

Energy: Accountability**Ontario missing the long-view on clean energy planning**

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Leaders have been described as dealers in hope. Great leaders have often used this message effectively, but they also knew that hope is not enough. Their successes were built on substance, critical analyses of all the options and plans based on a deep understanding of the challenges they faced. Ontario's Green Energy Plan ignores these important lessons.

Ontario's infatuation with all that is 'green' overlooks our proven clean energy advantages – a hydroelectric and nuclear generation fleet that currently provides Ontario with one of the lowest cost and lowest carbon electricity system footprints in the world. Moving forward, Ontario could further reduce its carbon footprint by undertaking carbon neutral biomass technology retrofits in our existing coal plants, and by adding new greenhouse gas emission-free nuclear power stations. Instead, billions are being spent on price-volatile, greenhouse gas-emitting natural gas generation, and intermittent wind and solar farms.

Already, Ontario consumers have learned their electricity costs will increase by about \$300 per household by 2011. Industries in Ontario, worried about the impact on their competitiveness, are now seeking electricity price subsidies in order to survive.

Ontario's ongoing green energy investments mean electricity prices will continue to rise rapidly. At the same time, adequate funding is crucial for utilities that are juggling the financial pressures of: aging infrastructure refurbishment; integration of new renewable generation; and implementation of conservation programs. The costs of the government's green energy policy cannot be made to disappear by deferring responsible investment in system reliability.

Our leaders have a responsibility to minimize unnecessary price risks so that our economy remains competitive. Ontario's historic electricity price advantage is disappearing because our leaders ignored Denmark's experience, where green energy investments dramatically increased prices, and in the future, Ontario's dependency on natural gas generation exposes electricity consumers to further price hikes.

Green jobs in Denmark, Spain and Germany require billions in subsidies paid for by electricity consumers. Instead of building on Ontario's existing competitive advantages in greenhouse gas emission-free nuclear technology and our abundant supplies of carbon neutral biomass, the government has chosen to mimic green subsidy policies from countries that don't have these carbon advantages, and Ontario consumers are on the hook. Meanwhile, Canada's \$6.7-billion-a-year nuclear industry – most of which is located in Ontario and provides tens of thousands of high-value jobs and billions in government revenues – is at risk.

A recent report by Ontario's Environment Commissioner underscores the importance of developing a clear, comprehensive energy policy through a transparent, public process. His recommendations call for the government

to: develop a comprehensive energy conservation strategy for all major energy sources; finalize the shelved Integrated Power System Plan; and provide policy stability by allowing time for the implementation and evaluation of the *Green Energy and Green Economy*

Act. To ensure accountability and transparency, the report states that future government policy directives should provide for public input and regular reporting.

Ontario needs a sustainable energy policy based on an integrated assessment of the

short- and long-term economic, environmental and social impacts. This requires consideration of the future of CANDU nuclear technology, given its importance to both the Ontario and Canadian economies. It also means securing a future role for

Ontario Power Generation and Hydro One, Crown corporations owned by the people of Ontario. These companies should have a continuing and vital role serving the electricity needs of the province's consumers; providing sustainable returns to Ontario taxpayers;

and supporting provincial social policies. A refocused and full public debate on sustainable energy policy is critical to ensure Ontario will have clean, affordable, reliable, environmentally responsible and secure electricity for the future. ■

REAL LEADERSHIP MEANS TELLING CONSUMERS THE BLACK AND WHITE ABOUT GOING GREEN

Leadership is about more than issuing directives and exercising control. It's about doing your homework and being upfront about all the options and their costs and benefits. But this hasn't happened with Ontario's green energy policies. Billions are being spent on intermittent wind and solar farms along with price volatile, greenhouse gas emitting natural gas generation.

Ontarians are now beginning to see the pay-offs:

- * Rapidly rising electricity prices
- * Ontario industries are seeking electricity subsidies to keep them competitive
- * Claims of environmental benefits are being called into question
- * Modest numbers of green jobs coming at a very high price

Meanwhile operationally superior, cost-effective options like greenhouse gas emission-free, made-in-Ontario nuclear reactors, and the use of carbon-neutral biomass wastes in existing coal plants, continue to be ignored.

It's no wonder Ontarians will want to know who is responsible.

