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Sent: November-26-13 6:31 PM
To: BoardSec
Subject: Letter of Comment re: Application by Ontario Power Generation for a rate increase.. Reference EB-2013-0321

November 26, 2013

Attention: Ontario Energy Board

Reference: Notice of Application made by Ontario Power Generation Inc., also known as/aka OPG

Reference Number EB-2013-0321

Application in question being a request to raise amounts charged for the output of electrical production facilities owned and operated by the corporate entity named above. If approved said increase is to take effect on January 1, 2014

Pursuant to the guidelines for participation as published on the Ontario Energy Board website, I wish to submit the following letter of comment on the proceeding for consideration and inclusion.

Dear Sirs and Mesdames;

After hearing of the notice of application made by Ontario Power Generation Inc., also known as/aka OPG and herein after referred to as OPG, and reviewing the supplied information provided by OPG on which they base their application it is my belief and position that they are not entitled to any raise or increase in fees or amounts charged. I support my position as follows.

Ontario Power Generation Inc. is, for all intents and purposes, a monopoly. I state this because it is a matter of public record that they apparently have no significant or major competitors in this province against which to compete. This, effectively, gives them total control over the market they serve and how they substantially elect to deal with that market. Moreover it also affects how the province deals with them in terms of any subsidies or loans granted and any past or pending legislation that could impact their viability as a business. As a monopoly, they possess totalitarian capability, that is what they might provide or deny in terms of the service they offer is absolute. Whether an individual, a company, or a city, anyone attempting to purchase power from them must acquire it on their terms. There simply are no other large scale practical alternatives. This, summarily, gives them a rather unreasonable advantage in any dealings they have in the marketplace; any and all customers being summarily put in the position of "Pay up or do without."

Their evident status as a monopoly currently places them in a dichotomous situation. In this province, at present, there are no laws as such that would forbid the existence of a monopoly in the marketplace such as they presently enjoy. However, federally, such laws do exist. This, to me, raises an issue of whether their presence as a sole service provider in the provincial marketplace contravenes said federal laws governing such entities.

Setting aside their monopolistic status, there is also the question of what they actually plan to do with this increase. While ostensibly it might go towards defraying alleged increases in the cost of doing

business, the actual end recipients within the corporate infrastructure are not being made clear or known. Documentation, including statements of profit and loss as well as budgets and forecasts which purport to support their fiscal requirements, has been tendered but much of the information these memorandums should reveal is blacked out under the corporate assertion it is sensitive and should not be released into general circulation. I would wonder who it is being withheld from. Competitors? Who in this province falls into that category? The government? Why should this corporation feel the need to cloak or obscure its financial activities from them? Oversight agencies such as you, the Ontario Energy Board? Again, why the need to avoid total transparency? Should they not have to honestly and completely disclose exactly how this money will be dispensed? Will it go towards improvements and infrastructure expansion or will it end up as raises and dividends paid out into corporate pockets instead?

Finally, although perhaps not completely relevant or germane to the OPG request for a raise, there is the matter of the source for the power they provide. Ontario has many options available to it when it comes to the question of electrical power. Water, solar, geo-thermal, and wind are all on the table when it comes to power generation. The traditional source and leader is, of course, water. This province not only possesses both ample supplies of water but has it in a form that lends itself to the generation of power both readily and easily. And yet the OPG insists on embracing atomic or nuclear generation. They go to great lengths to reassure the public that their nuclear facilities are safe and dependable. Any time the question of decommissioning arises it is never fully or openly addressed or answered. Nuclear facilities are no different than any other production facility in one major respect. They have an operating life. Most factories and similar institutions, at the end of their life, can be simply shut down and eradicated. By contrast, at the end of the life of a nuclear reactor, what happens to that facility? It cannot be merely and simply dismantled and recycled. The land can't be cleaned up and then just rezoned for apartments. Even with the best sterilization methods possible that land will remain hostile and unusable for many hundreds of years. Does the OPG have a remediation plan in place to deal with this eventuality? What size of budget have they earmarked for the work and have they even remotely begun to save up the substantial amount of capital required? Who will ultimately be expected to pay for this cleanup and why should the bulk of that debt fall on the shoulders of us taxpayers? Will any of this raise that they are seeking go towards creation of just such a remediation fund?

Another concern that is not being transparently addressed is the matter of interim storage and disposal of nuclear fuel rods. Yes, there is planning in place to locate and vet suitable sites for these storage facilities, but it has not gone beyond soliciting expressions of interest. Several locales and townships within the province have expressed a willingness to become dumping grounds for what may be the most hazardous material in the world but none of them have been definitively chosen. Beyond that choice, there is the matter of a budget to build and staff the facility. Is OPG going to pay for that or will it be a partnership between them and the province and again, whose taxes and rates are going to rise to cover this initiative?

My final concern with respect to the nuclear factor is safety. It doesn't have a definitive cost nor can it be defined by a line item on a balance sheet but should it be ignored or abused then the price could be horrendous. We have a remembrance day for our dead from the wars and police actions we've fought but there is no remembrance day for incidents such as Three Mile Island in the U.S., Chernobyl (sic) in what is now the Ukraine, and Fukushima Daiichi in Japan. All of these facilities were touted as being safe yet all suffered catastrophes, either from natural events or otherwise. How far away is the Bruce

reactor facility from the epicenters of the earthquakes that occurred in Quebec in recent years? Despite the alleged stability of the Precambrian shield could it suffer and tolerate an earthquake of any significant magnitude? Would this raise being sought by the OPG go in any part or way towards an emergency fund to deal with a nuclear disaster or meltdown brought on by either a natural disaster or by simple carelessness?

Does the OPG have a reasonable right to seek increased compensation for its services? Within what should be clearly demanded and defined limits, yes. Being a monopoly however offers this corporation an unlimited and unbridled opportunity to exercise its financial appetite to a degree far beyond what could otherwise be considered as being reasonable where it to exist in a competitive market. I personally perceive this latest request for a raise in fees charged to be just such an example of excessive demand and ask that it be denied for just that reason.

Respectfully submitted,

James C. MacCallum

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