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Association québécoise de la production  
d'énergie renouvelable

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# The Renewable Energy Business Landscape in Quebec

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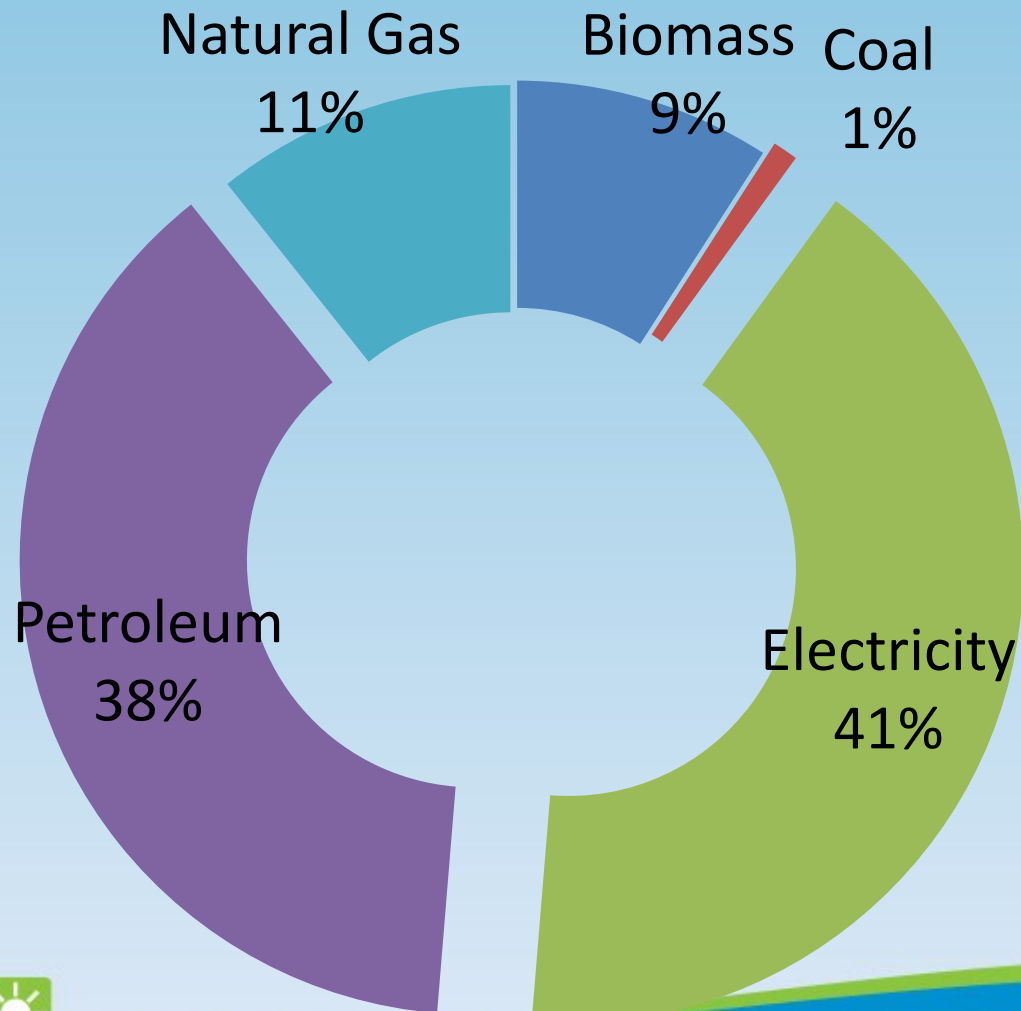
# Outline of Presentation

- 1) Quebec's energy status
- 2) Wind energy in Quebec - the context
- 3) Government wind energy development policy
- 4) Social acceptability
- 5) Wind energy score card
- 6) What to expect from the new government
- 7) Conclusion

