

WCO | WIND CONCERNS ONTARIO

PO BOX 11059 105 GUILDWOOD PARKWAY SCARBOROUGH ON M1E 1N0

August 25, 2014-08-21

Ontario Power Authority

By email to LRP@powerauthority.on.ca

Re: Input into Large Renewable Procurement RFP Framework

Wind Concerns Ontario is a coalition of community groups and individuals in Ontario, concerned about the impacts of large-scale wind power development on Ontario's economy, the natural environment, and on human health.

We are providing comments on the draft Large Renewable Procurement Framework, as the public and the wind power industry has been invited to do.

General comments:

We question the need for further procurement on renewable sources of power, specifically from wind energy, at this time, for the following reasons.

- It is not clear why an RFP being issued at this time to find suppliers for more energy generation; the province—according to the Minister of Energy—is now in a state of oversupply and is taking steps to deal with excess power production, which comes at a loss to the government and Ontario ratepayers. More than \$1.5 billion was lost over the course of 2013 due to excess power being delivered at the wrong time of day, or in the wrong season. Ontario cannot afford to contract for more power at this time. Issuance of the RFP should be delayed until energy is required. We note the continued increase in Surplus Baseload Power forecasts by the IESO, which reached as high as 4,800 megawatts recently. This puts the grid at risk for blackouts and brownouts.
- It is established that renewable sources of power generation are more costly and are contributing directly to electricity costs for Ontario business and consumer. These rapidly rising costs, which in our estimation are adding \$350 per year to the average ratepayer's bill, are causing energy poverty particularly for those on fixed incomes, and the younger generation, many of whom are working for minimum wage. They simply cannot bear any more. Similarly, higher electricity costs are forcing manufacturers to look at relocating to other jurisdictions (e.g.,

New York State, which is actively courting Ontario businesses) where they can conduct business using cheaper power.

- The overriding objective for all Ontario Power Authority activities should be reducing electricity costs and avoiding future increases.

Our other comments are noted here, relative to the appropriate sections of the document, as requested.

Section 2 . Proposal Price:

- Peak and Off-Peak Pricing is an important feature; this is critical to ensure that new contracts do not require the purchase of power when it not required.
- Pricing should be evaluated across all types of generation and not only within the proscribed “buckets”; we need to ensure that power suppliers align output to actual energy needs at the lowest cost. Linking price to Time Of Use (TOU) would be advantageous for Ontario, as the HOEP is not a reflection of an operating market in the sense of normal bid/ask for traded commodities.

Section 3. Dispatch/Curtailment:

- The focus in the procurement needs to be on identifying sources that can generate power only when it is required for the system.
- The Ontario electricity system cannot afford more commitments to purchase power in off-peak periods when power is not required by the system.
- If the power generator needs storage capabilities to align output with the needs of the electrical system, then the costs of that storage should be included in the proposal price.

Section 9. Access Rights:

- The process of obtaining sites for new generation must be conducted by the proponents in an open and transparent process. Public notice in the subject municipality must be required before any leasing activities commence; the methods of public notification should be more stringent than in the previous procurement process —many Ontario communities were completely unaware that power projects were being developed in their midst.
- There is no mention of any procedures or requirements for proponents who are proposing a power project near communities in areas where there are no formal municipalities, i.e., unorganized territories in Ontario.
- Lease sales processes should operate within a Code of Conduct appropriate for a high profile government program. Incidents where sales agents misrepresent the status of the project should be grounds for disqualification. Project developers should also be required to disclose the full range of potential impacts on a community, including environmental impacts, economic effects (property values, effect on tourism and other aspects of the local economy, etc.) and any potential implications for the health of residents.

- The Ministry of Consumer Services should establish standards to ensure that all leases such as those used for wind “farm” developments provide normal consumer protections such as opt-out clauses for the lessor, with reasonable penalties reflecting the costs. All potential lessors should be treated equally. The Ministry and the OEB have set standards for retailers but have failed to set appropriate standards for wind power developers with respect to leases and other matters affecting the impacted communities and individuals.
- Any proposals involving the use of Crown Land should also provide public notice to other users of this site.

Section 10. Connection Point Parameters:

Proponents should be required to use the closest connection site to avoid more electricity transmission corridors, and the resulting impacts on Ontario communities.

Section 12. Change in Control:

The proponent should be required to operate the project for the life of the contract awarded so that local communities can be assured that commitments made during the approval process will be honoured.

Section 13. Community Engagement for Change of Control or Assignment:

Municipal approval should be required for any change of control or assignment. This needs to be fully and clearly defined.

Section 14. Agricultural Land Restrictions:

The prohibition from using land classed as Prime Agricultural Land should be extended to wind turbine projects as the roads and collector line infrastructure for these projects consume useful land, and limit the usefulness of the whole farm involved for cultivation under large-scale farming practices.

Section 15. Community Engagement Minimum Requirements:

- A municipal support agreement needs to be included with all responses. The absence of this support cannot be overcome by other indications of community support. Only the municipality speaks for the community.
- Letters of support from all non-Crown Land landowners within 2 kilometers of the project should also be required to confirm that the project has real community support.
- Just as Community Benefit Agreements cannot supersede governing regulations, these agreements cannot contain any clauses limiting the municipality’s ability to enact or enforce municipal regulations against the project. Otherwise, these agreements are just bribes.

- The process of obtaining municipal support agreements and community benefit agreements must be clearly defined, and conducted in an open and transparent process that allows for community input before the final decision is made.

Thank you for the opportunity to comment on the process.

Sincerely,

Jane Wilson

President

Wind Concerns Ontario

windconcerns@gmail.com