



Sustainable Energy Solutions

August 23, 2006

The Hon. D. Duncan
Minister of Energy
Hearst Block, 4th Flr
900 Bay St
Toronto ON M7A 2E1

The Hon. L. Broten,
Minister of the Environment.
135 St. Clair Ave. W.
Toronto, ON M4V 1P5

Re: Assessment of Environmental Sustainability of the Ontario Power Authority IPSP

Dear Ministers Duncan and Broten,

I am writing regarding the steps needed to ensure the environmental sustainability of the Integrated Power System Plan (IPSP) to be developed by the Ontario Power Authority (OPA) under the terms of the directives provided to it by the Government of Ontario on June 13, 2006

The IPSP will have major environmental, economic and social implications for present and future generations of Ontarians. The plan will involve major choices regarding the environmental, social, economic and health risks and costs associated with the provision of electricity in Ontario. We continue to believe that an environmental assessment under Ontario's *Environmental Assessment Act* would be the best way to gain an understanding of the risks and costs associated with the OPA's proposed plan, and the viability of alternatives to it.

The Pembina Institute notes that as an alternative to an environmental assessment under the *Environmental Assessment Act*, the OPA has been directed, under Ontario regulation 277/06 to "ensure that safety and economic and environmental sustainability and environmental protection are reflected in the (IPSP)." We are increasingly concerned about how effectively even this much more limited obligation will be addressed by the OPA.

IPSP development process remains unclear. However it is becoming apparent that there will be no consultative process around environmental sustainability issues per se. In fact, the preliminary indications from the OPA have been that it intends to employ the methodology used in its supply mix advice study to address the environmental sustainability mandate provided to it via Ontario regulation 277/06.

As you are aware, a number of the commentators, including the Pembina Institute and the City of Toronto's Medical Officer of Health, have noted that the methodology employed by the OPA to assess the environmental implications of its December 2005 supply mix advice recommendations

was deeply flawed. The OPA's assessment overlooked major environmental impacts and risks associated with certain supply options, particularly nuclear power. In addition, the weighting system used to compare the environmental characteristics of the energy options, was not balanced appropriately, placing, with little or no justification, a heavy weighting on greenhouse gas emissions relative to other impacts, such as waste generation or water pollution.

The OPA's apparent intention to rely in this approach raises serious doubts about whether a meaningful assessment of the environmental sustainability of the IPSP will be provided. We also note that the Ontario Energy Board, which will be required to review and approve the IPSP has no experience in the review of an undertaking on the scale of the IPSP, and very limited experience in the environmental review of projects in general.

We believe, for these reasons, that supplemental direction to the OPA is needed with respect to the assessment of the environmental sustainability of the IPSP. In particular, we recommend that:

- A working group of consisting of individuals with appropriate expertise, drawn from the relevant academic, professional and non-governmental communities, to develop a sustainability assessment framework for the IPSP be appointed by yourselves in your capacities as Ministers of Energy and of the Environment.
- The OPA be directed to employ the framework developed by this working group in fulfilling its mandate under Ontario Regulation 277/06 to ensure that environmental sustainability and environmental protection are reflected in the IPSP.

A sustainability assessment framework would also be of assistance to the Ontario Energy Board in its review of the IPSP.

I would be pleased to discuss this proposal with you, your staff and your officials.

Yours sincerely,

A handwritten signature in black ink, appearing to read "M.S. Winfield", with a long, sweeping flourish extending to the right.

Mark S. Winfield, Ph.D.
Director, Environmental Governance

Cc: Gordon Miller, Environmental Commissioner of Ontario.