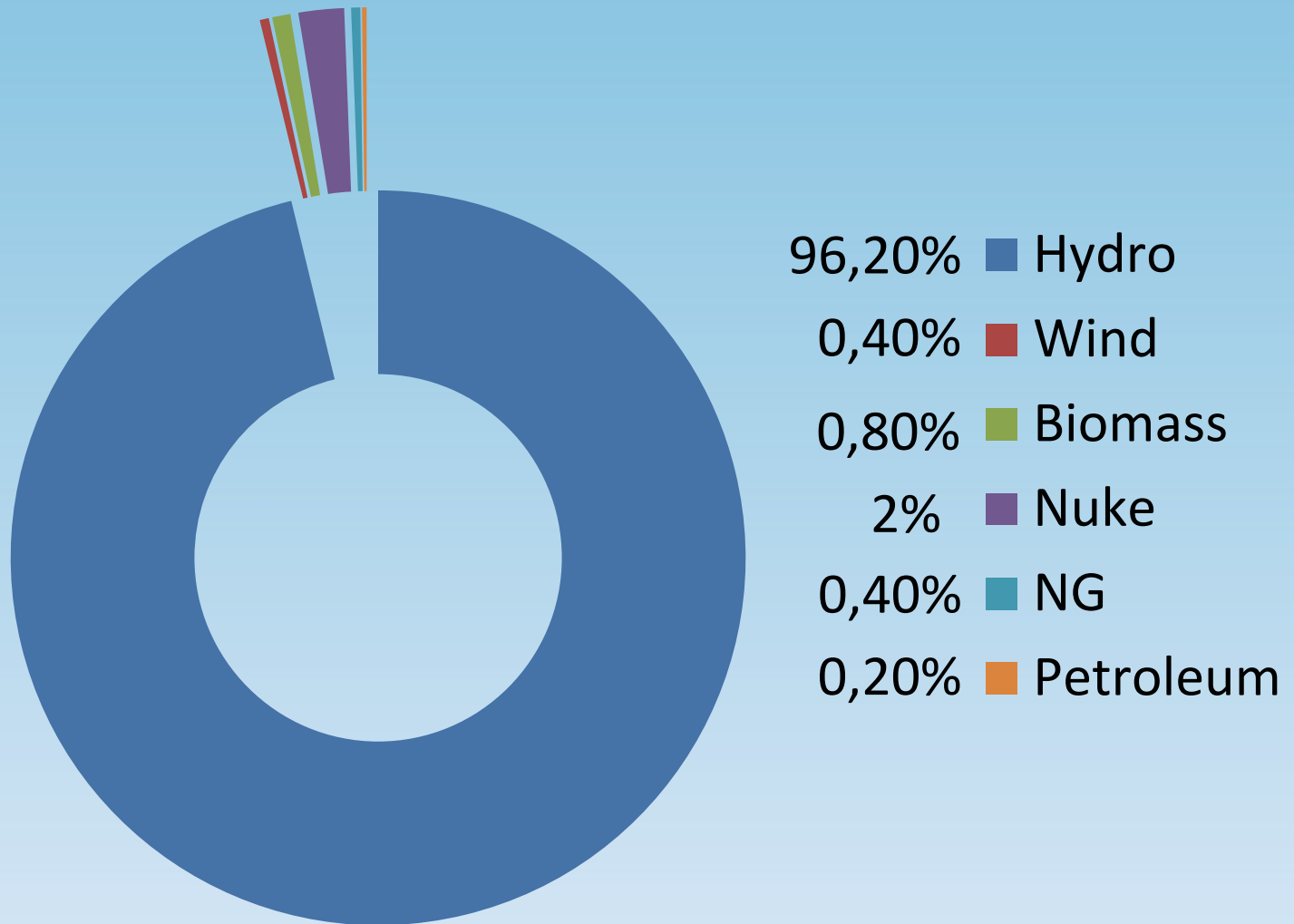


# 1- Quebec Energy Situation

