

**ONTARIO LIBERAL PARTY RESPONSE:
ONTARIO CLEAN AIR ALLIANCE QUESTIONNAIRE**

Question #1: Ontario has been a net exporter of electricity since 2006. Do you believe that Ontario should continue to export coal-fired electricity to the U.S.A.?

Answer #1: Yes No Undecided

Short Answer:

[Short answer (up to 100 words) for OCAA’s election leaflet.]

Today, Ontario can produce enough power to meet its needs. In 2003, our electricity system was in disrepair. We had to import power from the US, costing consumers almost \$1 billion in 2002/2003 — and the PCs increased coal-use by 127 per cent. Today, Ontario is replacing coal with cleaner sources of power and Q1 2011 coal-use was 90 per cent less compared to 2003. Eight units have already been shut down and we will be coal-free by 2014. Ontarians cannot afford the Hudak-PCs: their lack of a positive plan will take us off track, and their reliance on coal will pollute our air and destroy a healthier future.

Long Answer:

[Long answer (if desired) for OCAA’s website.]

Ontario does not burn coal for the purposes of export. While being part of an integrated power grid contributes to enhanced reliability and flexibility, electricity exports from Ontario are not attributable to a particular source of generation. For example, the Independent Electricity System Operator (IESO) does not determine whether a specific megawatt hour of electricity exported comes from a nuclear, hydro or thermal generation plant. Exporting activities normally take place when Ontario has a surplus of electricity supply, usually because demand at that time is lower, while supply availability is higher. By having an integrated system of power generation from a variety of sources, we have created a modern, reliable and flexible system with the ability to meet the power demands of Ontarians.

In 2003, however, this was not the case as our energy system had been left in a shambles. We were paying hundreds of millions of dollars to import power just to keep the lights on. For example, the previous government imported electricity worth almost \$1 billion from the US in 2002/2003 alone. And, the PCs increased the use of dirty coal by 127 per cent as they felt this was the quickest and cheapest way to provide electricity. However, the negative effects that resulted from this decision — such as smog days, pollution and adverse health effects — began to strain not only our environment, but also our health care system.

Since those dark days, the McGuinty government has turned our supply situation around by investing in a modern, reliable and stable energy system that is meeting the needs of Ontarians. We have invested in the creation of over 5,000 kilometres of transmission lines; we have gained over \$1.5 billion from exporting our electricity; and our domestic use of dirty coal for the first quarter of 2011 was 90 per cent less compared to the same period in 2003.

The PC Party's approach to energy is to fail to continue to invest in the progress that has been made and to prolong Ontario's dependence on dirty coal for the foreseeable future. By promising to eliminate renewable energy programs, the PC Party has admitted they have no intention of replacing coal with cleaner sources of power. They are putting Ontario's energy future and health at risk.

Today, Ontario is turning the corner and our clean energy plan is helping with that recovery. The investments being made in the new clean energy economy are creating thousands of good Ontario jobs and helping to keep the lights on in our homes and businesses. By replacing dirty coal with cleaner sources of power, such as wind, solar and biogas, we are cleaning up the air we breathe and ensuring a cleaner, healthier future for our children and grandchildren. Tim Hudak wants to gut Ontario's clean energy economy and the NDP leader has backed away from support for renewable energy.

Our Long-Term Energy Plan is a 20-year plan, unmatched by any other government in North America, which will make the essential investments to create a strong and reliable energy system. This plan also includes the single-largest climate change initiative underway in North America: to replace all coal-fired generation by 2014. We have so far removed eight coal burning units, the greenhouse gas (GHG) equivalent of removing 2.5 million cars from Ontario's roads.

Ontario deserves leadership that will invest in the things that matter most. The Ontario government's positive plan to rebuild Ontario's aging infrastructure is working as we build a world-class clean energy economy, create thousands of jobs and clean up the air we breathe for future generations.

Question #2: Ontario's municipal electric utilities (e.g., PowerStream, Toronto Hydro), Hydro One, Enbridge Gas and Union Gas have implemented energy conservation and efficiency programs that are reducing their customers' energy bills by hundreds of millions of dollars. Do you believe that Ontario's electric and gas utilities should be mandated to help their customers achieve all their energy saving opportunities that can meet their needs at a lower cost than new energy supply?

Answer #2: Yes No Undecided

Short Answer:

Conservation is the most environmentally friendly and cost-effective resource. It puts control back into the hands of consumers to lower their hydro bills. Ontario's Long-Term Energy Plan has the most aggressive conservation targets in North America, saving 7,100MW by 2030. The Ontario Power Authority runs our conservation programs; since 2006 Ontario has conserved 1,700MW, saved ratepayers \$3.8 billion in system costs and improved our rating from a C- to an A+, according to the Canadian Energy Efficiency Alliance. Tim Hudak's plan does not support conservation. He will destroy the OPA, kill conservation jobs and derail our progress. That is not leadership.

