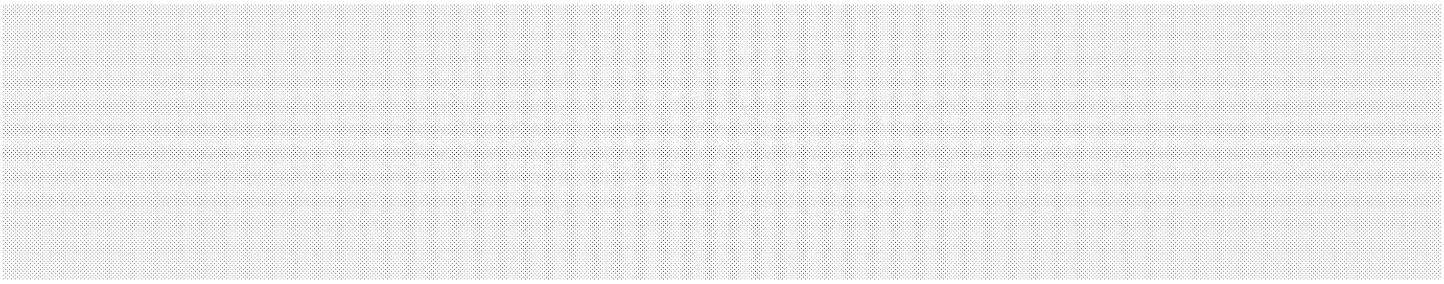
[redacted]

From: John Cannella
Sent: May 24, 2018 6:47 AM
Subject: Today's News - Thursday, May 24, 2018



Today's News

powered by:

Date: Thursday, May 24, 2018
Edited by: John Cannella (John.Cannella@ieso.ca)

Contact Editor

Industry News

News - 5 Results

Denley: This election won't solve the power bill problem

ottawacitizen.com - Wed May 23 2018

This Ontario election is said to be about change, but neither of the other major parties is promising to change the single worst policy instituted by the Kathleen Wynne government. Instead, they say they will leave the so-called ...

Hydro rates, housing affordability hot topics for Oshawa provincial candidates at business debate

Oshawa This Week - Tue May 22 2018 Page: 1

OSHAWA - Hydro rates were a hot topic for Oshawa provincial election candidates at a debate hosted by the local business community. The Greater Oshawa Chamber of Commerce, the Durham Region Association of Realtors and the Durham Region Home ...

InnPower technology should help weather Innisfil storms

Innisfil Journal - Thu May 17 2018 Page: 1

Trees, weather and squirrels have a lot to do with the reliability of your electricity in Innisfil at the moment, said InnPower regulatory conservation manager Brenda Pinke. With InnPower customers paying one of the top 10 highest ...

Ontario's Nuclear Innovation Institute to be established in Southampton

Kincardine News - Thu May 24 2018 Page: A4

Bruce Power and Bruce County are establishing the Ontario Nuclear Innovation Institute in Southampton as an international centre of excellence for applied research and training. With over 30 nuclear companies ...

PJM's Capacity Auction Attracts Diverse, Competitive Resources to Maintain a Reliable Grid

PR Newswire US - Wed May 23 2018, 9:35pm ET
Byline:PJM Interconnection

VALLEY FORGE, Pa., May 23, 2018 /PRNewswire/ -- PJM Interconnection today released the results of its annual capacity auction, which successfully procured diverse and competitive power supplies for the 65 ...

Industry News

Full Articles

Denley: This election won't solve the power bill problem

ottawacitizen.com - Wed May 23 2018

This Ontario election is said to be about change, but neither of the other major parties is promising to change the single worst policy instituted by the Kathleen Wynne government.

Instead, they say they will leave the so-called Fair Hydro Plan in place and double down by reducing power bills even more.

Ontario voters need to wrap their heads around how much this idiocy is going to cost us and the bogus justification for the plan, which artificially reduces our power bills by 25 per cent and borrows money to make up the difference.

Ontario Premier Kathleen Wynne, right, speaks as Ontario Energy Minister Glenn Thibeault looks on during a press conference in Toronto on Thursday, March 2, 2017, to announce the government's hydro relief plan.

Thanks to the auditor general and the financial accountability office, we know the

Liberal scheme will cost us $21 billion in interest over the 10-year life of the power discount. That interest, and the borrowed principal, will be tacked on to future power bills, meaning people in 2028 will be paying for power they used in 2018. The Liberals euphemistically call this the "clean energy adjustment."

