

From: [BoardSec](#)
To: [REDACTED]
Subject: FW: Letter of Comment Submitted: EB-2013-0203
Date: August 26, 2013 3:47:23 PM
Attachments: [McKittrick GEA report Apr 2013.pdf](#)

From: Webmaster
Sent: August-26-13 3:47 PM
To: BoardSec
Subject: Letter of Comment Submitted: EB-2013-0203

LETTER OF COMMENT

Comments: *(please see below and attachment)*

In regard to the proposed transmission line for the proposed NRWC project.

Dear OEB staff,

The mandate of the OEB is to consider: 1) the interests of consumers with respect to prices and the reliability and quality of electricity service as well as; 2) to promote the use of renewable energy sources in a manner consistent with the policies of the Government of Ontario.

These two goals are wholly incompatible.

1. According to the Auditor General's Report (2011) Chapter 3 Electricity Sector - Renewable Energy Initiatives, no cost benefit analysis was done before embarking on the GEA policy.

"[N]o comprehensive business-case evaluation was done to objectively evaluate the impacts of the [\$9.7] billion dollar commitment", nor assessment of "the prospective economic and environmental effects of such a massive investment in renewable energy on future electricity prices, direct and indirect job creation or losses, greenhouse gas emissions, or other variables" (AGO, 2011, p. 89). "[B]illions of dollars were committed to renewable energy without fully evaluating the impact, the trade-offs, and the alternatives through a comprehensive business-case analysis" (AGO, 2011, p. 97).

OEB, how are you protecting the taxpayers' monies when there has been no cost benefit analysis undertaken? How can you defend your decision to erect transmission lines for this - or any other wind project in the province - when no business case has been made to justify this expenditure of tax dollars - of which you are guardians?

2. Ontario already has an excess of total electrical power.

"Ontario power demand currently averages about 18,000 MW and reaches a maximum annual peak of about 26,000 MW. Using figures from the Ontario Power Authority and the Independent Electricity System Operator, the provincial Auditor-General projects average demand to decline to about 16,000 MW and peak demand to fall to about 24,000 MW (AGO, 2011: 99). Nuclear and hydroelectric facilities alone currently provide 18,000 MW of base-

load capacity (Ontario, Ministry of Energy, 2010: 22-26). In addition, Ontario has 9,500 MW of gas capacity as well as 4,500 MW at the coal-fired power plants, much of which is unused. The AGO estimates Ontario will have at least 10,000 MW of surplus generating capacity through 2025 (AGO, 2011: 99)” (McKittrick, Fraser Institute, 2013, p.8).

OEB, why would you consider spending further tax dollars when Ontario already has an abundant supply of energy at its disposal?

3. Ontario has a surplus of base-load power. Wind power will replace either nuclear or hydro. Neither of these generates emissions. Both of these are extremely economical.

“Not only does Ontario have surplus power, but it has surplus base-load power, and this creates a problem for maintaining grid reliability as wind power expands. The GEA requires the system to buy all available wind energy. Depending on wind conditions, there can be a surge in production that needs to be absorbed. [W]ind power tends to peak when demand is at a minimum, so it either must displace base-load production or be dumped on the export market at a loss” (McKittrick, Fraser Institute, 2013 ,p.8). “Ontario spilled water to reduce electricity supply on 96 days in 2009. Because the overall cost to produce hydro power is often lower than that of all other types of power, reducing hydro power to “make room” for wind and solar is an expensive mitigation strategy, particularly as HYDRO, wind and solar power are all considered renewable energy sources” (AGO, 2011, p.113). "Wind and solar renewable power will add significant additional costs to ratepayers' electricity bills" (AGO, 2011, p. 89).

OEB, how does it serve the taxpayers of Ontario to add in more wind power which will necessarily offset the clean energy we already have in abundance in nuclear and hydro?

