



November 28, 2007

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge St., Suite 2700  
Toronto, ON  
M4P 1E4

Dear Ms. Walli,

**Re: Integrated Power System Plan Issues List – File #EB-2007-0707**

Thank you for the opportunity to comment on the draft issues list. We have a strong interest in the future development of the Province's electricity infrastructure as proposed in the Integrated Power System Plan (IPSP) and intend to be fully involved in the OEB approvals process. Although we have not sought intervener status at this phase, we may do so during the second phase of the review and approvals process.

By way of background, the Municipality of Port Hope has a long history in energy matters dating back over 70 years. We maintain a positive relationship with Clarington and support them as the host community of Darlington Generation Station. We also have a strong relationship with Ontario Power Generation as the owner of a site in Port Hope known as the Wesleyville Generation Station. Located in the nuclear corridor of Pickering to the west, Port Hope to the east and Peterborough to the north Port Hope hosts one of only two uranium processing facilities operating in Canada, the second being in Peterborough. Our community is engaged and knowledgeable and ultimately the community as a whole is supportive of nuclear industry.

Port Hope's 1,700 acre Wesleyville site currently owned by Ontario Power Generation and Hydro One is zoned and assembled (see enclosed Appendix A). This site has all the attributes a generation site requires

including lake, rail and highway access, water and sewage. Although the site has an existing but non-functioning abandoned generating station, Wesleyville as a refurbished site has all the positive aspects of a “green-field” site, with 1,700 acres providing the most flexibility for design and construction of new build. The site is not surrounded by urban development and has an exclusion zone. In addition, Wesleyville’s proximity to Darlington opens synergistic opportunities for site sequential phasing, maximizing planning, design and construction approvals creating workforce and cost efficiencies.

It is our understanding that one of the most difficult issues facing new generation is connection to the province’s high voltage electricity grid. As an existing site Wesleyville is located on the major 500 kV network and adequate land is available for constructing a switching station.

The draft issues list is structured as a series of questions around whether the IPSP complies with the Directions issued by the Minister of Energy in the Supply Mix Directive dated June 13, 2006. We have comments on several of the questions as follows:

**“3. Does the IPSP plan for nuclear capacity to meet base-load requirements and limit the installed in-service capacity of nuclear power over the life of the plan to 14,000 MW?”**

We believe this is an appropriate issue to explore during the hearings. From our preliminary review of the IPSP, it appears that the Ontario Power Authority (OPA) have completed an analysis of options for meeting the projected shortfall in base-load nuclear generation. Moreover, the IPSP plan for nuclear power to meet base-load requirements follows the directive in that it limits the “installed in-service capacity of nuclear power over the life of the plan to 14,000 MW”. The rationale for this figure is that a number of existing nuclear facilities will reach the end of their useful lives and will be retired over the life of the plan. Before constructing new nuclear, however, the Directive gives first priority to conservation and renewable supply to meet base-load requirements. After this contribution is taken into account, the IPSP still identifies a base-load gap by 2027 of 85 TWh.

The Directive of up to 14,000 MW is a government imperative. There remain, however, areas for the OPA to exercise its discretion including:

- “What is the base-load requirement after the contribution of existing and committed projects and planned conservation and renewable power?”
- How should the remaining base-load requirements be met?

- Should new nuclear supply be refurbished or new build?
- What is the schedule for implementing base-load resources in light of lead times for supply and transmission?”

As noted previously, the Port Hope Wesleyville site is an existing but non-functioning generating station and it could therefore be considered a “green-field” site. With 1,700 zoned acres it provides flexibility for design and construction of new build. The site is not hemmed in by urban development and has an exclusion zone. In addition, Wesleyville’s proximity to Darlington opens synergistic opportunities for site sequential phasing, maximizing planning, design and construction approvals and creating workforce and cost efficiencies.

*The IPSP contains no reference to Wesleyville. This site is a viable potential site for new and sequential phasing of nuclear power generation. With local community support it provides synergistic and cost effective opportunities (in combination with Darlington). It also presents a real opportunity to increase generation security through site redundancy meeting the priority criteria of refurbishment of existing plants over the building of new plants. We believe this is a significant omission and urge the Board to expand the list of options to include detailed consideration of Wesleyville.*

**“4. Does the IPSP maintain the ability to use natural gas capacity at peak times and pursue applications that allow high efficiency and high value used of the fuel?”**

We believe this is an appropriate issue to explore during the hearings. The IPSP notes that the priority is “to first apply the feasible and economic contributions of conservation and renewable supply to meet peaking requirements. The contribution from nuclear power is then added. After these contributions are taken into account, there is a gap to be met by Gas Fired Generation.”