To put that $21 billion in context, people still talk about the $1 billion it cost to cancel a couple of gas-fired power plants back in the Dalton McGuinty era. That was chump change in comparison.

The justification, besides political butt-saving, is that the government is spreading the high cost of building a clean, modern power system over a longer period of time. It is likened to stretching out a mortgage.

This is an argument that is incorrect in every respect.

The public hasn't paid the capital cost of the big gas, wind and solar expansion, there isn't a mortgage and we haven't built a modern and efficient system.

There has been a huge expansion of Ontario's generation capacity, but it was built by the private sector, not the government. Between 2004 and 2014, the government agreed to new power contracts that amount to about two-thirds of Ontario's generating capacity, the auditor general says.

Ontario hydro 'smart meter'.

These contracts were not subject to normal rate regulation processes, which enabled the government to offer extremely high prices for that new power.

The public doesn't own those natural gas, wind and solar plants, or any debt attached to them. The power bill reduction is not based on refinancing the cost of an asset, as we are led to believe. The cost we are postponing is for current consumption, not for long-term capital expense.

We are not stretching out a mortgage. The Fair Hydro Plan is more like going to one of those pay-day loan joints to pay a basic utility bill.

But what about that clean, green modern power system? Despite the solar and wind spending binge, they supplied only seven per cent of our power last year. The gas plants are overbuilt but seldom used, supplying only four per cent of power. That's one-seventh of their capacity. It's all ridiculously inefficient.

The vast majority of our power, 89 per cent, was supplied by nuclear and water power, just like it was before the over-hyped green power revolution.

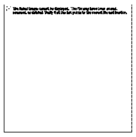
And let's not forget the other part of equation, the power transmission that is the prime purpose of Hydro One. It is also implied that the company is in top-notch shape thanks to that spending we now have to stretch out.

Not quite. The auditor general's last report on Hydro One was in 2015. She noted worsening reliability, increasing costs, more frequent power outages and poor maintenance of assets. Between 2010 and 2014, outages lasted 30 per cent longer and occurred 24 per cent more frequently. The accumulated replacement backlog for assets beyond their expected life was $4.5 billion.

The power system is a huge mess than the next government will have to tackle, yet all parties argue that today's power costs are unaffordable and promise to solve the problem by making those costs much higher in the future. Have their brains shorted out?

Randall Denley is an Ottawa commentator, novelist and former Ontario PC candidate. Contact him at randalldenley1@gmail.com(mailto:randalldenley1@gmail.com)

Back to Top



Hydro rates, housing affordability hot topics for Oshawa provincial candidates at business debate

Oshawa This Week - Tue May 22 2018 **Page:** 1

OSHAWA - Hydro rates were a hot topic for Oshawa provincial election candidates at a debate hosted by the local business community.

The Greater Oshawa Chamber of Commerce, the Durham Region Association of Realtors and the Durham Region Home Builders' Association hosted a debate last week featuring Oshawa candidates, including NDP incumbent Jennifer French, Liberal Makini Smith and Progressive Conservative Bob Chapman.

Whether candidates were talking about business competitiveness or affordability for homeowners, the topic of hydro rates cropped up over and over in the debate.

"We've already committed to cleaning up the hydro mess by reducing hydro costs by an initial 12 per cent by returning Hydro One dividends to ratepayers and getting rid of the Green Energy Act," said Chapman. "While desirable, the NDP plan to buy back Hydro One - I think that horse has left the barn."

Chapman said he doesn't see how Ontario could afford the buyback without adding more to Ontario's deficit and debt.

If elected, Chapman said, his party has committed to doing an audit on the Liberal government's actions on the hydro file over the past 15 years and added that industrial hydro rates needed to be reduced as well as residential rates.

French countered Chapman's argument.

"It absolutely is a great idea to bring it back," she said. "I think we own about 47 per cent now, so to be able to get to 51 per cent and have the biggest voice at the table is not an insurmountable task. It is one foot in front of the other to make that happen."

Having that voice at the table would allow decisions to be made in the public interest, said French.

She added that her party would look at expensive hydro contracts the government has signed that are coming up for renewal and would renegotiate or dump bad contracts. She added her party would also end mandatory time-of-use rates for residents and businesses.

Smith, the Liberal candidate, was on the hot seat on the issue of hydro rates, fielding criticism for her party's record from both the NDP and the PC candidates.

