authority. He has 43 years of experience in the electricity sector as an engineer, holding senior positions in the design and planning of electricity transmission and distribution systems. He is a member of the board of the Alberta Electric System Operator, an advisor to Gowlings, and he is a member of the Advisory Board for the Ivey Energy Policy and Management Centre at Western University. Dr. Carr formerly served on the Board of Directors of Guelph Hydro, TransAlta Power, Legend Power Systems, and Macquarie Canadian Infrastructure Management. He was a member of the Advisory Committee on Competition in Ontario's Electricity System (the Macdonald Committee) and Chairman of the Electricity Task Force of the Toronto Board of Trade. He was Commissioner and Chairman of the municipal electric utility in Niagara-on-the-Lake and a board member and regional Chair of the Municipal Electric Association in Ontario. In 2007 he was awarded a medal for Management by the Ontario Professional Engineers. He received an honorary degree from the University of Waterloo in 2010 and was inducted as a Fellow into the Canadian Academy of Engineering in 2012. In 2013, the Association of Power Producers of Ontario awarded him its Hedley Palmer Award, and in 2015 he was inducted into the University of Toronto's Engineering Alumni Hall of Distinction.

David Hay – David Hay is the former CEO of New Brunswick Power Corporation, and former Vice Chairman of CIBC World Markets Inc. where he focused on senior relationships with power, utility, and infrastructure clients. David has also led transactions for the sale by Borealis of its stake in Express Pipelines, for GDF Suez in the sell down of its Canadian renewables business, and for Cameco in the sale of its interest in the Bruce Nuclear Power Station to Borealis. With New Brunswick Power Corporation, he and his team executed a turnaround of the corporation. He was appointed by a Conservative government and renewed by a subsequent Liberal government. Focus was on operations, HR and financial performance. A ten percent reduction in headcount, introduction of Balanced Scorecard methodology and other techniques turned four years of losses – \$156 million – into five profitable years – \$285 million. A failed fuel deal with Venezuela was rehabilitated through a \$338 million settlement with the Chavez government. HR focus on “people at their best” resulted in a Top 100 Employer designation for three years and a zero lost time accident record over a 12 month period. Prior to NB Power, David orchestrated the IPO financing for Star Choice Communications, and the TSX public takeover of Champion Road Machinery by Volvo. From 1984 to 1996 David worked for Merrill Lynch in Toronto, and London, England, with the bulk of his career spent in European Mergers and Acquisitions, leading to his role as Managing Director. On his return to Canada, David was a Senior Vice President and Director responsible for Mergers and Acquisitions. A lawyer by training, he started his career at Osler, Hoskin & Harcourt in Toronto, was a Law Clerk at the Supreme Court of Ontario, and taught part time at both the University of Toronto and University of New Brunswick.