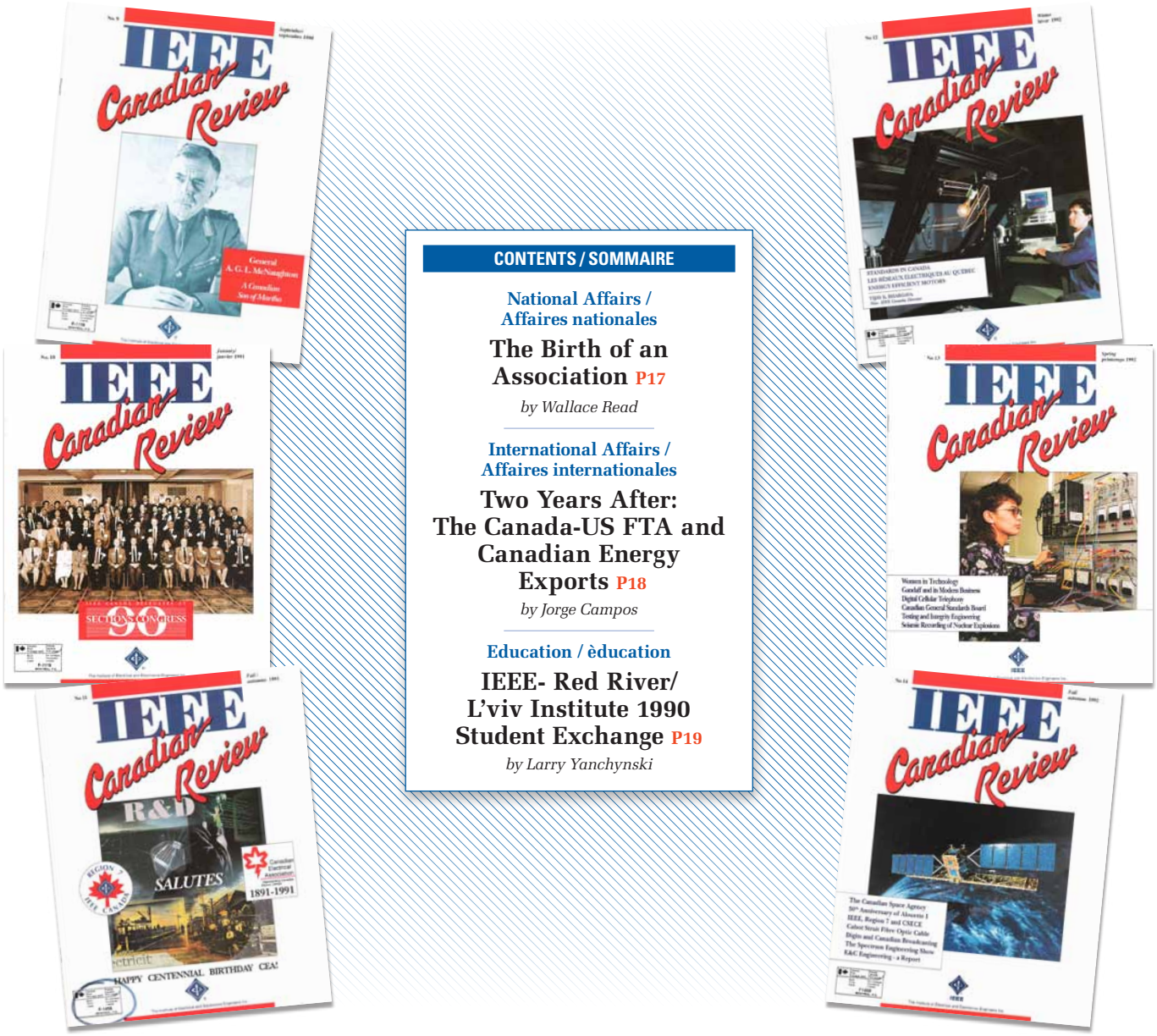
Power and Politics

The Canadian Electric Association celebrated its 100th anniversary in 1991. A piece by Wally Read (see page opposite) reminds readers that even though we have smarter grids, bringing power to people—a major issue in 1891—is still an essential part of the profession 115 years later.

SECURING ENERGY MARKETS was as compelling an issue in the early '90s as it is today. Whether or not the 1989 free trade agreement with the U. S. achieved this goal was the topic of much debate, with both sides explored in the January 1991 issue.

IT WAS BIG NEWS that an exchange could take place between students in the Western Ukraine and Alberta. With the recent end of the Cold War, such exchanges—now common place—were unique. Currency exchange was a major hurdle as were transportation logistics.

