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**Sent:** November 6, 2007 7:56 PM

To: BoardSec

**Subject:** Citizen response to IPSP

November 6, 2007

CITIZEN RESPONSE TO THE OPG NOTICE OF APPLICATION FOR APPROVAL OF INTEGRATED POWER SYSTEM PLAN (IPSP)

Ms. Kirsten Walll Board Secretary

Dear Ms. Walli,

I would like to comment on the OPG Notice of Application for Approval of the IPSP. It is my understanding that the Ontario Energy Board must decide whether the IPSP adequately complies with the directions of the Ministry of Energy and if the proposed supply mix is cost effective.

It is the responsibility of the government to address the current and future need for electrical generating capacity in Ontario, while at the same time considering the environmental, economic and social consequences. This proposed energy plan is weak on all levels. If Ontario wishes to maintain its position as a manufacturing and industrial leader, we must build an energy supply that is efficient, reliable and cost-effective. For many years, we have relied upon nuclear energy, coal and hydro-electric power to meet our needs and they have provided a solid base for our energy policy. Recently, in response to the global cry for 'carbon-free' generation, the Ministry of Energy has proposed a new supply mix that could have a devastating effect upon not only our economy, but on the energy security of this province.

The first issue that should be examined is the reluctance of the government to unequivocally commit to nuclear power. Only recently has the decision been made to refurbish units at Bruce Power. It is my hope that the Ministry of Energy will listen to the energy professionals and recognize nuclear as a carbon-free, stable basis for our energy supply and commit to building new reactors. France derives around 80 percent of its power from nuclear, and it has the cleanest air and the lowest energy prices in Europe. They also recycle the fuel and are able to reuse 80 percent of the material and then solidify the remainder so that it can be safely stored.

The second contentious issue is the promise to close all coal-fired plants by the year 2014. This policy directive alone has the potential to cause a massive impact on the economy of Ontario. Never mind the loss of many well-paying jobs in the coal generating stations and in the hard-hit northern mining towns, replacing coal with renewable energy and natural gas generating stations would cause the loss of even more manufacturing jobs. It is no secret that this supply mix would result in increased electricity costs, and these increases would snowball right down the economic chain. Industries facing massive power cost increases would either have to hike prices or cut staff back in order to maintain profitability. Some companies may just relocate to another province or country to remain competitive. Consumer goods would cost more due to increased production costs. Increased hydro bills would also affect the amount of disposable income available to consumers to buy goods and services. Higher unemployment would be a greater drain on social services. The budgets for public institutions and social assistance programs would also have to be increased to cover the increased costs of heating and cooling facilities. Dofasco was recently granted the right to use coal-fired power for their operation so that they could save millions of dollars in power costs each year. It is doubtful that ordinary members of the public will receive the same 'dispensation' to save them money. Putting scrubbers on the coal plants will ensure a continuing supply of affordable electricity,

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encourage industrial and commercial investment, cut down on harmful emissions and maintain the high standard of living which Ontarians have always enjoyed.

European countries with a high percentage of renewable energy (mainly wind) are now building a large number of coal plants, as they have discovered that wind is not reliable enough for base load. Adding wind power to the energy supply is economically unsound as it is unlikely to decrease the amount of fossil fuel capacity required. Germany's own energy agency concluded that wind is an expensive and inefficient way to produce electricity. If wind is added to the grid, then another form of reliable generation must also be added to back up the wind turbines. Basically, consumers pay twice for wind generation. The plan to back up wind power with new gas generating stations will expose consumers and businesses to the volatile price fluctuations that are expected for natural gas. The limited amount of conventional natural gas left in Canada also makes this a questionable policy. There is a plentiful supply of coal. In the future, some forms of renewable energy may become economically feasible, however, policy should be based upon the current reality.

There are other costs to consider when looking at wind power. The addition and maintenance of back-up power must be included, as well as the wear on these facilities from gearing up and down to accommodate the wind energy. The cost of providing transmission capacity for wind farms also needs to be examined, as these lines must have enough capacity to take the energy when the wind is blowing. However, a study by Energy Probe of wind farms in Ontario found that they only averaged about 22 percent of their capacity, so wind is not an efficient use of our transmission lines, especially considering the current transmission constraints. It is also substantially more expensive than other energy sources.

Build our new generating capacity with nuclear, clean coal and hydro-electric technology and encourage conservation. Work with the auto sector to develop cleaner emission vehicles. Facilitate mass transit by investing in improved bus, train and subway service. Allow ordinary Ontarians to play a part in the clean energy policy by subsidizing solar and geothermal heating systems. Place the power to make Ontario a cleaner and healthier place to live back in the hands of its citizens.

The IPSP directive to replace a percentage of nuclear and clean coal generation with unreliable and costly renewable energy is a recipe for economic disaster.

Yours Truly,

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