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National Energy
Board

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CAMPUT presentation to NARUC

Electricity Exports and the EPA's Proposed Clean Power Plan

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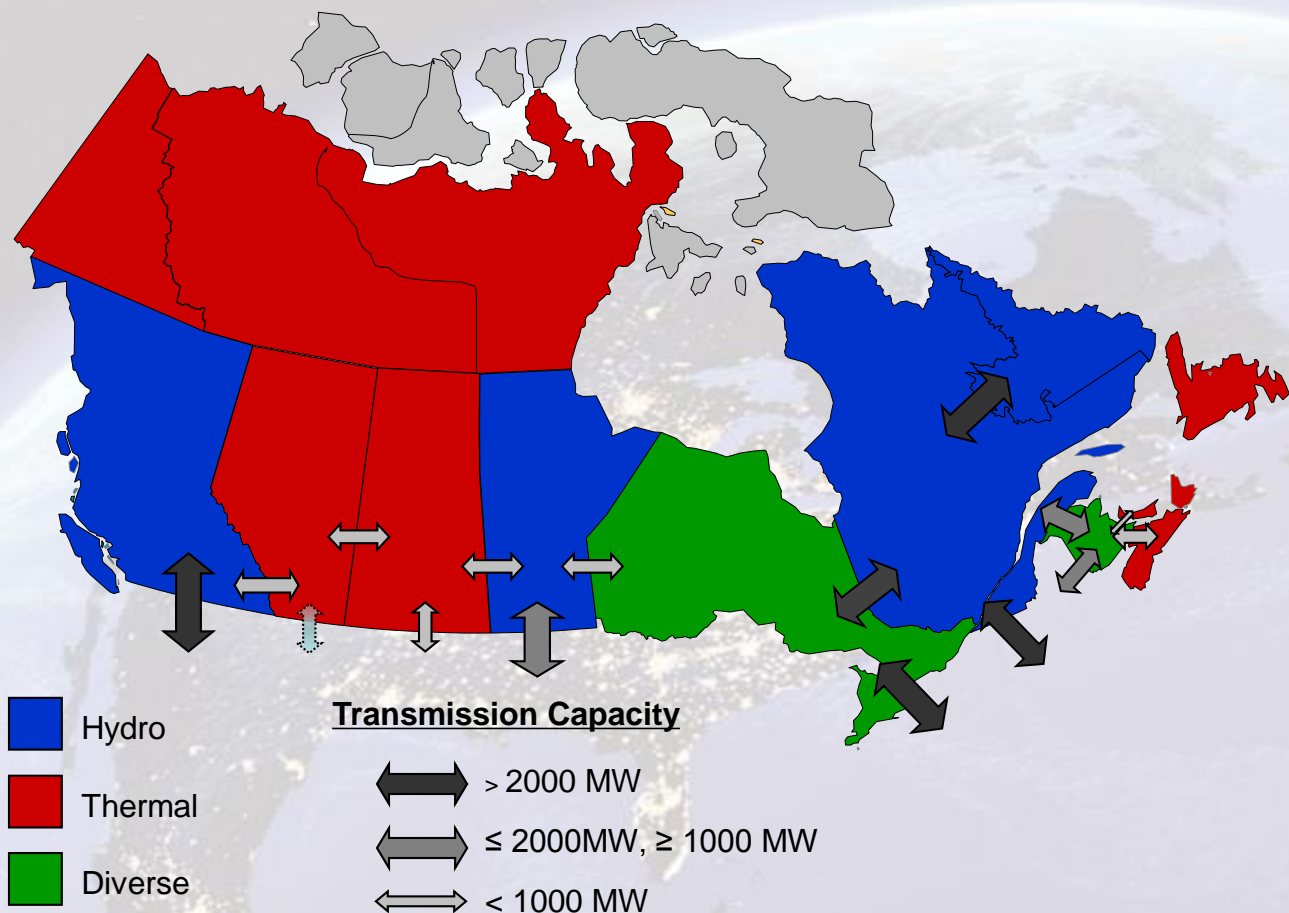




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International Power Lines and Interprovincial Power Lines





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Section 111 (d) of the Clean Air Act and the Clean Power Plan (CPP) - proposed rule

Clean Air Act Section 111(d) - EPA is required to develop regulations for significant sources of air pollution without regard to source location or existing air quality.