4. Wind power is unreliable and has low efficiency. Wind power is subject to the vagaries of the weather and thus requires back-up power from fossil fuel sources. Therefore, such projects can threaten the delivery of stable, reliable, efficient electrical supply.

"Renewable energy sources such as wind and solar are not as reliable and require backup from alternative energy-supply methods, such as gas-fired generation” (AGO, 2011, p. 89), thus additionally burdening the taxpayers with duplicate infrastructure costs. Because solar and wind are intermittent and unpredictable resources, integrating renewable energy into the operation of Ontario's power system has the potential to “compromise the reliability, stability, and efficiency of the system.[o]perational challenges include power surpluses and the need for backup power generated from other energy sources (AGO, 2011, p. 111). “Wind generators operate at 28% capacity factor but have only 11% availability at peak demand due to lower wind output in the summer” (AGO, 2011, p. 111).

OEB, why are you investing tax dollars in an underperforming technology? How does this make the best financial case to meet your mandate of “protect[ing] the interests of consumers with respect to the price, adequacy, reliability and quality of electricity service? [The OEB] is responsible for promoting ECONOMIC EFFICIENCY AND COST EFFECTIVE generation, transmission and distribution of electricity" (AGO, 2011, p. 101).

5. Continuing to add industrial wind farms - and their infrastructure such as transmission lines and transer substations to service them - will further increase the indebtedness of Ontario taxpayers.

“Since 2006, 81.6% of the wind energy production in Ontario occurred at times when it was unneeded, in other words when at least as much power production was being dumped on the export market. Since 2009, the fraction was 81.8% and, since 2011, it was 78.5%. Because of the provisions of the Green Energy Act, the system operator is required to buy all available wind power at 13.5¢ per kWh, well above the domestic market price, and prices received for exported power are typically less than 4¢ per kWh (AGO, 2011: 112). They are even negative at times, meaning that the electricity-system operator has to pay other jurisdictions to take the surplus power. The AGO estimated (2011: 112) that from 2005 to 2011 Ontario lost \$1.8 billion on these transactions. The IESO data, using the assumption that power is purchased at 13.5¢/kWh and sold at 4¢/ kWh when exported, implies that the current wind power system imposed costs of just over \$24,000 per hour of operation in 2011, and cost the Province \$210 million. This amount must either be added to the provincial deficit or added to ratepayers' bills” (McKittrick, Fraser Institute, 2013, p. 15).

OEB, as of two years ago Ontario taxpayers had been burdened with \$24,000/hour debts for wind generated power we did not need, at times we did not need it! That was two years ago, before many more wind farms were added to the grid. How much more indebtedness are you willing to undertake with taxpayers' dollars which you are mandated to protect? On what basis can you justify this waste?

6. Residents have expressed concerns regarding this NRWC proposal on the basis of:
- i. Lack of ination regarding expected annual power generation of the wind turbines which NRWC regards as confidential ination and refers to as NRWC's proprietary wind data. How is it possible to determine whether this output and its reliability might meet the criteria for OEB's stated mandate to protect consumer's electricity prices, reliability and quality?
 - ii. The clustering of turbine layout since some of the spacing for this project is tighter than the conservative guidelines (as set out by the turbine manufacturer, Enercon). How much will the efficiency of the energy output be compromised by spacing these turbines tightly? Why should Ontario consumers invest in facilitating a project which may be designed at less than optimal layout?
 - iii. The discrepancy between the sound levels in the draft reports and those prepared by the manufacturer, Enercon. If this necessitates de-rating or feathering of the power curve to remain within the MoE noise regulations of 40dBA, then will the operators be capable of producing the contracted power? Will consumers moreover be investing in a project which operates under scaled-back efficiency and underperance?

These concerns should be paramount as OEB reviews the proposal for a transmission line under the criteria of sound investment in quality, efficient, reliable energy from this applicant.

Respectfully submitted

Name: Debra Hughes

[Redacted signature]

[Redacted contact information]

[REDACTED]
[REDACTED]
[REDACTED]