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Marine Renewables Canada Submission regarding Bill No. 175 – Marine Renewable-energy Act

Submitted to: Law Amendments Committee

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Marine Renewables Canada (MRC) is the national industry association for wave, tidal, offshore wind and river current energy, representing technology and project developers, utilities, researchers, as well as businesses in the marine and energy supply chain. On behalf of our members, we are pleased to write in support of Bill No. 175.

Tidal energy presents an important opportunity for Nova Scotia. Harnessing the Bay of Fundy's tremendous tidal energy resource can provide clean energy to the grid, displacing the use of fossil fuels and GHGs to address climate change. As the Atlantic region move towards increased electrification, tidal energy can also support more efficient grid use and management. The predictability and reliability of tidal energy offers a complementary form of renewable energy, as it is able to 'flatten out' the load on the grid, and therefore improve the synchronicity of electricity supply and demand. Finally, the development of tidal energy presents significant economic opportunities to engage the local supply chain. Many studies have identified that 60-70% of projects costs would be incurred in proximity to a project site.

Over the past decade, Nova Scotia has been working towards advancing tidal energy development. There have been successes and setbacks, but overall there has been fundamental progress on many fronts. Through both provincial and federal support, industry can use shared infrastructure and services provided by the Fundy Ocean Research Center for Energy (FORCE) which helps to de-risk aspects of development. The Government of Nova Scotia has implemented a feed-in tariff (FIT), established legislation that outlines licensing and permitting processes, and supported ongoing R&D to address environmental, technical, social, and economic questions around tidal energy development. More recently, the Government of Canada awarded one of the FORCE tidal energy developers, DP Energy, \$29.7 million to develop a 9 MW project.

While there has been some concern that the industry isn't moving quickly enough, tidal energy is no different than many other emerging clean technologies. It takes time to attract investment, demonstrate and prove technologies, drive costs down, and reach commercialization. But, with an increasing interest and readiness by tidal energy developers to make significant financial commitments, upwards of \$200 million that would be invested in Nova Scotia over the next few years, it's clear that the support, investments, and enabling measures in place, are working. The industry is ready to move forward.



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Bill No. 175 and the amendments proposed under the *Marine Renewable-energy Act* will help ensure that industry does exactly that – build, deploy, and operate projects that have already been permitted and planned. The issuance of new power purchase agreements (PPAs) to existing FIT holders ensures that industry has the predictability and pathway to build on previous investments, attract additional support, and ensure that planned projects advance successfully.

Without this assurance, developers could potentially lose investment, fail to attract future investment, and ultimately be challenged to develop projects. This would not only negatively impact industry, but all of the supporting and enabling organizations that have invested the time, resources, and finances into getting tidal energy development to this point of readiness. After the great amount of work that has gone into developing this resource in Nova Scotia, it would be extremely unfortunate to risk stranded assets.

Tidal energy is a new technology with high costs and risks. The only way to eliminate those and ensure that tidal energy can significantly benefit Nova Scotia is to solve the current challenges that the sector faces. The planned projects at FORCE and in the Bay of Fundy present the opportunity to tackle these challenges and that's critical for the industry to evolve and advance. Marine Renewables Canada is pleased to see the Government of Nova Scotia recognizing the importance and significance of these projects to the developers, the province, and the industry as a whole.

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