

**MEDIA RELEASE**

## Government's Announcement on Pickering A Unit 1 Rehabilitation Good News

The Ontario Liberal Government made a positive move today towards Ontario's balanced electricity supply future by approving the rehabilitation of Unit 1 at Pickering. This decision recognizes the value of Ontario Power Generation assets with respect to price and availability. We look forward to a successful rehabilitation that will open the opportunity for approvals to go forward with work on the remaining two Units at Pickering.

The establishment that nuclear power is a significant benefit to Ontario should also bode well for the support necessary to proceed with new nuclear build in Ontario. The Government is urged to move on this as soon as possible.

On the negative side, the Government has positioned the Pickering nuclear rehabilitation as a portion of the offset needed to shut down coal generation stations by 2007. This makes little sense as eliminating coal generation will create a 25% deficit in Ontario's supply with significant cost impacts. Replacement power from sources such as renewable power, natural gas and conservation will increase overall Ontario electricity prices by 20% or more.

It is also notable that the Government is less than half way to meeting the coal shut down replacement requirement and nearly all of this is based on projects that are still in the developmental stage.

The Government is right to support nuclear and should extend that support to new nuclear construction. In the meantime, shutting down coal will erase the gains being made through projects such as the nuclear rehabilitation and will lead to higher prices, significant shortages or both.

Don MacKinnon  
President