June 2014 draft Clean Power Plan Proposed Rule

- EPA proposed state-specific rules to cut carbon emissions from existing power plants (to be finalized in July 2015).
- EPA sought comments on the treatment of hydro electricity in general and specifically on the role of renewable energy imports from Canada
- New hydro is more valuable than existing hydro facilities to a state from a compliance perspective

Canadian Electricity Association comments on proposed rule focused on
- “the treatment of renewable energy, demand-side energy efficiency and other new low- or non-emitting electricity generation across international boundaries in a state plan”.



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Canadian HydroPower and the Clean Power Plan Report

- Report analysed the role that Canadian imports play and the potential effects of the CPP.
- Review of CPP comments:
 - Generally recommended that Canadian imports be treated similarly to domestically produced electricity
 - Handful of concerns included: double counting, assurance that Canadian RE would be offsetting domestic fossil generation, and the prevention of leakage.
- Report concluded three paths for electricity imports that the EPA could take:
 - Treat imported hydropower the same as interstate hydropower, including it as a qualifying resource when coming from new capacity, but not when coming from existing capacity;
 - Do not include internationally imported hydropower as a qualifying resource in any circumstance; or
 - Include internationally imported hydropower from both new capacity and existing capacity that had not previously been utilized.

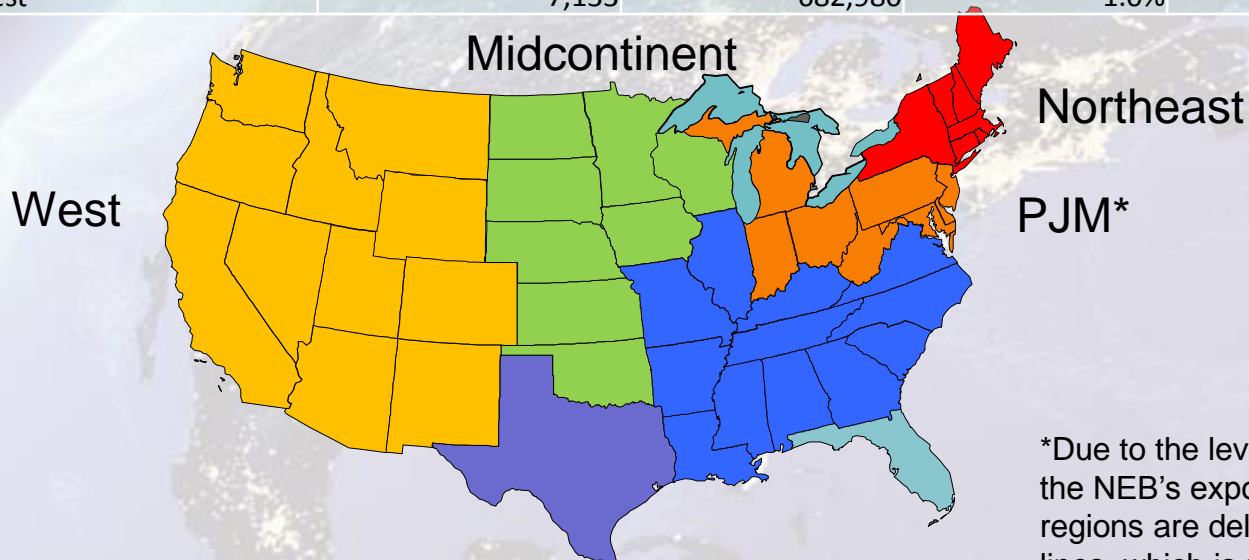


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Canadian Electricity Exports by Region

Region	Imports of Canadian Electricity in 2013 (GW.h)	Total Electricity Use in 2013 (GW.h)	Canadian Exports Share of Regional Use	Announced Coal Retirements 2011-2025 (MW)
Northeast	37,683	175,476	21.5%	2,688
Midcontinent	10,099	243,469	4.1%	12,017
PJM	7,884	923,262	0.9%	24,684
West	7,133	682,980	1.0%	7,578



*Due to the level of granularity in the NEB's export data, these regions are delineated along state lines, which is not always the case with NERC's subregions.



