

Sept 20 Large Renewable Procurements – Premier's Remarks v2

Our Government has been at the forefront of a new wave of electricity supply in the province of Ontario – and the introduction of renewable generation as a critical step in cleaning our supply mix.

In 2003, Ontario relied on dirty coal-fired power plants for about 25% of our electricity and in 2005 we had 53smog days. Today, coal generation became a thing of the past. Our government went further still and actually banned the use of coal for electricity generation in 2014. We can proudly say Ontario's electricity sector is over 90 per cent emissions-free.

Ontario is proud to have established itself as a North American leader in clean energy initiatives. With 15,900 MW of renewable generation online as well as approximately 2,000 MW contracted and under development, Ontario will continue to be a leader and remains committed to clean energy.

Just this past month, our electricity sector experts at the Independent Electricity System Operator published the Ontario Planning Outlook. This report highlights that Ontario has one of the cleanest and most reliable grids in North America, and provides modelling that shows we have a strong and steady supply of power for the next ten years. In short, there is no urgent need to pursue more electricity supply.

Later this fall, the Minister of Energy is launching public consultations on our next Long-Term Energy Plan. We're consulting across the province to help clarify our electricity needs: the demand for power and how best to ensure it is supplied. Our Open Government approach is committed to hearing directly from Indigenous communities, citizens and stakeholders, and these consultations will be the most comprehensive the Ministry has ever held.

Given our strong energy position, it only makes sense that as a government we look at our procurements and make common-sense adjustments.

We have decided to suspend the second phase of the Large Renewable Procurement process, or LRP II, intended to procure up to 980 MW of renewable energy projects. . Instead, we will review the role of continued procurements as part of the next Long-Term Energy Plan consultations.

We will honour the renewable contracts that have been signed, including those signed earlier this year under the first LRP process.

Based on the evidence from our electricity experts, we are confident that we can continue to maintain among the cleanest, most reliable electricity systems in North America. When our experts tell us we can do this without procuring additional generation, it's up to us to heed that prudent and responsible advice and ensure savings for electricity consumers.

In 2013, our Government made the decision to defer any new build of nuclear power that had previously been contemplated. That action alone helped us avoid over \$15 billion in costs for Ontario ratepayers. We've taken other action, including renegotiating our renewable energy agreement with Samsung for contract savings of \$3.7 billion.

Today's decision to suspend the LRP II is expected to save up to \$3.6 billion in electricity system costs relative to the LTEP 2013 forecast, saving the typical residential electricity consumer an average of approximately \$2.10 per month on their electricity bill..

While our government remains committed to clean energy – as I said, all contracts that have already been signed will be honoured – we are taking a responsible, evidence-based approach to adjust to evolving needs.

And our next Long-Term Energy Plan will consider the complete picture of Ontario's needs and how best to deliver clean, reliable and affordable power for the years ahead.

That's what Ontarians expect their leaders to do, and that's why I'm proud to represent Ontario as your Premier.