Message

**From**: Mary Bernard [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=7E3E3E8D7F9345C2B0AAB3E0FD7A79F2-MARY BERNAR]
**Sent**: 2017-07-07 6:33:38 AM
**Subject**: Today's News - Friday, July 7, 2017

# Today's News

powered by:

Date: Friday, July 7, 2017
Edited by: John Cannella ( John.Cannella@ieso.ca )

Contact Editor

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**$1B power line under Lake Erie one step closer; Michigan-based ITC gets green light from NEB for 117-km, two-way energy link**

Windsor Star - Fri Jul 7 2017
**Byline:**Jennifer Bieman
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**The meaning of 'fair'**

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# Full Articles

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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. Lake Erie's sediment will settle naturally 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."

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## The meaning of 'fair'

Mississauga News - Thu Jul 6 2017 Page: 1

I think it's fair to say Premier Kathleen Wynne doesn't know the meaning of fair.

Premier Wynne states she has a Fair Hydro Plan, but my question is fair to whom? As 10 companies had applied for green energy contracts in one bidding round, out of the 10 companies, seven were rewarded with contracts as they each were donors to the Liberal party with a combined contribution of $255,000. The three losing companies did not donate to the Liberal party and received no contracts. How can Premier Wynne preach she has a fair hydro plan?

Here is another example of Wynne's Fair Hydro Plan as I see it - the premier states that hydro ratepayers are getting a 25 per cent discount on our hydro bill, which is totally false as we got the eight per cent subsidy on the HST before Premier Wynne announced her election bribe, and remember, it was the Liberals that added the eight per cent HST on our hydro bill to begin with. I must ask how do you get any discount when they raised our rates by 418 per cent since taking office?

While Wynne is using taxpayers' money to promote this farce, she has failed to mention the debt retirement fee will be back, or OPG is waiting to hear back if they get approved for a 69 per cent increase for nuclear power produced over the next five years - while Hydro One has asked for a $141-per-year increase by 2022.

Premier Wynne's Fair Hydro Plan could end up costing us $93 billion if this plan is financed, so please explain to me how this is fair for a few years of relief?

Most importantly, Premier Wynne, you never addressed the real issue on hydro, which is producing affordable hydro in Ontario. You have bought hydroelectric power from Quebec while we divert power at Ontario hydroelectric plants, and you failed to see that Ontario is overproducing hydro to the extent that in the last week of May of 2017, IESO exported enough hydro to supply 1.6 million homes for a week for 19 cents.

Premier Wynne, you must think it's fair to supply our competitors in other jurisdictions with cheap or free hydro while boosting Ontario's minimum wage up to $15 an hour to put us at a disadvantage with other regions.

Ross Ayotte

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## Downtown power plant sold to thermal energy giant

London Free Press - Fri Jul 7 2017
**Byline:** Hank Daniszewski
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London's downtown power plant has changed hands again.

The london district Energy plant at Bathurst and Colborne streets was sold last week to Enwave, a firm that runs similar plants in Toronto, Windsor and such american cities as Chicago, Houston and Seattle.

"it's a system that we are very familiar with. it fits into our portfolio," said Carlyle Coutinho, president of Enwave's northeast region.

The co-generation plant burns natural gas and serves 60 customers with steam and chilled water and uses cogeneration with an 180megawatt capacity. The plant's clients include the St. Joseph Health Care complex on Grosvenor Street.

The plant has had several owners during the years. The most recent was Veresen, a Calgary-based energy firm.

Veresen announced at $40-million expansion last year, building a new facility across the street from the existing plant.

The key to that expansion was a contract with Combined Heat and Power (CHP), a program operated by Ontario's independent Electricity System Operator.

Coutinho said Enwave took over that contract as part of the purchase and will proceed with the project.

He said the project is still in the design phase and construction would not begin until next near Though Ontario has seen a glut of power generation in recent years, Coutinho said the plant's focus is serving customers rather than generating power for the grid.

"Our power assets are under contract so whether there is a glut, we will still be operating and providing our customers with service," he said.

Enwave - a unit of Brookfield, a large asset-management firm based in Toronto - is best-known for operating a system that uses water at the bottom of lake Ontario to cool downtown Toronto office buildings along with the london plant, Enwave acquired a system in Prince Edward island from Veresen. The Charlottetown plant serves more than 100 customers with hot water produced through the use of biomass, m unicipal waste to energy, and fuel oil. hdaniszewski@postmedia.com twitter.com/HankatLFPress Downtown powerhouse London District Energy traces it roots to a central steam heating plant built in downtown London beginning in 1878.

The company evolved into Cities Heating, run by the Hayman family.

Trigen took over in the 1980s and the old Queens Avenue plant was replaced by the plant at Bathurst and Colborne in 1993.