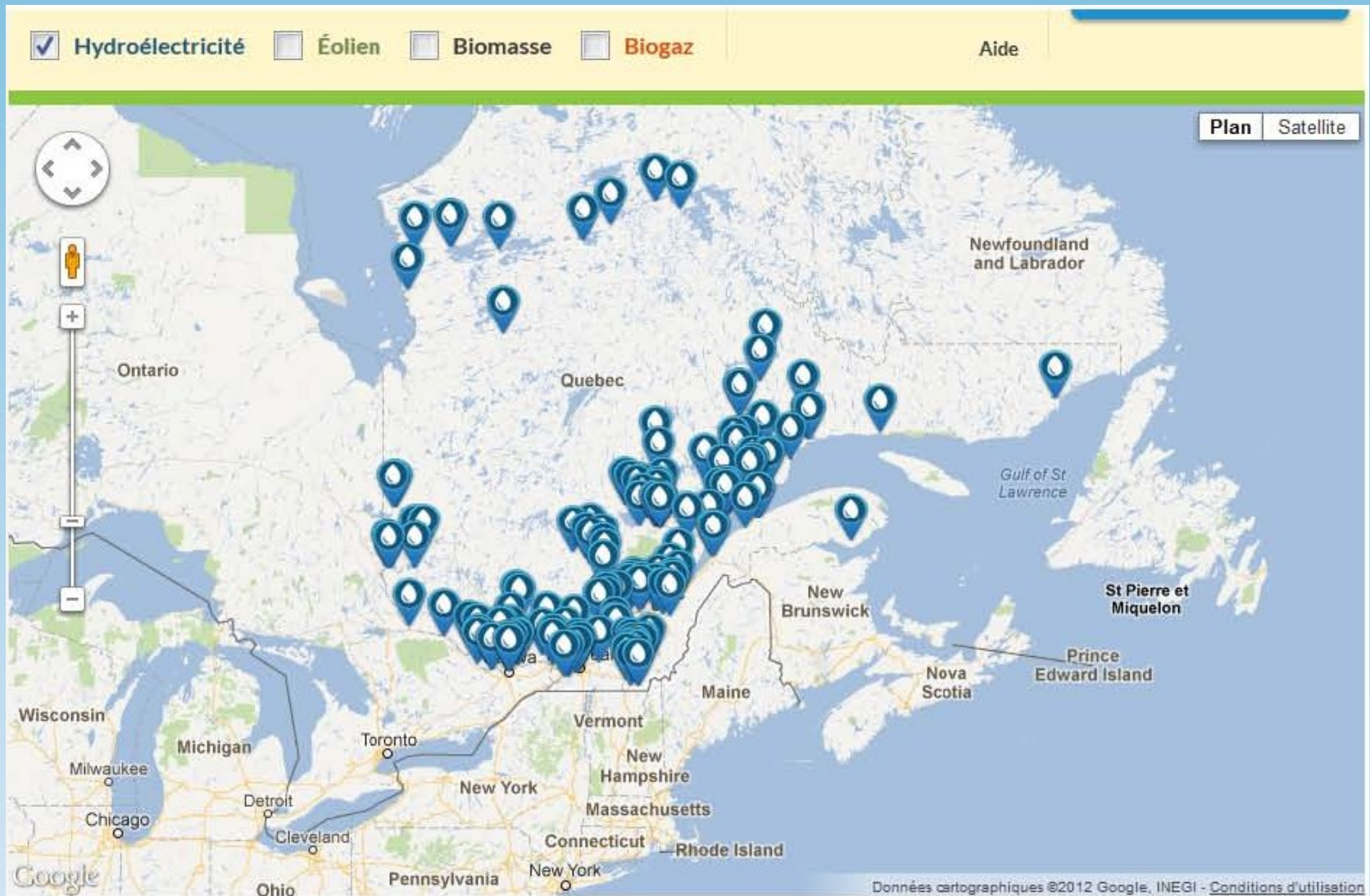
2008 : 40,7 M Tep



