Afternoon Energy Media Summary - July 4, 2017

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Date: Tue, 04 Jul 2017 15:00:21 -0400

Good Afternoon,

Here is a roundup of the day's news:

Nipissing MPP Vic Fedeli and Energy Minister Glenn Thibeault Spar Over Hydro One- North Bay Now

$1B power line: The first such line under Lake Erie, the two-way cable would allow electricity to move between Ontario and nearby American state- LFP Press

Lower electricity prices for Alectra Utilities customers effective July 1- Market Wired

Goldcorp takes steps toward extending Ontario Dome mine project- Business Vancouver

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Please see below Today in Twitter for news articles.

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Today in Twitter

- @KarenPtbo - Wynne's Green Boondoggle: How Ontario's pursuit of renewable energy broke the province's electricity system http://business.financialpost.com/opinion/boondoggle-how-ontarios-pursuit-of-renewable-energy-broke-the-provinces-electricity-system/wcm/a54c7399-be71-47d0-893b-95e2b9b8f2f9
- @TBYPO - Letter to the Editor by TBYPO admin @gailBatten4 responding to @GlennThibeault Re: "Hydro prices decreasing," #TBYPO http:// bit.ly/2ul6eyJ
- @ScottLuft - "Ontario's cap-and-trade rules punish all but the largest operators." @pkuitenbrouwer today in Post: http://business.financialpost.com/commodities/agriculture/what-about-photosynthesis-ontario-greenhouses-are-getting-charged-for-carbon-their-plants-consume/wcm/25eefb26-e011-4505-9d96-bc9f65f565c6

[Nipissing MPP Vic Fedeli and Energy Minister Glenn Thibeault Spar Over Hydro One]

By: Staff Post

For: North Bay Now

On: July 4, 2017

Energy Minister Glenn Thibeault and Nipissing MPP Vic Fedeli are currently engaged in a war of words. Fedeli attended an Ontario Energy Board hearing in Sudbury last Wednesday, but Thibeault didn't. Fedeli says Thibeault needs to justify why he won't direct the OEB to reject an application from Hydro One for a $141-per-year hydro rate hike, because it's unfair for working families.

In response, Thibeault says the Conservatives continue to willfully misinform the public about the OEB's rate application process. Thibeault says it's hard to take Fedeli's grandstanding seriously when it's been more than three months since the Conservatives said they would share their energy plan.

[$1B power line: The first such line under Lake Erie, the two-way cable would allow electricity to move between Ontario and nearby American state]

By: Jennifer Bieman

For: LFP Press

On: July 4, 2017

It would be a Lake Erie first, allowing Ontario to both export power to 13 American states and import it.

One expert likens it to an international highway, only to move electricity — not vehicles.

A $1-billion, high-voltage power line running under Erie, farther than the distance between London and Kitchener, is one step closer to reality following approval by Canada's energy regulator.

After nearly two years of review, Michigan-based ITC, a private energy company, has approval from the National Energy Board (NEB) to build a 117-kilometre, two-way electricity transmission line between Nanticoke, on Southwestern Ontario's Lake Erie shore, and Erie, Pa., across the lake.

The first such line across Erie, it would allow Ontario to send surplus electricity across the lake or to bring it in if the province needs the juice.

“We’ve cleared the hurdles on the major milestones. The NEB approval was a big one. That really gave us confidence in the project moving forward,” said Terry Harvill, president of ITC Grid Development.

When the line is complete and ready for commercial use, in 2021 by ITC estimates, it will carry power between Ontario and 13 U.S. states with a market population of 61 million.

The ambitious project comes in the wake of controversies involving the energy file in Ontario, where

power bills have essentially doubled over a decade amid the province’s plunge into costly green energy, an issue expected to loom large in next year’s provincial election.

On top of that, Ontario runs power surpluses that add to the cost to taxpayers and ratepayers.

Last week, the Ontario Society of Professional Engineers reported Ontario wasted enough green energy last year alone — power that was generated, but essentially dumped — to power 760,000 homes for one year.

The Lake Erie Connector Project would make it easier for Ontario to sell off some of its surplus electricity, which Harvill said could be used to help reduce the soaring cost of power in the province.

“If there’s power sold from Ontario into the U.S., if there’s a premium that’s gained from that, it goes back to government and then those proceeds could be used to lower customer bills,” he said.

“Since the government owns most of the generators, the money flows directly back to them.”

The proposed line also gives Ontario's Independent Electricity System Operator the option to import electricity if needed down the road.

With major upgrades coming to Ontario's nuclear power plants, refurbishments that will take reactors offline for prolonged periods, Ontario will be able not only to sell surplus power into the U.S. through the line but also to bring in juice from across the border, said Harvill.

Ontario power distributor Hydro One first had the idea for an underwater transmission line in the early 2000s, but backed away from the massive project, according to Jatin Nathwani, executive director of the Waterloo Institute for Sustainable Energy.

Now, almost two decades later, the project not only makes economic sense but also environmental sense, he said. Instead of moving into their own green energy, U.S. states might choose to import it, he noted.

"Canada has much to gain and is in a much better position than some of the U.S. states. We have lots of hydro and non-carbon sources of energy," he said.

"This is like building a highway, really, that allows you to go back and forth and then suppliers or people who are producing electricity can optimize their systems."

The NEB clearance marks the end of the project's major permit application process in Canada. The company is now waiting for a green light from the U.S. Army Corps of Engineers, along with more detailed cost predictions and transmission agreements, before it can begin construction.

