

### Electricity Update

*More People For Ontario—But Not More Kilowatts, Says Power Agency*

Ontario should be able to add two million people to its population without increasing its electricity use, says the Ontario Power Authority. Better conservation should be able to tame demand for more power, Amir Shalaby of the power authority said Tuesday.

Ontario's population could grow by about two million over the life of the province's long-term energy plan, which runs to 2030. That means more housing, more workplaces and more commercial buildings will be constructed. "Almost all the growth in energy demand has to be met by conservation", he said.

Energy Minister Bob Chiarelli's "conservation first" policy, is meant to blunt that growth with conservation measures. That could mean tougher energy standards for light bulbs and appliances, changing building codes to make new structures more energy-efficient and other policies giving energy users an incentive to use less power. John Beaucage, who represents First Nations on the advisory committee said the province needs to find practical ways to help low-income and non-urban Ontarians conserve energy. "We're telling low income people that to save power they have to buy \$8 light bulbs", he said.

Mid-sized industries and commercial building owners don't have enough pricing incentives to reward them for conservation. When the province has surplus power, it's often exported for extremely low prices instead of being put to use in Ontario. It's led to expensive electricity, said Adam White of the Association of Major Power Consumers of Ontario.

"We have to think about price not just cost."

SOURCE: The Star

### Renewable Energy Update

*EU Scraps Its Own Modest Green Energy Targets Despite Willingness To Lecture Canada*

Europeans have never been shy about calling out Canada for everything from the harvesting of baby seals to its treatment of aboriginal peoples to, of course, the great abomination of the moment, which is how Europeans regard what they call Alberta's "tarsands".

Given Europe's willingness to tell Canada and the rest of the world how to behave in their own backyards, it's ironic that the European Union announced last week that it wants to scrap plans for what were already fairly modest mandatory targets on energy produced from renewable resources such as wind power and solar power.

An important consideration has been that European businesses must compete against American firms that are seeing their energy costs reduced dramatically by the flood of oil now entering the market. European businesses pay less than consumers for energy, in recognition of the importance of energy pricing to their competitiveness. They are demanding subsidies for consumers too. Most Europeans still refuse to acknowledge shortcomings, to do so would be admitting to being wrong about a lot of things, would call into question a lot more than just their environmental policies.

Under Stephen Harper, Canada has been more honest about the price of renewable energy being higher than touted. But the Europeans who attack Mr. Harper's government on the environmental policies do not acknowledge that Stephen Harper has been right about any of this. Despite the obvious failures and policy reversal, the orthodoxy still prevails in Europe that its green agenda, including subsidies for the renewable resources industry has been right.

Talk is of delays, not a re-think of policies. But the high-minded Europeans should get their own shop in order and stop the hypocrisy of lecturing Canada about its supposed shortcomings.

SOURCE: National Post

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**Graph Captions**

**A.** Stock levels recorded on November 8 of 3,834 billion cubic feet (Bcf) would mark the 2013 natural gas inventory peak if storage withdrawals continue in the coming weeks. Working natural gas inventory levels on November 8 were 84 Bcf below year ago inventories, and marked the fifth-highest annual level recorded by EIA, following a recent trend of high inventories at the start of winter.

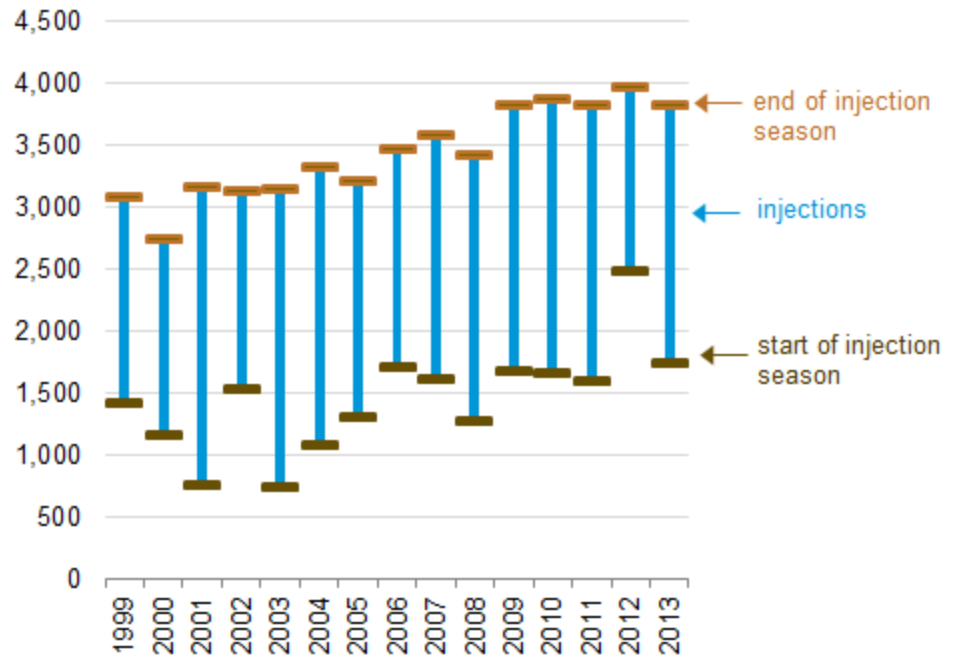
Source: EIA

**B.** Cold temperatures are expected in the coming week; however, continued strong production and storage levels may help to mute potential price increases.

Source: EIA

**U.S. natural gas injection season, 1999-2013**

billion cubic feet



Source: U.S. Energy Information Administration, Natural Gas Monthly.

Note: Traditionally, the natural gas storage injection season has run from April through October, although in recent years net injections have occurred outside of those months. The end-of-injection-season volume for 2013 is an estimate of October 31 storage levels based on an interpolation of Weekly Natural Gas Storage Report data for the weeks ending on October 25 and November 1.



**Natural gas spot prices (Henry Hub)**

\$/MMBtu



Source: Natural Gas Intelligence