In 2007, the plant was taken over by Fort Chicago, now Veresen Inc., a large, Calgary-based energy firm that expanded the plant's electricity co-generation in 2008.

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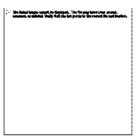
# Full Articles



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### Pickering, Ajax businesses recognized for conservation efforts

Pickering News Advertiser - Thu Jul 6 2017 **Page:** 1

AJAX - Pickering and Ajax businesses are among Veridian Connections' customers who have achieved outstanding electricity conservation results in 2016.

These 'Conservation Champions' were leading participants in the utility's energy efficiency and demand management programs that provide valuable financial incentives and reduce operating costs.

Veridian's 2016 Conservation Champions in Durham are Farm Boy in Pickering, Sklar Peppler Furniture in Ajax, and 20 VIC Retail in Pickering Town Centre.

Giant Tiger Stores Limited and Rogers Communications also made the list.

"Each year, Veridian pays tribute to our business customers who make reducing energy consumption an integral part of their business," said Melanie Walls, key accounts representative.

She said the Independent Electricity System Operator's Save on Energy programs - delivered throughout Ontario by the province's electric utilities - are good for communities, the environment, and a business' bottom line.

"There are energy efficient programs to assist companies from the smallest of retail stores to the largest industrial complexes," she said.

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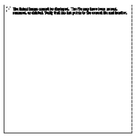

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## Privatization won't save provincially owned utilities; Years of political meddling and dubious investments have created bad debts

The Globe and Mail - Fri Jul 7 2017
**Byline:** KONRAD YAKABUSKI
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Most Canadians rely on provincially owned utilities to keep the lights on - and they're getting burned. Mired in politics and empire-building, our big electricity providers have racked up a rap sheet of bad investments longer than their longest transmission lines.

Taxpayers and ratepayers - usually one and the same - are left to pay off ballooning hydro debts with nothing to show for it but politically driven white elephants. Bad planning and stubborn mismanagement in the face of cratering market prices for electricity have left no good options available to limit the financial fallout.

A couple of decades ago, privatization might have been a solution. Back then, wise investments in legacy hydro dams by earlier and more responsible generations of politicians produced juicy cash flows. Private investors would have lined up to pay a premium for shares in these utilities. Since then, years of political meddling and investments in economically dubious new hydro assets mean the only way to attract private capital would be to hive off the bad debts these entities currently carry, leaving taxpayers to foot the bill anyway.

The Ontario government's partial privatization of Hydro One is a special case. Principally a transmission company, with a stable of local distribution companies, Hydro One doesn't own power-generation assets but only delivers power to wholesale and retail consumers. That makes it a low-risk utility, as close to an old-fashioned blue chip as you can find in today's stock market.

The same can't be said of Ontario Power Generation. A recent C.D. Howe Institute study pegs OPG's equity value at between zero and $5-billion. But that is before taking into account unknown billions in potential nuclear cleanup liabilities and decommissioning costs that will be incurred when older reactors, such as the Pickering nuclear station, must shut down for good.

Then there are the billions in new debt that Premier Kathleen Wynne's government is piling onto OPG's balance sheet with its pre-election scheme to cut power rates by 25 per cent in the short term. That plan will require OPG to borrow an extra $14-billion by 2027, according to the province's Financial Accountability Officer, further weakening the company's balance sheet.

Indeed, the only power entity truly worthy of privatization consideration is Hydro-Quebec.

It accounts for the lion's share of the $31-billion to $45-billion in equity that provincial governments have tied up in their electrical utilities, according to the C.D. Howe study by Steven Robins. But selling off this proud symbol of the Quiet Revolution is taboo in Quebec. In the words of Hydro-Quebec's current chairman: "There's a better chance Egypt would privatize the pyramids."

Were Quebec ever to change its mind, it might be too late.

Even Hydro-Quebec, which owns among the best legacy assets on the planet and has 24 years left on its contract to buy power from Churchill Falls at a fraction of its market value, faces unattractive returns on its newer dams and weak export prices in U.S. markets for years to come.

But at least it's not Newfoundland-owned Nalcor Energy. Nalcor's 824-megawatt Muskrat Falls hydro project is now slated to cost $12.7-billion, up from an original $7-billion estimate, and produce electricity at 23.3 cents a kilowatt-hour, or about 40 times the spot-market price on any recent day in Ontario. Bankruptcy increasingly looks inevitable. Privatization is a pipe dream.

The same goes for Manitoba Hydro, which has whittled away its once-envied reputation. Its 695-megawatt Keeyask dam project is now expected to cost $8.7-billion, about twice original estimates. An accompanying transmission line has followed a similar cost trajectory. With its debt set to have doubled to $23billion once these projects are complete, Manitoba Hydro now wants to raise power rates by 46 per cent over five years. "Without the rate increases, the company will not have enough cash flow to pay for its core operations," it says.