"'Toronto in grip of winter storm — traffic suspended, wires all down'" (The Birth of an Association)



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The Birth of an Association

by Wallace S. Read
President, Canadian Electrical Association

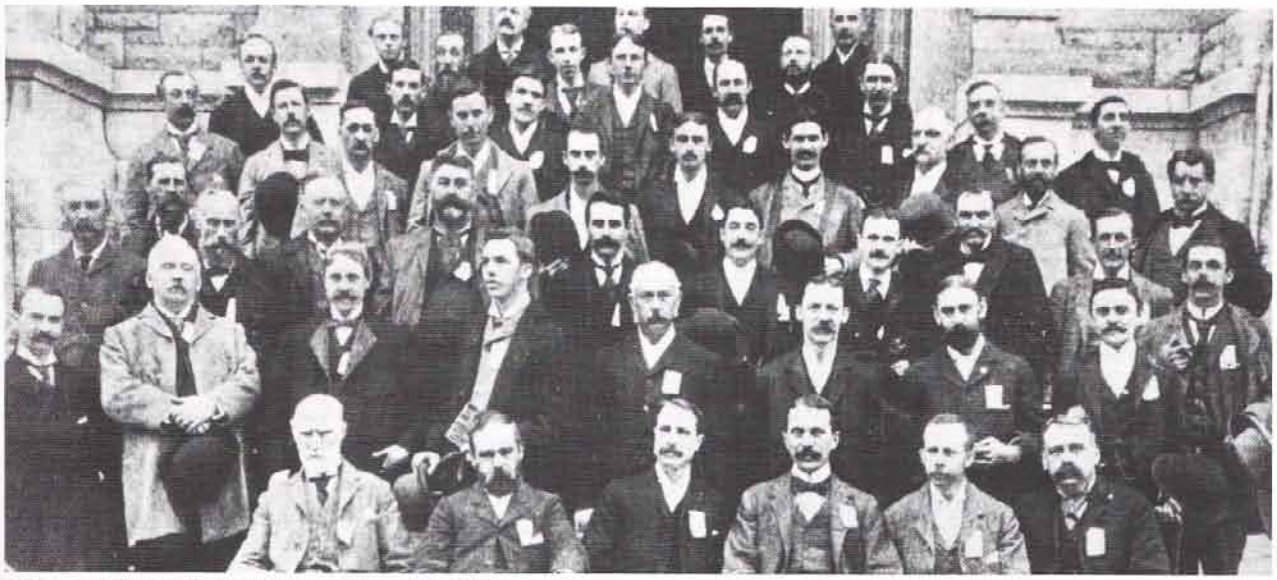
The sun had just retreated from the wintry skies and a quietness settled over the streets of downtown Toronto. A short, stocky, distinguished looking gentleman, muffled against the cold, made his way along King Street East to the offices of Toronto Electric Light Company. His ample moustache carried the weight of frozen condensation and his fingers were numb as they groped for the ring of keys from his waistcoat pocket. He let himself in to the empty offices of the utility. It was 7:30 p.m., Friday, February 20, 1891.

Climbing the wooden stairs to the executive offices on the second floor, he moved quickly to a glass panelled door with black letters enamelled on the frosted glass. Removing his gloves, he allowed his skilled fingers to trace fondly the words "J.J. Wright - Manager". To J.J. that said it all. He half smiled as the thought crossed his mind it would make a suitable epitaph as well. Doffing his overcoat, he crossed the room and slumped into an overstuffed leather chair, the one luxury he had allowed himself in this otherwise sparsely furnished office.

It had been a rough week. Apart from the usual problems at the generating station, Mother Nature dealt the distribution system a terrible blow. An ice storm accompanied by strong winds blew into the area from New York state and the crew had its hands full restoring service to an irate group of customers. Thank God it's Friday he whispered to himself.

J.J. always reserved the late hours of Friday to do some creative thinking about the industry he served and the impact it was having on society. It was a welcome respite from the purely technical problems that occupied his work week. As he sank deeper into his chair, the upholstery enveloped him as if to shield him from the worries of the day. The chair seemed to have a magical way of transforming his bone-tired frame and brain into a state of renewed strength and vigour.

The newspaper lay open on his desk and a furtive glance caught the headline "Toronto in Grips of Winter Storm - Traffic Suspended, Wires All Down" Another read "It Will Mean Ruination - Unrestricted Reciprocity with the United States Will Curtail Industry, Reduce Wages and Depress



Fifth annual CEA convention in Ottawa, September 1895
Front row, 3rd from left: F.J. Dunstan, President CEA and Manager Bell Telephone in Toronto. 5th from left: C.H. Mortimer, Secretary CEA and Publisher of Canadian Electrical News. Extreme right: J.J. Wright, first President CEA and Manager, Toronto Electric Light Company

To view this article in its entirety please visit www.ieee.ca/canrev/archive/cr11.pdf

