

The Canadian Electricity Association

Background

The Canadian Electricity Association (CEA) is the industry association for the Canadian electric utility industry. The Association also includes many companies with an interest in the electricity business.

The CEA comprises thirty-three corporate utility members. Together, these members account for 95 per cent of Canada's installed generating capacity. CEA members employ approximately 90,000 people and earn gross revenues of \$30 billion.

Association members are in the business of providing electricity to industrial, commercial and residential customers. They are involved in electricity generation and distribution and seek to provide customers with reliable supplies of electric power. Electricity generation activities are of many types including, hydroelectric, coal-fired, and nuclear, among others.

Environmental Issues

The business of electricity generation and distribution involves complex interactions with the natural and socio-economic environment. Among the environmental issues that have been associated with electricity are concerns related to greenhouse gas emissions, acid rain, air quality, fish and wildlife habitat loss, herbicide use, and PCBs.

For some time, this industry has been perceived as lacking credibility on environmental management. Public opinion polls have consistently shown the utility industry to be among the industry groupings most lacking credibility in this area.

Rapid changes in the factors influencing the electric utility industry are also giving rise to new environmental considerations. Deregulation, new technologies, increasing public/government scrutiny and growing competition are all contributing to increased pressure on the industry to improve its performance on the environment. Deregulation and increasing competition increase the need for electric utility to use environmental management practices as a tool for securing and gaining market share. Increasing scrutiny creates pressure for the industry to provide transparent practices and procedures that address stakeholder concerns.

Voluntary and Non-Regulatory Initiatives (VNRI's)

On November 24, 1997, the CEA launched a new voluntary initiative known as the Environmental Commitment and Responsibility (ECR) Program. The Program is aimed at improving the environmental performance of member utilities and to effectively communicate the results; this with a view toward improving credibility and trust with constituents.

The ECR Program is based on four driving principles for environmental management. These include:

- to be more efficient in the use of resources