"I'll just be completely honest with you: As a new candidate I'm not here to defend 14 years of what the Liberals have done and why everyone's upset with hydro," she said. "I do spend a lot of time talking to people at the doors, and hydro is definitely a concern, and I'm listening to what it is that they need and bringing that back to the table at Queen's Park."

However, Smith said her party has been listening to residents and businesses about the impact of hydro rates and cited a 25 per cent rate cut for half a million small businesses and farms as an example.

The candidates also tackled the issue of housing affordability.

"I'm proud the Liberal government is making home ownership more affordable," said Smith. "We know that young families are worried that they'll never be able to purchase a home of their own, so that's why they introduced the Fair Housing Plan."

Smith said the plan included introducing a nonresident speculation tax, double the tax refund for first-time home buyers and the ability for municipalities to impose a vacant-property tax encouraging developers to build more homes.

"Part of the solution is more places to live, but Oshawa has done well for housing under our government," said Smith, adding last year Oshawa surpassed $600 million in building permits for the first time. "Oshawa has prospered under a Liberal government."

Chapman, who was an Oshawa regional councillor until he resigned to run for the Tories, doesn't believe the credit should go to the Liberals.

"I don't think the housing boom that's been in Oshawa has been because of the Liberal government. I think it's been because of the Oshawa municipal council," he said adding that part of that was reducing red tape and working with developers through the permitting process.

Chapman said housing affordability is related to supply and demand, and the supply needed to be increased.

"This can be done through a strategic growth plan that prioritizes land use planning supported by policies to increase density, such as along the new GO lines," he said.

French said she bought her first home in Oshawa for just under $200,000 and now similar homes are appraised at $500,000 a decade later.

"There are not options for people to get into the market as it stands now," she said. "We're seeing people priced right out of it, whether that's first-time homebuyers or families, or whether that is seniors wanting to downsize."

She said her party will sign on to the federal national housing strategy to fund 20,000 units of affordable housing, but the NDP is committing to build 65,000 within 10 years.

She said her party's resident's rights act would give homeowners the opportunity to build legal apartments, including second suites, laneway housing and granny flats.

French said her party is encouraging an array of options for housing, including encouraging the "missing middle" of housing with townhouses and stacked townhouses as well as allowing municipalities to opt out of "archaic" minimum parking requirements.

Back to Top

InnPower technology should help weather Innisfil storms

Innisfil Journal - Thu May 17 2018 Page: 1

Trees, weather and squirrels have a lot to do with the reliability of your electricity in Innisfil at the moment, said InnPower regulatory conservation manager Brenda Pinke.

With InnPower customers paying one of the top 10 highest rates in Ontario, technology is advancing to make the service more reliable.

InnPower covers 292 square kilometres of land, with 222 designated as rural, and lines can be impacted by the slightest interference.

"We are the same geographic size as Mississauga, which has 336,000 population," Pinke said. "We have 36,000."

The InnPower system is owned by the town and was inherited from Hydro One, with most of the power lines stretching through waterfront areas and farm fields surrounded by old trees.

According to Ontario Energy Board statistics, the average customer saw more than an hour of interrupted power in 2016, compared to an hour-and-a-half in 2015.

If a major storm blows through like it did May 4, more people are going to be affected than in a built-up, sheltered area like Barrie, chief operation officer Danny Persaud said.

When it gets windy and wires slap together, the resulting power outage prevents a fire or serious damage to the pole or transformer, which would be costly to customers.

"It's like a breaker in your house, it tries to clear the temporary fault. That's why you might see your microwave flash for a second and come back on," Persaud said.

Through customer phone calls and smart meter alerts, repair crews can pinpoint the damaged area.

Pinke said it's not cost effective to switch all wires to underground, especially if there are only a handful of customers on the line.

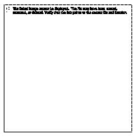
But as more subdivisions are built in Lefroy, Cookstown, Stroud, Alcona and Gilford, the goal is to put those lines underground where possible.

In the meantime, InnPower is forging ahead with technology called fault detection isolation and restoration, something already used by Barrie's Alectra utility.

The system shuts power off from the faulty area, segregates the problem and reroutes electricity from another line, Persaud said.

"It's a self-healing network," Persaud said, adding it's rare for a smaller utility to invest in the technology.