Two Years After: The Canada–US FTA and Canadian Energy Exports

The agreement impact on the bilateral energy trade

When we now hear with insistence the possibility of a Canada-Mexico-U.S. Free Trade Agreement, many of us cannot avoid wondering about the real impact of the two years old Canada-U.S. Free Trade Agreement. The lessons of the past offer the most valuable way to identify the pitfalls and the opportunities in the future.

by Jorge Campos
Chief Electrical Engineer
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Free trade and energy

In the midst of the heated controversy surrounding the announcement of the Canada-United States Free Trade Agreement, many experts voiced strong concern about the impact of its energy chapter. They feared that it would eliminate the ability of the Canadian Government to establish a future independent policy on energy. Some did not even hesitate in characterizing the provisions on energy as powerful constraints to Canadian sovereignty. After two years of free trade with the U.S., did these alarming predictions come true? Or rather, did free trade have a positive impact on the Canadian policy on energy exports?

Libre-échange et Énergie

Au cours du tumultueux débat accompagnant l'annonce de l'Accord de Libre-Échange Canada - États-Unis, de nombreux experts ont exprimé leur profonde inquiétude sur les impacts de son chapitre énergétique; ils craignaient l'impossibilité future pour le gouvernement canadien de pouvoir définir une politique énergétique indépendante. Plusieurs n'ont pas hésité à désigner les clauses sur l'énergie comme de dangereuses restrictions à la souveraineté canadienne. Après deux ans de libre-échange avec les É-U, ces prédictions inquiétantes se sont-elles réalisées? Ou, au contraire, est-ce que le libre-échange a eu un impact positif sur la politique canadienne d'exportation de l'énergie?

The Canada-United States Free Trade Agreement (FTA) came into effect on January 1, 1989. One of the highest priorities of the Canadian team in the negotiations leading to the agreement had been to secure market access for Canadian energy products. With Canadian energy exports to the U.S. exceeding $10 billion per year, Canada could not afford not to protect itself from the increasingly strong protectionist movement emerging in the United States.

The Americans never really put any objections to the Canadian aspirations in the energy sector, but they showed great determination in obtaining a commitment from Canada in assuring the continuity of future energy supplies. Their efforts were specially directed to restrain Canada's ability to impose restrictions on energy exports. The U.S. had opposed for years certain policies existing under the National Energy Program, such as restrictive export licensing and regulated dual-pricing. They had been used by the Canadian government in times of energy shortages to impose unilateral export restrictions and energy export prices higher than domestic prices.

In the energy chapter of the FTA, Canada and the U.S. basically agreed to adhere to the National Treatment Principle, as the basis to the bilateral trade of energy products such as coal, petroleum, natural gas, electricity, uranium, and heavy water. Previously, national treatment had already been advocated, and accepted in principle, by both countries under the General Agreement on Tariffs and Trade (GATT).

National treatment means that U.S. business in Canada, and Canadian business in the U.S., is to be treated no less favourably than domestic business in each country. The agreement established provisions prohibiting trade restrictive measures on energy goods, such as minimum export/import requirements, minimum price requirements, export/import taxes, licenses, fees or any other discriminatory charges or barriers to trade.

However, the agreement left untouched all import and export restrictions permitted under GATT. The allowed trade restrictions include measures undertaken to relieve or prevent shortages of a product, or to assure the conservation of exhaustible natural resources. Nevertheless, if export restrictions are imposed, exports can only be reduced in the same proportion as the reduction experienced in the total available supply.

Some saw the energy chapter of the FTA as being very favourable to Canada; others fell just short of comparing it to a national political and economic disaster. The controversy was heated and emotional. As a matter of fact, few points in the agreement motivated such tempestuous debates as the issue of how the energy chapter would affect Canadian sovereignty.

At the heart of the controversy were the provisions guaranteeing U.S. access to a stable proportion of Canadian energy supplies in the event of government imposed rationing, regardless of whether that rationing would be for reasons of a short-term supply crisis or longer term efforts to conserve exhaustible resources. Further, Canada's adherence to the National Treatment Principle was regarded as being equivalent to the acceptance of the imposition by the U.S. of a unique price structure on Canadian energy products. Of course, the obligations by both sides in respect to energy were equal, but because Canada is a net exporter of energy, the implications for each country were different.

Those opposing the FTA, pointed out that the true meaning of the agreement was to constrain Canada within a continental energy policy, which eliminated its ability to reserve resources for its own citizens even when such resources would be very scarce. They especially resented the "Extent of Obligation" clause, which unilaterally imposed the observance of the FTA by state, provincial and local governments, without their consent or agreement.