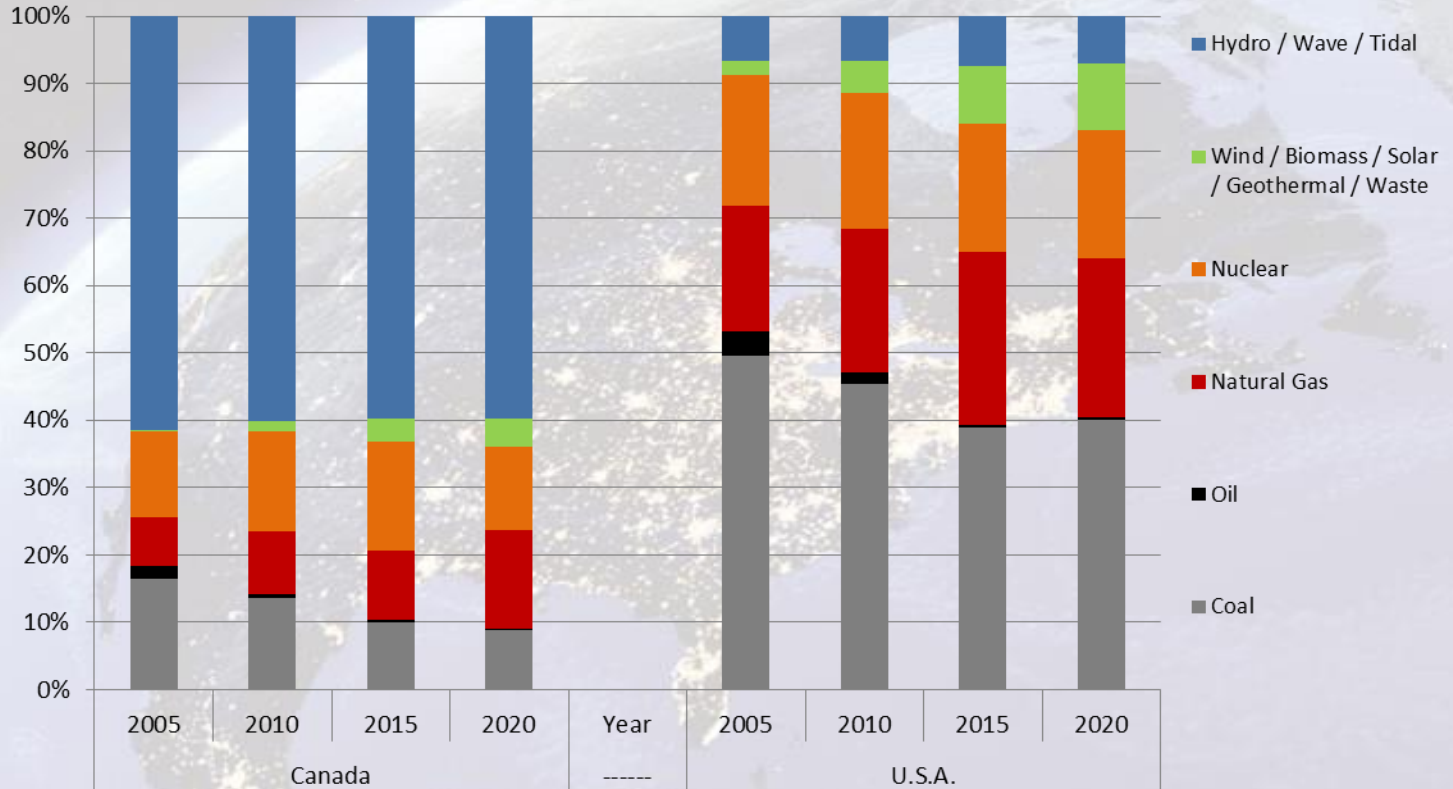
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Electricity Generation: Canada and U.S.