Back to Top



Ontario's Nuclear Innovation Institute to be established in Southampton

Kincardine News - Thu May 24 2018 **Page:** A4

Bruce Power and Bruce County are establishing the Ontario Nuclear Innovation Institute in Southampton as an international centre of excellence for applied research and training.

With over 30 nuclear companies opening offices and other facilities regionally in the past two years, Bruce Power and the County of Bruce will harness this strong foundation by establishing a hub for nuclear innovation through applied research and training.

"Ontario's Nuclear Innovation Institute will bring together technological leaders to share collective expertise and knowledge, while identifying opportunities to advance nuclear applications and technologies, as well as people skills through training," said Mike Rencheck, Bruce Power's President and CEO. "Ontario is advancing nuclear technologies through refurbishment of its nuclear fleet, and much of it has found a long-term home in the region.

The Institute will harness this collective knowledge, skill and expertise to create opportunities for Ontario's citizens and businesses, while we continue to deliver safe, clean, reliable, low-cost electricity, ensuring Ontario's businesses remain competitive and families prosper.

The key focus areas of the Institute will include: Artificial intelligence and cyber security, Medical and industrial isotopes, Health and environmental excellence in the Lake Huron and Georgian Bay areas, Indigenous economic development, and Nuclear sector, operational excellence.

"We look to a bright future where these businesses and entrepreneurs collaborate to establish new, locally based entities to sell the applications and technologies being advanced and applied within the Institute," said Rencheck, adding the new local businesses can attain opportunities within Canada or from international sales.

The Institute will also include a Skilled Trades and Training Secretariat, consisting of industry leaders who will be responsible for coordinating and increasing employment in the skilled trades to support building a strong, sustainable regional labour force, said Bruce County warden Paul Eagleson "To have the expertise and knowledge of those who develop the research alongside the industry that applies this technology is essential to ensuring we have the labour force needed to support skilled trades demand across the province," Eagleson said. "We will engage industry partners to establish a Secretariat made up of key leaders and players - to be coordinated out of this facility - creating a hub for skilled trades, enabling us to utilize community resources and assets, and collectively prepare tomorrow's labour force."

The Institute may also offer practical classes, training and/or materials to inform and engage the youth in the area on technologies and opportunities available through technical fields and craft trades.

It will also evaluate applications for new nuclear technologies including Small Modular Reactor (SMRs), which will be an essential component to future carbon-free electricity needs.

The Institute will be established in Southampton and the project has now commenced with a development phase where key partners will be established, a formal business plan developed, operating structure put in place, along with the physical planning of a facility. The goal is to complete this development and break ground for a facility no later than 2020. The institute will work hand-in-hand to advance the skills needed in Bruce Power's new refurbishment training centre already under construction in Kincardine.

The initial location being considered for the Institute is adjacent to the Bruce County Museum & Cultural Centre and local dialogue through the project development phase with neighbours and the community will occur around this, or potentially other, options within Southampton.

A new Oversight Committee for Ontario's Nuclear Innovation Institute is also being established and will be chaired by Frank Saunders, Bruce Power's Vice President, Nuclear Oversight and Regulatory Affairs, who previously has served as the Director of Nuclear Operations for [redacted] University.

The group will solicit expertise from key partners and domestic and international organizations to guide the formation of the Institute and work closely with a team between Bruce Power and the County of Bruce, which has been jointly established to guide the development phase of the project.

Bruce Power and the County of Bruce also announced the joint Economic Development and Innovation Initiative - initially slated to run from 2016-18 - will be extended to 2021, with a focus on further expanding the nuclear supply chain in the region. Eight additional companies - AECOM, Alberici Constructors, BIRD Construction, GE, Lakeside Process Controls, Nuvia Canada, PTAG and WorleyParsons - were also recognized for recently investing in Bruce County.

An upcoming website will track progress and keep the public informed on the development of Ontario's Nuclear Innovation Institute.

Back to Top

PJM's Capacity Auction Attracts Diverse, Competitive Resources to Maintain a Reliable Grid

PR Newswire US - Wed May 23 2018, 9:35pm ET
Byline: PJM Interconnection

VALLEY FORGE, Pa., May 23, 2018 /PRNewswire/ — PJM Interconnection today released the results of its annual capacity auction, which successfully procured diverse and competitive power supplies for the 65 million people PJM serves.