It was often mentioned that, in spite of the watchdog action of the National Energy Board (NEB), most past energy export programs had in fact been monitored and controlled by provincial governments. So, the opponents of the agreement felt that the provisions of the energy chapter significantly restricted the freedom of the Canadian Governments - federal and provincial - to screen the export of their energy resources and to follow many policies

IEEE Canadian Review - January / janvier 1991

To view this article in its entirety please visit www.ieee.ca/canrev/archive/cr10.pdf

IEEE - Red River/L'viv Institute 1990 Student Exchange

The end of the Cold War has brought new opportunities for contact between East and West

by Larry Yanchynski
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On June 1, 1990, four students and two instructors from the Technology Division at Red River Community College departed from the Winnipeg International Airport for Ukraine. Their destination was L'viv, an ancient city with a population of over a million people in Western Ukraine, about sixty miles from the Polish border. They were to be met later in L'viv by Andrew Bereza, an Electronic Technology instructor from Assiniboine Community College in Brandon.

The Canadians would stay in Ukraine for two weeks and in October, the Ukrainians would stay in Winnipeg. The exchange was the brainchild of Lubomyr "Borys" Shulakewych, an instructor in the Electronics Technology department at Red River, who decided to act on Mayor Norrie's suggestion, after the mayor's visit to L'viv, to facilitate an exchange between our educational institutions and those in Winnipeg's "sister" city L'viv.

Working through the offices of Bill Norrie and Bohdan D. Kotyk, mayors of the two cities, Borys had proposed the idea in Fall, 1989. Because of its size and curriculum, the Trade and Economy Institute of L'viv (hereafter called simply "the institute") was selected as the host college in Ukraine.

Although the Institute of Electrical and Electronic Engineers (IEEE) was the chief sponsor, the students (Todd Atamanchuk, Darcy Hildebrand, Bill Nanowski, Larry Obelnicki) and instructors (Borys Shulakewych and Larry Yanchynski from the Technical Communications department) from Red River Community College spent several busy months soliciting local businesses and associations to raise money for the exchange. In addition, they held a "social" and also participated in a daylong car-wash. Thus, they raised over $5000 prior to their trip, with more financial support hopefully forthcoming.

The planning did not always go smoothly; there were several problems with setting mutually convenient dates and with the non-exchangeability of Soviet currency. But after many letters, telephone calls and faxes, the problems were eventually resolved.

After almost two days of flying (Winnipeg-Toronto-Amsterdam-Paris-Kiev) the Winnipeg delegation touched Soviet soil at the Boryspil Airport on the outskirts of the golden-domed city of Kiev on June 2. After briskly competing with several dozen French tourists to pass through customs, the group was met at the airport by three persons from the Institute: Ihor Mytnyk, (an instructor), Andrei Muryn (a student) and Viktor (the driver of the Intourist bus). The bus ride surprised and delighted the Winnipeggers, who were expecting still another flight or a train.

This account of the Red River/L'viv exchange visit was written with the help of the students who took part—Todd Atamanchuk, Darcy Hildebrand, Bill Nanowski and Larry Obelnicki. Almost one-third of IEEE members in Canada are students. Although student members of IEEE worldwide have their own publication, Potentials, we warmly welcome reports from our student members concerning their IEEE-related activities, whether technical or, as in this case, social and cultural, for publication in the IEEE Canadian Review.

Échange d'étudiants du IEEE - Red River Community College (Winnipeg) et de l'Institut de Commerce et d'Économie de L'viv (Ukraine)

Ce compte rendu de l'échange étudiant Red River/Lviv a été écrit avec l'aide des étudiants de Red River qui y ont pris part - Todd Atemahchuk, Darcy Hildeband, Bill Nanowski et Larry Obelnicki. Près du tiers des membres du IEEE Canada sont des étudiants, malgré le fait que les membres étudiants du IEEE aient leur publication, Potentials, nous accueillons avec plaisir dans le IEEE Canadian Review les reportages de nos membres étudiants concernant leurs activités reliées au IEEE, qu'elles soient techniques ou, comme dans ce cas, sociales et culturelles.

From Kiev to L'viv

It was a beautiful summer evening as the Intourist bus left the airport and took a brief excursion through the ancient capital of Rus': through the Podol, past Babij Yar onto Khreshchatyk Boulevard. The Canadians were just starting to become accustomed to seeing the uniformed Soviet soldiers, who seemed to be everywhere. Within an hour, the bus was on the highway, enroute to Zhitomyr, where the jetlagged but excited group would spend their first night.

Zhytomyr

Although the Canadians had requested a visit to Chernobyl, the site of the infamous nuclear reactor, Zhitomyr would be the closest they would get. Health risks were given as the main reason that Chernobyl would not be on the itinerary. By the time the bus parked in front of the hotel, the Canadians were getting over one of several misconceptions: the vegetation was lush and the landscape more closely resembled that of the southern United States than the prairies of Manitoba.

The hotel was part of a chain of cooperative enterprises many of whose managers, Ihor proudly remarked, were graduates of the L'viv Institute of Trade & Economy. Although the rooms didn't quite meet Holiday Inn