

QA Pikangikum

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Attachments: 11AUG17 - QA - Pikangikum FN transmission announcement (2).docx (41.75 kB)

Hi Deputy,

Attached and highlighted is an additional question requested by MO for the Pikangikum transmission announcement QAs. I have pasted the additional Q for your convenience below. OK to share?

Denna Berg

Q3. What are the benefits of connecting remote communities to the transmission system? Is this more expensive?

The connection of remote communities has been evaluated by the Independent Electricity System Operator (IESO) in its 2014 Remote Communities Connection Plan.

The IESO found that given the price of diesel fuel and the growing electricity needs of remote First Nations, transmission connection was the most economic option for serving 21 of Ontario's 25 remote First Nations. If all 21 communities were connected, the IESO estimated that up to \$1B in savings could be realized by Ontario ratepayers and the Federal Government over 40 years.

Alternatives such as renewables and microgrids were also evaluated but were found to be a more expensive and uncertain option for reducing reliance on diesel in the 21 communities.

As the connection project is developed, the IESO will continue to evaluate the potential cost savings based on updated information.

In addition to the potential for cost savings, there are significant benefits for connecting communities. The use of diesel generators makes it challenging to match community growth and frequently results in communities that do not have capacity for connecting new housing, businesses or infrastructure. The transportation and handling of large volumes of diesel fuel can result in contamination of land and water, posing ongoing environmental risks. Diesel generation also results in significant emissions of greenhouse gasses and local pollution.

Connecting communities to Ontario's transmission system will create a platform for community growth, reduce environmental risks and take advantage of Ontario's low-carbon electricity system.