The auction procures power supply resources to meet electricity needs for three years from now in the PJM service area, which includes all or parts of 13 states and the District of Columbia. PJM procured 163,627 megawatts of resources for the period of June 1, 2021, to May 31, 2022.

The auction produced a price of $140/megawatt-day for much of the PJM footprint, compared to $76.53/MW-day last year. Prices are higher in some regions due to transmission limits.

Overall in most locations prices in this year's capacity auction were higher than prices in last year's auction due to several factors, including:

Continuing low energy prices, which causes generators to seek revenues in the capacity market through higher offers

An increase in the reference resource cost resulting from a decrease in energy revenues and an adjustment for inflation

A decrease in total cleared capacity, including a reduction in the number of new generators

Those factors driving higher prices were partially offset by a lower reliability requirement because of lower forecasts of future electricity demand.

"PJM's markets continue to retain and attract a diverse set of resources and promote competition to support reliability of the grid," said PJM President and CEO Andy Ott. "The high-performing resources participating in our markets ensure that customers have reliable electricity at the lowest reasonable cost."

The auction attracted a year-to-year increase in the amount of demand response, energy efficiency and renewable resources that commit to meet PJM's strict performance standards.

A total of 11,126 MW of demand response cleared in the auction, representing an increase of 3,305 MW compared to last year's auction. A total of 3,832 MW of energy efficiency also cleared, an increase of about 1,100 MW. A total of 1,417 MW of wind cleared in the auction, representing an increase of 529 MW. Solar increased more than fourfold, with around 570 MW clearing.

Demand response consists of retail customers who commit to voluntarily reduce their electricity usage during periods of high system demand and power prices. Energy efficiency accounts for the permanent installation of efficient lighting, refrigerators, air conditioners, motors, weatherization and process improvements that exceed then-current building codes, appliance standards, or relevant state or federal standards.

These resources can either bid as an annual resource or, if they can only produce power seasonally, aggregate with another resource to meet PJM's performance standards. For example, wind generators, whose capacity is greater in the winter, combined through the auction clearing mechanism with demand response and solar resources, whose capacity is greater in the summer.

The auction cleared 500 MW more coal generation than last year's auction. The auction also cleared 1,000 MW more gas-fired generation than last year's auction, including one new combined cycle plant. The auction cleared 19,900 MW of nuclear generation, about 7,400 MW less than last year's auction.

The total procured capacity in the auction represents a 21.5 percent reserve margin, compared to a 15.8 percent required reserve for the 2021-2022 delivery year. A healthy reserve shows that PJM will have more than adequate resources to meet electricity use needs and can lower the price for electricity.

In five areas, the Eastern MAAC region, American Transmission Systems (ATSI), Baltimore Gas & Electric, ComEd, and Public Service Electric & Gas Co. (PSE&G), capacity prices are higher than the overall PJM price. For Eastern MAAC, the price is $165.73/MW-day; for ATSI, the price is $171.33/MW-day; for Baltimore Gas & Electric, the price is $200.30/MW-day; for ComEd, the price is $195.55/MW-day; and for PSE&G, the price is $204.29/MW-day.

(The Eastern MAAC region consists of PSE&G, Jersey Central Power & Light, PECO, Atlantic City Electric, Delmarva Power and Rockland Electric. PSE&G has a different price than the rest of the Eastern MAAC region).

A detailed report of the results is available on the PJM website.

2021/2022 Capacity Prices

Delivery Area

Capacity Price

Transmission Zone Affected

RTO

$140/MW-day

Eastern MAAC

$165.73/MW-day

Atlantic City Electric, Delmarva Power, Jersey Central Power & Light, PECO and Rockland Electric

ATSI

$171.33/MW-day

American Transmission Systems

BGE

$200.30/MW-day

Baltimore Gas & Electric

ComEd

$195.55/MW-day

ComEd

PSE&G

$204.29/MW-day

PSE&G

PJM Interconnection, founded in 1927, ensures the reliability of the high-voltage electric power system serving 65 million people in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia. PJM coordinates and directs the operation of the region's transmission grid, which includes over 84,042 miles of transmission lines; administers a competitive wholesale electricity market; and plans regional transmission expansion improvements to maintain grid reliability and relieve congestion. PJM's regional grid and market operations produce annual savings of $2.8 billion to $3.1 billion. For the latest news about PJM, visit PJM Inside Lines at insidelines.pjm.com.

View original content: www.prnewswire.com

SOURCE PJM Interconnection

Back to Top