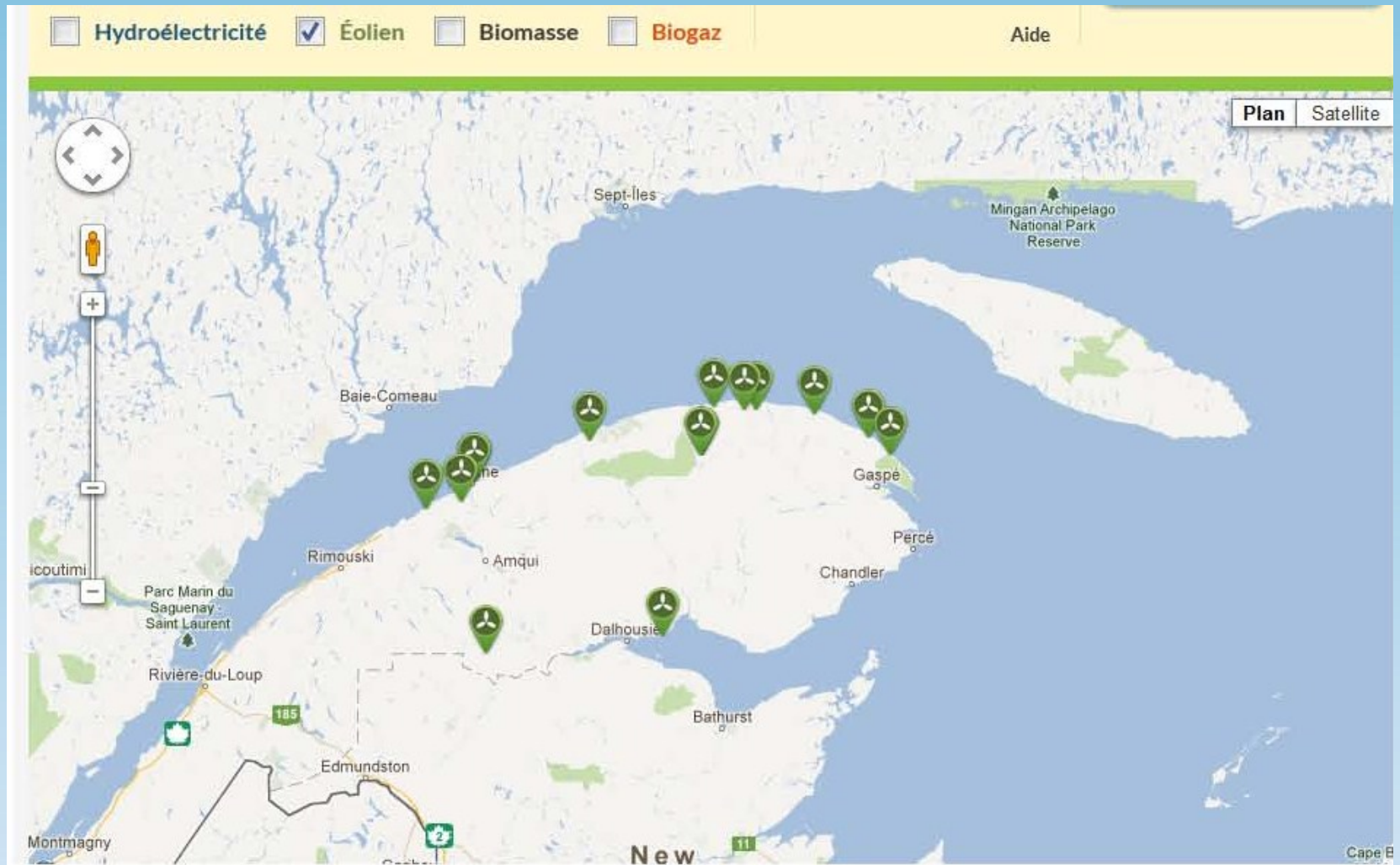
# Sources of Electricity Production - 2008