From its $1 billion cost to its multi-stage construction, there's nothing modest about the project.

The six-inch cable will stretch 117 km from Pennsylvania to Haldimand County, deep beneath Erie's bed.

The specialized line will be made in Finland and shipped across the Atlantic to its final destination, a process that could take up to a year.

When construction begins, crews will lay the line down on the lake bed and use water jets to sink it into a trench. Erie's natural will help the sediment settle over the line.

While workers hit the high seas, crews on land in Nanticoke and Erie will build stations to connect the underwater line to the power grid. ITC will broker agreements with producers on both sides of the border interested in exporting electricity.

For Harvill and ITC, the underwater transmission line is a chance for both countries to reach new markets without the whopping upfront cost.

"In this case, ITC is bearing the financial burden of developing the line," said Harvill.

"You get all the benefits of a line connected to Ontario without really having the cost responsibilities that go along with it."

Timeline

2011– Market research and pre-feasibility study

2013 – System interconnection agreement applications filed

2014 – Environmental assessments and basic engineering

2015 – National Energy Board and U.S. Dept. of Energy permit applications filed

May 2015 – Geophysical assessment of Lake Erie floor completed

Nov. 2015 – Rock core assessment of lakebed completed

Jan. 2017 – U.S. Department of Energy grants Presidential Permit

May 2017 – Two permits granted by Pennsylvania Department of Environmental Protection

June 2017 – Certificate of Public Convenience and Necessity granted by National Energy Board

2020 – Construction and testing

2021 – Projected commercial operation date

ITC Lake Erie Connector

By the numbers

1,000 MW – Capacity of two-way high voltage line

117 km – Length of line

$1 billion – Estimated total cost

2021 – Target operation date

[Lower electricity prices for Alectra Utilities customers effective July 1]

By: Staff Post

For: Market Wired

On: July 4, 2017

MISSISSAUGA, ON--(Marketwired - July 04, 2017) - Alectra Utilities is pleased to inform customers that new lower electricity prices came into effect on July 1, 2017, as part of the Ontario government's Fair Hydro Plan. The Ontario Energy Board's (OEB) new Regulated Price Plan (RPP) rates apply to all residential and small business customers in Ontario, including those served by Alectra Utilities.

The new electricity prices set by the OEB for customers on Time-of-Use (TOU) pricing are as follows:

- Off-Peak (7 p.m. to 7 a.m. all day weekend and statutory holidays): **6.5 ¢/kWh**
- Mid-Peak (7 a.m. to 11 a.m. and 5 p.m. to 7 p.m. weekdays): **9.5 ¢/kWh**
- On-Peak (11 a.m. to 5 p.m. weekdays): **13.2 ¢/kWh**

Electricity prices for customers who remain on the tiered pricing system are as follows:

- Tier 1: **$7.7 ¢/kWh**

· Tier 2: **$9.0 ¢/kWh**

As described in the Fair Hydro Plan, as a result of the decreased prices, the average Ontario residential customer who uses 750 kilowatt-hours (kWh) of electricity per month can expect to see a reduction of approximately 25% or $41 on their bill as compared to what they would have paid without the implementation of the Plan.

Alectra Utilities customers will have already started to see some of the Fair Hydro Plan savings on their bill since the 8% provincial rebate came into effect on January 1, 2017 and other electricity price reductions including a reduction in the Time-of-Use (TOU) rates were implemented on May 1, 2017.

Alectra Utilities continues to encourage customers to use electricity during lower-cost time periods and conserve energy to save money.

For more information on Time-of-Use (TOU) pricing and conservation tips, visit alectrautilities.com .

Goldcorp takes steps toward extending Ontario Dome mine project

By: Cecillia Jamasmie

For: Business Vancouver

On: July 4, 2017

Vancouver's Goldcorp (TSX:G), B.C.'s second largest mining company and the world's number four bullion miner in terms of output, is moving forward with its Century project, which aims to extend the life its century-old Dome mine in Ontario.

The Dome mine, one of the oldest operating gold mines in North America and one of the two underground assets that are part of the Porcupine complex, received a death sentence in January 2016. At the time, Goldcorp announced it was closing the operation in the summer, due to weak bullion prices that nearly half the company's share price over the previous year.

A few months later, however, the company literally struck gold and found indicated mineral resource of 4.5 million ounces and a gold inferred mineral resource of 0.9 million ounces (for a total of 5.4 million ounces) at what is now being called the Dome Century Project.

Goldcorp kicked off then a conceptual study to expand the open-pit mine, which has just completed, and the project is entering its prefeasibility stage, expected to take about 18 months.

Dome is one of the oldest operating gold mines in North America and one of the other two assets — Hoyle Pond and Hollinger open pit — that are part of the Porcupine operation.

While Dome has been what Goldcorp calls a “prolific” gold producer since it began production in 1910, reserves are declining fast. That leaves Porcupine with the Hollinger open pit, set to shut down by 2019, the Hoyle Pond underground operations and the processing facility, which is fed by all three mines.

The potential large-scale open pit Century mine is expected to be close to its development stage by the time Dome approaches the end of its life, Lauzier said.

Despite having sold quite a few mines recently, Goldcorp expects to produce approximately 2.5 million ounces of gold in 2017 and has set itself some ambitious targets for the next five years.

The Vancouver-based miner expects gold production to increase 20% to approximately 3 million ounces, excluding potential production from its Canadian projects and its NuevaUnion joint venture in Chile.