

Ministry of Energy

Office of the Minister

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Ministère de l'Énergie

Bureau du ministre

4^e étage, édifice Hearst
900, rue Bay
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Tél. : 416 327-6758
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MC-2017-1130

Ms Sophie Bergeron
Project Manager, Century Project, Porcupine Gold Mines
Goldcorp Canada Ltd.
3201–130 Adelaide Street West
Toronto ON M5H 3P5

Dear Ms Bergeron:

Thank you for taking the time to meet with me on June 13, 2017.

I commend the work you are doing to reduce your environmental footprint and demonstrate sustainability at your sites in Ontario. I appreciated the opportunity to discuss your forward-thinking plans for the Borden Lake and Porcupine sites, which have significant potential to improve productivity, energy efficiency, and reduce greenhouse gas (GHG) emissions.

As you know the Climate Change Action Plan (CCAP) encourages the use of low emission vehicles. It is estimated that off-road vehicles such as mining and construction account for 30% of GHG emissions from Ontario's transportation sector. I welcome your innovative approach to electric mining, and I would like to encourage Goldcorp to continue working on innovative technologies that contribute to GHG emission reductions.

We recognize the importance of electricity prices for the energy intensive mining sector, particularly as Goldcorp moves forward with mine electrification. Maintaining competitiveness with respect to energy costs is a top government priority.

As part of Ontario's Fair Hydro Plan, we have introduced new measures that will benefit the industrial sector. For example, the Ontario Electricity Support Program and the Rural or Remote Rate Protection program will now be funded from provincial revenues instead of by ratepayers. For an average Class A consumer, the change will lead to a decrease in electricity prices of approximately 4%, and is expected to offset the price increase resulting from cap and trade for an average Class A electricity consumer over the first compliance period of the program.

.../cont'd

As you are aware, Ontario also has a number of measures in place to help businesses manage the cost of electricity, including the Northern Industrial Electricity Rate Program, the Industrial Accelerator Program and annual auctions for Demand Response capacity.

I appreciate that future electricity prices are a concern, particularly as Goldcorp considers the role of electrification and clean technologies in expanding operations at the Porcupine site. Our government has been working hard to reduce electricity ratepayer costs and will continue to look for opportunities to take additional costs out of the system wherever possible. We have a robust electricity supply and are in a good position to improve efficiency, increase transparency, and enhance opportunities for innovation and competition.

For example, the Independent Electricity System Operator is leading the Market Renewal Initiative, which will result in a more efficient marketplace with competitive and transparent mechanisms that meet future system needs at the lowest cost. The project is expected to save up to \$5.2 billion over a 10-year period beginning in 2021, and forms a key component of Ontario's plan to ensure competitive electricity prices in the future.

As you are aware, our government is currently developing Ontario's 2017 Long-Term Energy Plan, and we will maintain our focus on reducing system costs to put downward pressure on prices in the long term.

Lastly, I would encourage you to contact the Minister of the Environment and Climate Change to further our discussion on carbon emissions offsets. Heather Pearson, Director of the Air Policy Instruments and Programs Design Branch can be reached at 416-314-6419, or by email at Heather.E.Pearson@ontario.ca.

Sincerely,

Glenn Thibeault
Minister

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Mr. John Mullally
Director, Government Relations and Energy
Goldcorp Canada Ltd.
3201–130 Adelaide Street West
Toronto ON M5H 3P5

Dear Mr. Mullally:

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MC-2017-1130

Ms Elizabeth Sherlock
Lead on Permitting
Goldcorp Canada Ltd.
3201–130 Adelaide Street West
Toronto ON M5H 3P5

Dear Ms Sherlock:

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