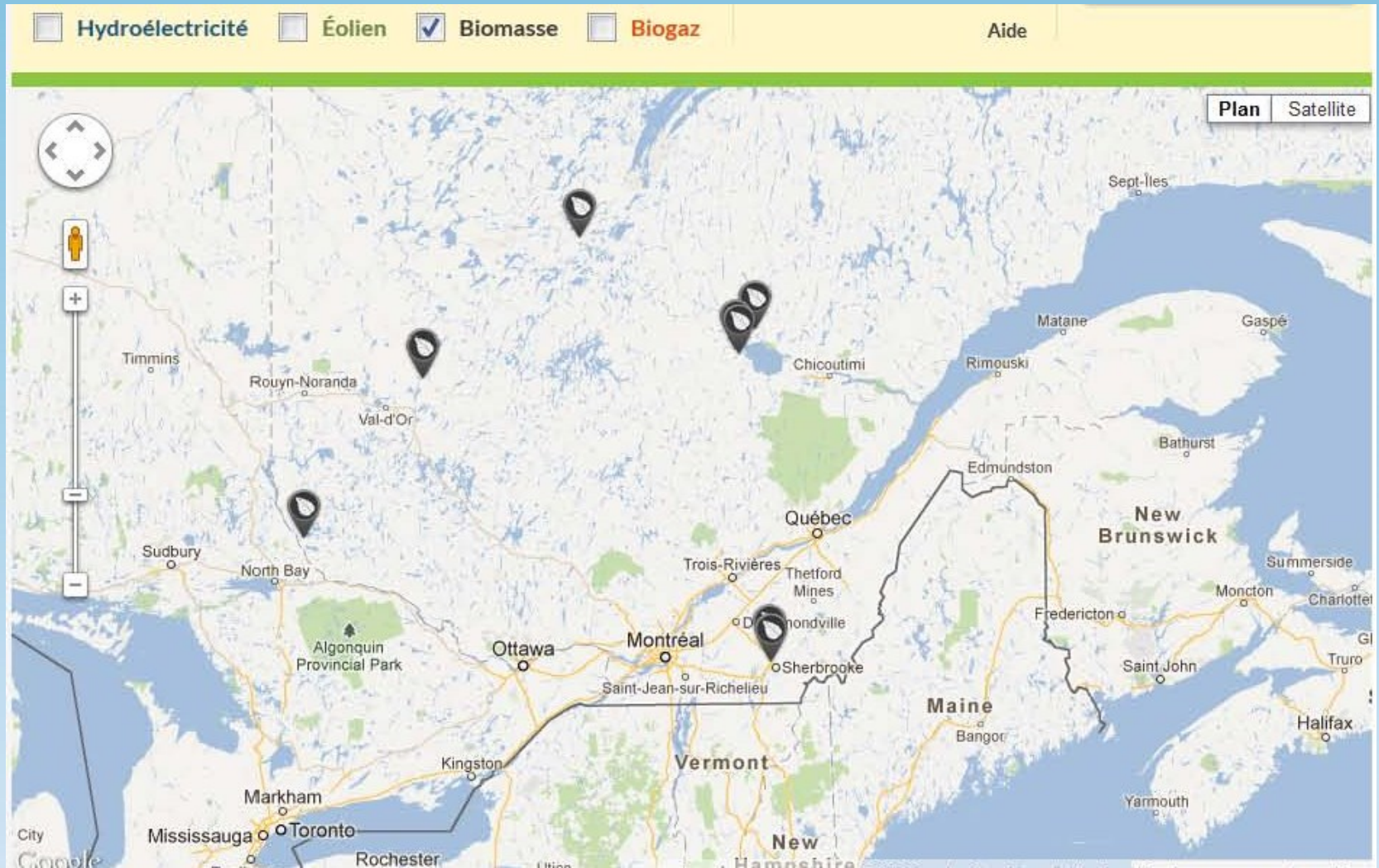
# Quebec Hydroelectric Power Plants



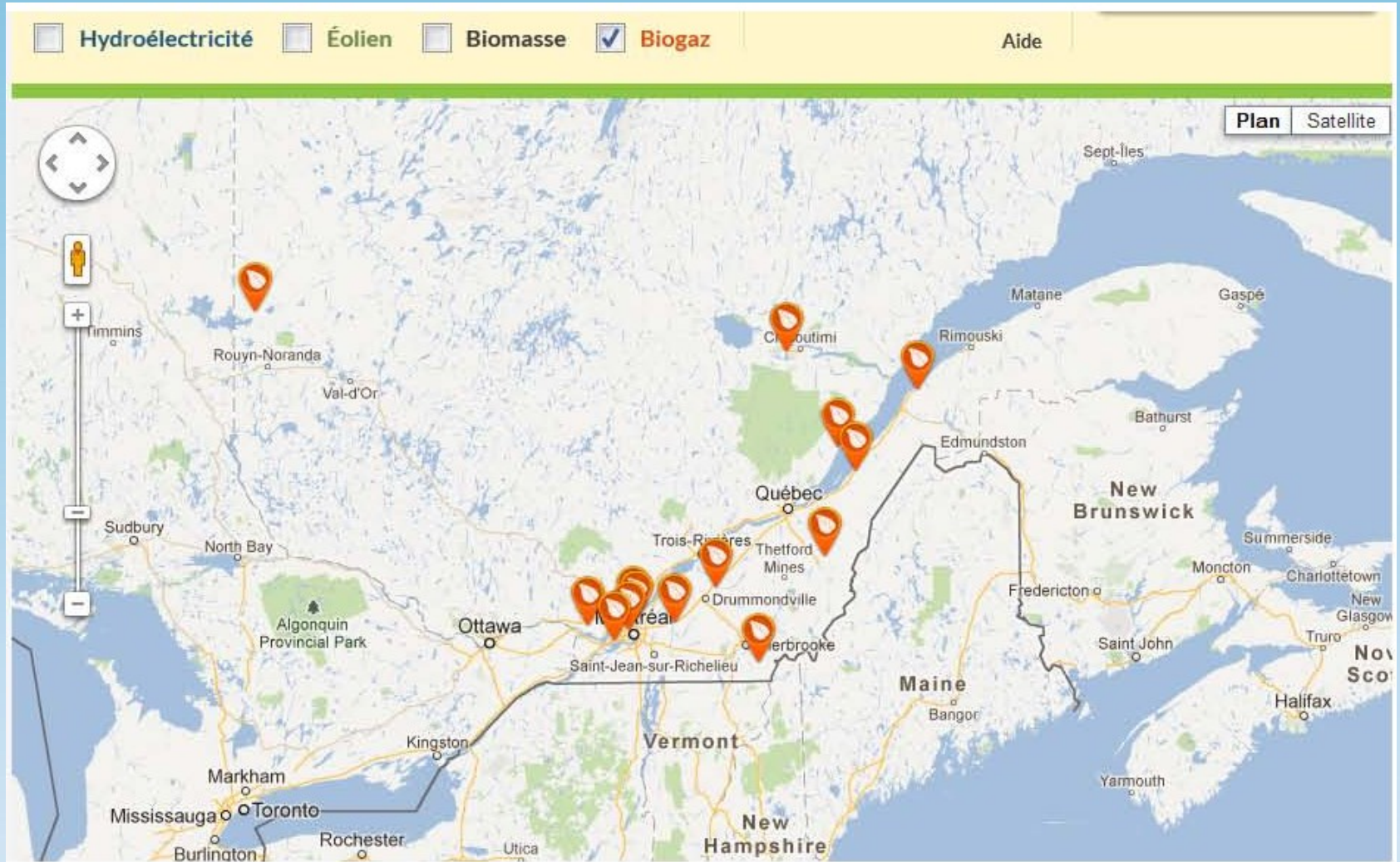
# Quebec Wind Farms in Operation



# Quebec Biomass Power Plants



# Quebec Biogas Sites





# Observation no 1

- Renewable energy accounts for 50% of Quebec energy consumption
- Hydro power is the cornerstone
- Hydro-Quebec produces about 95% of the province's electricity
- IPP and municipalities stand for 5%
- Wind, biomass and biogas are on the rise



# 2- Wind Energy in Quebec

- Wind energy is developing quickly
- By 2015, it will account for 3300 MW of installed capacity



# The Context

- 2001 - HQ announces the *Le Suroît* project. The population rallies against it.
- 2003 - Adoption of decree no. 352-2003, setting in motion the process for the first request for proposals for 1000 MW



# The Context

- 1978 - Government adopts *Assurer l'Avenir* (“providing for the future”)
- 1998 - Commissioning of Le Nordais 100 MW wind farm



# Quebec opens the door to wind energy development through decrees

Hydro-Quebec issues 3 RFPs:

- May 12, 2003 for 1000 MW
- Oct. 31, 2005 for 2000 MW
- April 30, 2009 for 500 MW
  - 250 MW community
  - 250 MW First Nations



## Response to First RFP

Number of MW offered

4292

Number or MW retained

990

Median purchase price

6,3 ¢/kWh



## Response to 2nd RFP

Number of MW offered

7798

Number of MW retained

2008

Median purchase price

8,7 ¢/kWh



## Response to 3rd RFP

Number of MW offered

1050

Number of MW retained

291

Median purchase price

11,3 ¢/kWh





# 3- Government Strategy

Government strategy to have 4000MW installed capacity by 2015 is going well, but the RFP process does have negative sides:

**While preparing their proposals, project proponents are in competition. They must play it close to the chest.**



# 4- Social Acceptability is Crucial

Before people accept wind farms on their turf, they expect transparency. They want:

- To be respected
- To be consulted
- To be heard
- To understand the project
- To get something out of it
- To preserve their quality of life



Once proposals are submitted, successful proponents must:

Organize information sessions

Publish information on the project

Meet with host communities

Listen to comments

Make sure people's comments are taken into consideration by project engineers

Go back and consult again after the project has been modified



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- Two-way conversations are the basic building blocks of mutual understanding and neighbourly relations
- Creating a follow-up committee is essential
- Maintaining close contact with the local business community maximizes benefits to host communities
- The developer must adapt to the host community, not the other way around