BC Hydro's prospects aren't looking much better. The recently defeated Liberal government pushed ahead with the 1100-MW Site C dam project - exempting it from a formal review by the province's independent utilities commission - promising jobs and economic development in remote ridings.

But the business case for the $9-billion project (based on BC Hydro cost projections) was always weak, with power demand in the toilet and export prices going down the drain.

The New Democratic-Green alliance now set to form a government has vowed to review the project. But delay would only drive up construction costs while cancellation would still leave ratepayers on the hook for money already spent.

A decade or more ago, privatization might have saved BC Hydro, Manitoba Hydro, OPG and Nalcor from themselves and the destructive meddling of their political masters. Now, taxpayers and ratepayers can only clutch their tax and hydro bills and feel the burn.

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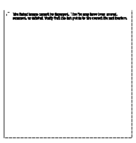

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**Wasaga votes to keep utility**

The Barrie Examiner - Fri Jul 7 2017 Page: A1 / Front

After months of research and public consultation, Wasaga Beach council unanimously decided to retain and grow Wasaga Distribution Inc.

Council wasn't slated to make a decision about the utility provider until a special meeting on July 18.

However, during another special meeting Thursday regarding a different issue, council members decided to end the review process.

"The people of Wasaga Beach have spoken loud and clear about their desire to retain ownership of our utility provider," said Mayor Brian Smith. "Council has heard the message and acted accordingly. Given all we now know, we did not see any sense in delaying our course of action."

Residents showed a level of engagement on the WDI issue not seen for some time in the community.

In October 2016, WDI board representatives, with the help of Mr. Mark Rodger of Borden Ladner Gervais LLP, made a presentation to town council on potential options for the future of WDI.

Rodger presented three potential options for council's consideration: retain and grow the utility, merge the utility, and sell the utility.

Based on the recommendations, council decided to conduct a review of the options.

The recommendations from WDI were prompted by the fact that major changes are occurring in the electrical distribution sector in Ontario, as demonstrated through the sale or merger of a number of small utility companies, the "905 mega merger," and the privatization of Hydro One. These changes are in conjunction with the introduction of additional regulations to govern the sector.

At the Association of Municipalities of Ontario conference in 2015, municipalities with utility companies were encouraged to review the changes taking place throughout the sector, and explore options to ensure the electrical needs of residents and business owners are met in an affordable manner now and into the future.

Throughout the town's review process, the municipality received extensive feedback from the community. A multi-phase public engagement process was conducted as part of the review.

In May of this year, residents were able to email the town comments and questions about Wasaga Distribution.

Also in May, the town hosted a public information session at the RecPlex, featuring guest speakers with expert knowledge about the electricity sector. Residents were able to ask questions and make comments at the meeting.

The session was followed by a telephone survey that found a majority of residents did not support the sale of Wasaga Distribution Inc.

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## Consumers break summer record for electricity use as temperatures soar

Calgary Herald - Fri Jul 7 2017
**Byline:** Bill Kaufmann
**Page:** A2

Albertans on Thursday broke a summer electricity use record, a mark rising in tandem with scorching temperatures.

Consumer use hit 10,638 MW, blowing past a previous high of 10,520 MW set on July 9, 2015, said the Alberta Electric System Operator (AESO).

"We hit a new summer peak and it's likely we'll hit higher peaks as the week progresses," said AESO spokeswoman Tara De Weerd.

"We continue to have ample supply, our generators are very confident there aren't any issues."

That new peak was set at 4 p.m. but De Weerd said it was likely to be exceeded later in the day.

Heightened air conditioner use is normally a major driver of such peak electricity consumption, said De Weerd.

She also said Calgary's big annual bash is also likely playing a role.

"It's the beginning of Stampede, you have an influx of visitors so you'll have more people using electricity," she said.

Alberta's generation capacity is 16,420 MW, said the AESO.

There are no plans, she said, for any of the province's electricity generators to shut down any of their plants for maintenance or other purposes in the near future as demand rises.

The summer peak is considerably smaller than that reached in the depths of Alberta's winter.

Alberta's winter peak usage was recorded last year and was 11,458 MW.

Though the province's capacity isn't being strained by the summer heat, De Weerd still encouraged consumers to go easy during the peak use time of the day, between 5 and 7 p.m.

"We don't have to be running all of our appliances at once," she said.

Alberta exports an insignificant amount of electricity to Montana, B.C. and Saskatchewan.

The weather forecast calls for temperatures to soar above 30C through the weekend. BKaufmann@postmedia.com On Twitter: @BillKaufmannjrn

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