

NEWS RELEASE

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Ontario government can't distance itself from electricity price hikes

(Toronto) – Today's announcement of a hike in electricity costs for consumers is just a taste of things to come, says the union representing workers in the electricity field.

"The impact of Ontario Energy Board's announcement is that electricity prices are going up," comments Power Workers' Union President (PWU) Don MacKinnon. "It would appear that people using air-conditioning in the summer will be the first to feel the effects of the higher rates."

Ontario Premier Dalton McGuinty recently distanced himself from the anticipated rate hike saying that his government would not step in to soften the blow. This week the government made public an incentive plan for Ontarians to make their air-conditioning more energy efficient.

"Conservation is certainly important," continues Mr. MacKinnon. "But it will never be enough on its own to meet Ontario's future electricity needs."

"Experts in the private and public sector have criticized Ontario's approach to the future demand for electricity," says Mr. MacKinnon. "The government's fixation on closing coal-fuelled plants and replacing them with natural gas ignores what countries like Denmark and Germany are achieving by installing clean-coal technologies at existing coal-fuelled plants. Without reliable back up generation in place, Ontario residents and businesses will be hit again and again with price hikes like those announced today."

Ontario could save \$11 billion over the next 20 years if Ontario upgrades existing coal-fuelled plants with clean coal technology instead of replacing them with natural gas, says Mr. MacKinnon.

The government's own agencies – Ontario Power Authority (OPA) and Independent Electricity System Operator (IESO) – have in recent reports outlined the significant risks and challenges that will result from the government's decision to shut down existing coal facilities, observes Mr. MacKinnon. "Last week, the president of TransAlta said that Ontario's inability to meet future electricity demand was a key factor in deterring businesses from operating here."

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The PWU is calling on the government to direct:

- OPA and the IESO to develop a workable contingency plan to ensure reliability and price protection for Ontario's citizens and businesses;
- Ontario Power Generation to start an Environmental Assessment process on new nuclear construction and clean-coal technology, and
- OPA to issue a Request for Proposal on clean-coal technology.

The Power Workers' Union believes that Ontarians require an energy supply that derives electricity from a number of sources, including clean coal, hydroelectric and nuclear, along with other economical renewable options. The PWU's better plan – (www.abetterplan.ca) – also includes a review of the province's natural gas strategy, investment in green power and the promotion of energy efficiency. This approach will guarantee the people of Ontario, and the businesses that operate here, an affordable, clean and secure supply of energy all year round.

The Power Workers' Union is the largest electricity union in Ontario, representing employees in electricity generation, transmission, distribution, regulations, and research and development.

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