# Wind Energy Score Card as at June 15, 2012

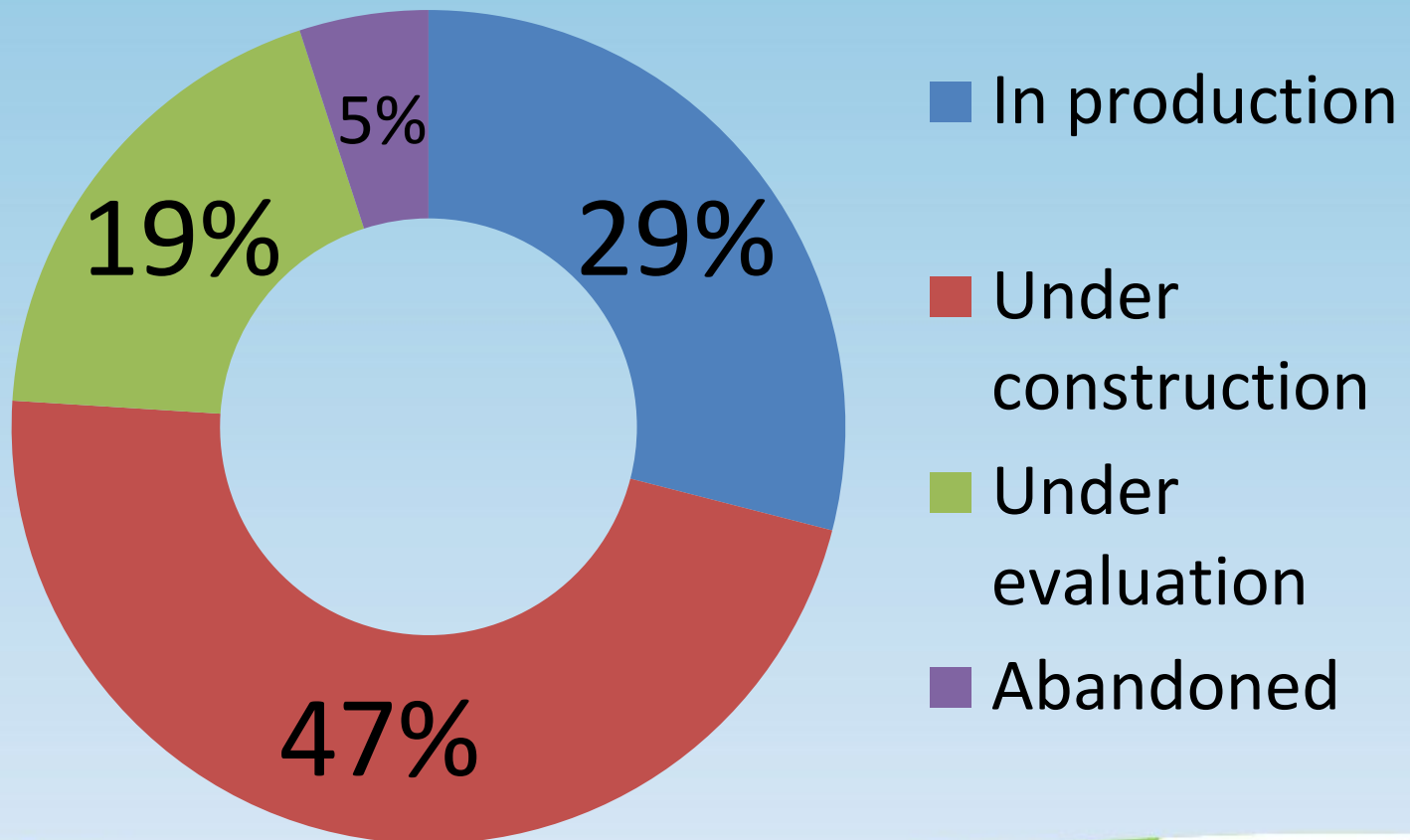
The first 2 RFPs included **24 projects** for a total of **2998 MW**. Of these:

Number of abandoned projects	<b>1</b>
Number of relocated projects	<b>3</b>
Expected completion rate	<b>96%</b>