*Gas Fired Generation has the ability to contribute to meeting local requirements and to replace coal fired generation. We note the IPSP qualifies the use of Gas Fired Generation to situations where “alternative resources are not feasible or cost effective”. Recognizing gas as a shorter term opportunity and only if it were **not to preclude or delay** the ultimately highest and best use of the Wesleyville site for nuclear generation, we would encourage the Board to consider Wesleyville for new Gas Fired Generation to fill the gap and provide an alternate supply, noting that in addition to all of the site’s other attributes, it is in close proximity to a major gas pipeline corridor.*

**“6. Does the IPSP plan strengthen the transmission system to:**

- **Promote system efficiency and congestion reduction and facilitate the integration of new supply, all in a manner consistent with the need to cost effectively maintain system reliability?”**

We believe this is an appropriate issue to explore during the hearings. The incorporation of new generation capacity at Wesleyville will not require significant alterations to the existing high voltage transmission grid since it was designed to accommodate this site. A large site has been reserved next to the existing 500 kV lines to build a Switching Station.

*Although our comments do not directly relate to the issue of strengthening the transmission system, we believe it is important for the Board to recognize that new generation at this site will not require major additions or modifications to the existing transmission grid and may promote system efficiency.*

**“7. Does the IPSP comply with Ontario Regulation 424/04; specifically, in developing the integrated power system plan, has the OPA done the following:**

- **Ensured that for each electricity project recommended in the plan that meets the criteria set out in subsection 8 (2) of Regulation 424/04, the plan contains a sound rationale including:**
  - i. an analysis of the impact on the environment of the electricity project; and**
  - ii. an analysis of the impact on the environment of a reasonable range of alternatives to the electricity project?”**

We believe this is an appropriate issue to explore during the hearings. As noted previously, the Wesleyville site is an existing but non-functioning generating station with all the positive aspects of a “green-field” site. Wesleyville’s 1,700 acres provides optimum flexibility for design and construction and could likely be refurbished for either nuclear or gas fired generation with less environmental impact than that which would be involved in the development of a new site.

*Our only comment on this issue is that we urge the Board to consider Wesleyville when assessing whether the IPSP has analyzed “the impact on the environment of a reasonable range of alternatives” to the various generation initiatives proposed in the plan.*

We again encourage the Board to seriously consider Port Hope’s Wesleyville site for nuclear build as you deliberate on the future development of the Province’s electricity infrastructure and our written comments and fact sheet as submitted today in regards to the Integrated Power System Plan (IPSP) Issues List.

We look forward to your reply and for further instructions on how Port Hope can meaningfully participate in the process going forward.

Sincerely,

Linda Thompson,  
Mayor

## Wesleyville, Port Hope

The site is in close proximity to the GTA, has access to Lake Ontario, rail lines, roadways with Highway 401 interchange and existing infrastructure. With an existing electric grid connection, it is not surrounded by urban development (i.e. has an exclusion zone) and has community support for nuclear/electrical power generation.

The site was purchased by the former Ontario Hydro in the late 1960's for use as an oil-fired generating station. In addition to oil fired generation it is our understanding that there were plans for the site to also be used as a nuclear generating station.

Station development began in the early 1970's and close to \$250 million was expended on constructing a power house, a 625' smoke stack, ancillary buildings, a sewage treatment facility, a water treatment/distribution system, two large underground oil storage caverns, service roads (including an interchange at Highway 401) and a railway spur line from the main Toronto to Montreal rail lines (Source: "Wesleyville GS Opportunity Cost Analysis", May 27, 1999, Ontario Power Generation (OPG)). In addition, the 500 kV transmission line network was constructed to incorporate power generated at this site. The plant was never completed since oil prices soared in the 1970's making the station uneconomical and it has remained essentially vacant since that time, although OPG and others continue to make limited use of some of the property and ancillary buildings.

When Ontario Hydro was restructured in 1999, approximately 1,200 acres of land (including the power house and ancillary buildings) were transferred to OPG and approximately 500 Acres (planned to be used for the required Switching Station) were transferred to Hydro One (H1).