Canada -- U.S.A. Electricity Generation by Fuel: 2005-2020

Source: Statistics Canada, National Energy Board, Energy Information Agency



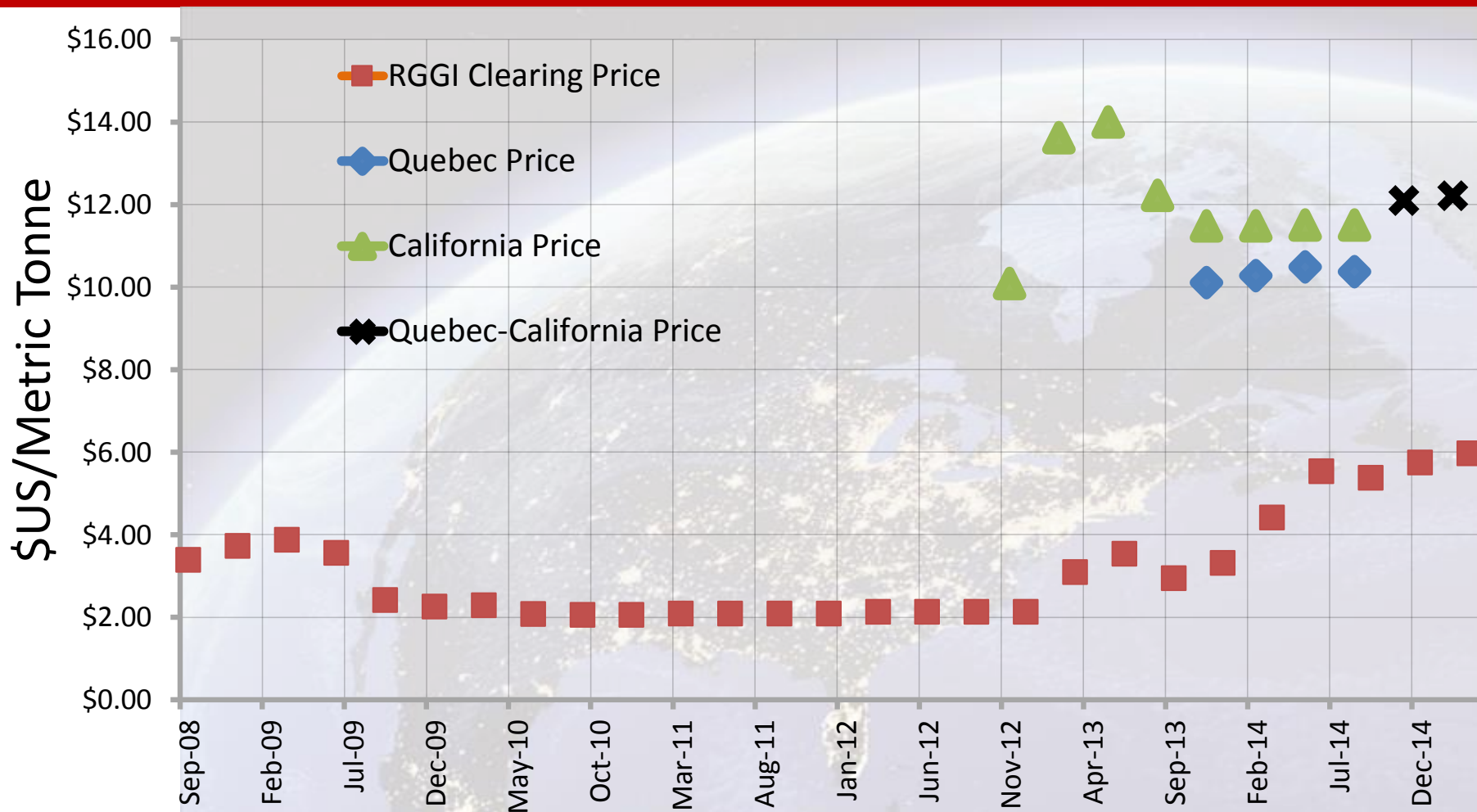
Large Hydro



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Carbon Market Prices





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Integration of Cleaner Energy in North America