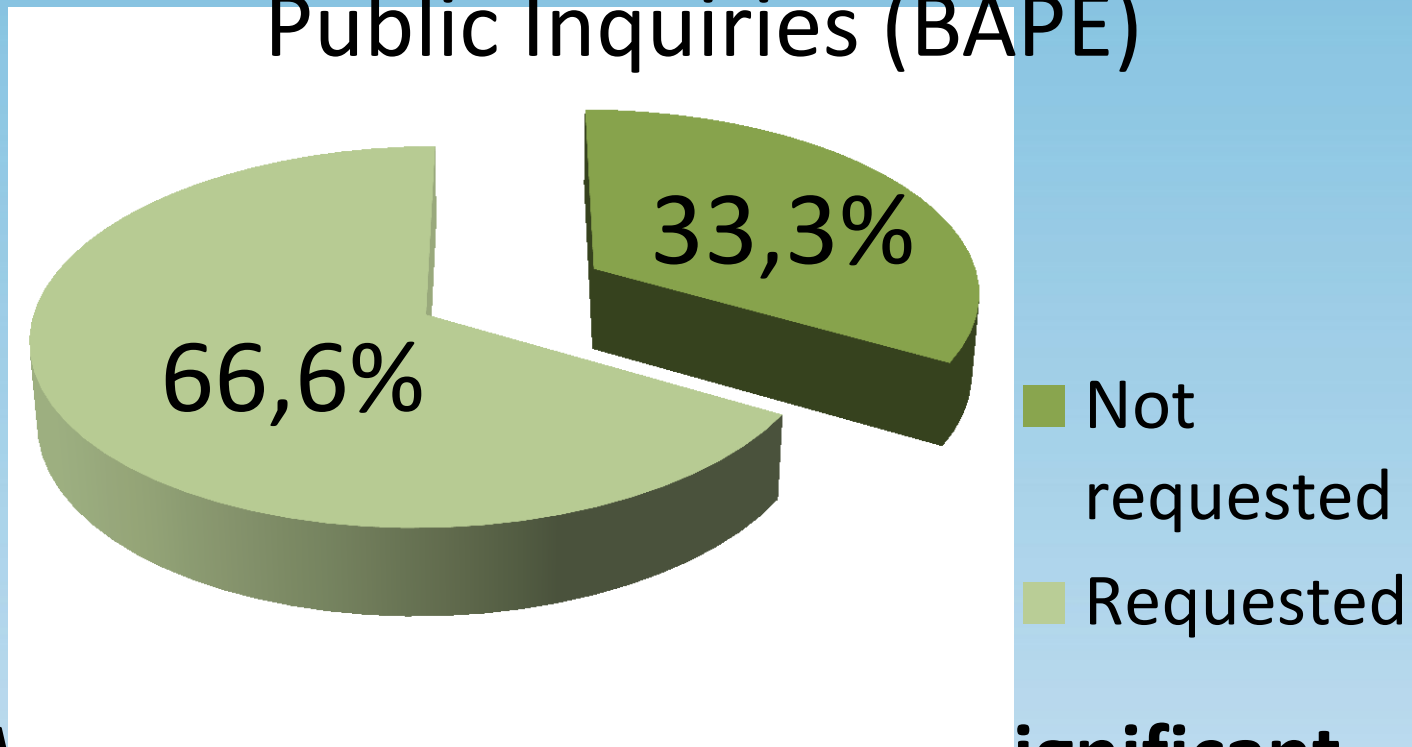
# 5-Wind Energy Score Card

On 2012-06-15: 2998 MW



# Wind Energy Score Card

## Public Inquiries (BAPE)



**Wind energy projects enjoy significant acceptability and do not require public inquiries by the BAPE (Quebec bureau of public inquiries for the environment)**



## Observation no 2

100%

Of the projects without social acceptability are not built

1/3

Of the projects retained did not require public inquiries by the BAPE





## Observation no 3

Consensus is not unanimity, but there are consequences to having only marginal social acceptability:

↑ list of conditions on decree authorizing construction

↑ time required to obtain decree



## 6- What to expect from the new Quebec government

1. Quebec will get out of nuclear power
2. Renewable energy will continue to develop
3. Industry expects a 700 MW RFP
4. Biogas could develop significantly



## 6- Conclusion

- Renewable Energy is significant in Quebec and will continue to be so
- Social acceptability is THE key factor in project success
- A closer relationship would benefit both the Quebec and the Vermont renewable energy sectors



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