Long Answer:

Conservation is Ontario's most environmentally friendly and cost-effective resource. It puts control back into the hands of consumers by giving them the resources necessary to help lower their hydro bills. The introduction of smart meters and Time-of-Use (TOU) billing, as well as the SaveONenergy conservation programs launched by the Ontario Power Authority (OPA), are clear indications of the Ontario government's commitment to conservation. It is and will remain a cornerstone of the province's Long-Term Energy Plan and an important element of Ontario's climate change strategy.

Ontario has worked very hard over the past six years to become a jurisdiction that leads and achieves on energy conservation, setting aggressive long-term and intermediate targets. Our Long-Term Energy Plan includes the most aggressive conservation targets anywhere in North America, to reduce peak demand by 7,100MW by 2030. This is the equivalent of taking over 2.4 million homes off the grid. Thanks to the Ontario government's efforts, we have saved over 1,700MW of electricity over the last six years, saved ratepayers \$3.8 billion in system costs and improved our rating from a C- to an A+ on conservation, according to the Canadian Energy Efficiency Alliance.

Unfortunately, the PC Party does not share the same commitment to conservation as their proposal to eliminate the Ontario Power Authority (OPA) — Ontario's conservation agency — has proven. In addition, their platform does not even once mention energy conservation. Their contempt for energy conservation and their commitment to eliminate the renewable energy component of Ontario's Long-Term Energy Plan demonstrate further their support for the use of dirty coal, which will lead to disastrous environmental effects and health risks.

But thanks to the investments made by the McGuinty government over the past eight years, Ontario now has enough power to meet the needs of Ontarians across the province — and we can continue to focus on future-building initiatives like conservation, energy efficiency, and the building of a smart grid. We have made significant progress in creating a culture of conservation in Ontario, and there is always more to do.

The Ontario Liberals are the only party committed to renewable resources like wind and solar power. Tim Hudak wants to gut Ontario's clean energy economy and the NDP leader has backed away from support for renewable energy.

Our government will continue to ensure Ontario remains a leader in clean energy and at the forefront of the clean energy revolution, as we work toward a cleaner, healthier future for all Ontarians.

Question #3: In 2010 Vermont electric utilities signed an agreement to import clean, reliable water power from Hydro Quebec for 26 years at a starting price of less than 6 cents per kWh. Do you believe that Ontario should seek to negotiate a long-term contract with Hydro Quebec for low-cost water power imports before pursuing new nuclear projects?

Answer #3: Yes ____ No X Undecided ____

Short Answer:

Vermont's power needs are not the same as Ontario's. We have a modern, stable and reliable energy system that is meeting the needs of Ontarians. When it is economically sensible, Ontario does exchange power with Quebec across our jointly constructed intertie, but this only represents the equivalent of about 4 per cent of Ontario's installed capacity. Today, nuclear power is the workhorse of Ontario's energy system, producing almost half the electricity Ontarians use every day. It is safe, reliable and cost-effective, unlike the Hudak-PCs' plan, which heavily emphasizes dirty coal and does not account for reliability and stability. Ontarians deserve a cleaner future.

Long Answer:

The agreement that Vermont signed with Quebec to purchase electricity is a result of the power needs for their system. Ontario does not share the same needs as Vermont: we have built a modern, stable and reliable energy system that is meeting the needs of Ontarians. When it is economically sensible to do so, Ontario does exchange power with Quebec across our jointly

constructed intertie, but this only represents the equivalent of about 4 per cent of Ontario's installed capacity. Today, nuclear power is the workhorse of Ontario's energy system, producing almost half of the electricity Ontarians use every day. It is a safe, reliable and cost-effective source of electricity that has been in use for over 40 years.

In addition to expanding our nuclear capacity, we have also committed to expanding our hydroelectric capacity, by moving forward with clean energy projects such as the Niagara Tunnel and the Lower Mattagami River. The hydroelectric projects being planned and built in Ontario represent the largest expansion of hydroelectric power in Ontario in four decades.

Where we stand today is in stark contrast to where Ontario was under the PC Party in 2003 — power outages, brownouts, record-breaking use of dirty coal, and a provincial electricity system on life support from neighbouring jurisdictions and diesel generators. That is not the type of energy system that Ontarians deserve. We cannot go down the same reckless path that will leave our province and our energy system in a shambles.

The Ontario Liberals are the only party committed to renewable resources like wind and solar power. Tim Hudak wants to gut Ontario's clean energy economy and the NDP leader has backed away from support for renewable energy.

The Ontario Liberal government will continue to move this province forward by securing our clean energy future, investing in a world-class energy system, creating thousands of new jobs and providing a cleaner, healthier future for our children and grandchildren.

Question #4: Every nuclear project in Ontario's history has gone massively over budget and the cost overruns have been passed on to Ontario's electricity consumers and taxpayers. Do you believe that nuclear power companies should be allowed to pass their future cost overruns on to Ontario's electricity consumers and taxpayers?

Answer #4: Yes ____ No X Undecided ____

Short Answer:

Nuclear power is the backbone of Ontario's energy system and, for the past 40 years, it has produced reliable, stable and cost-effective power. The Ontario government will continue to protect ratepayers and will ensure that they are getting the best value for their dollar. Through extensive planning and preparation, we will continue to complete projects safely, on time and on budget. Unfortunately, Tim Hudak's proposal to expedite nuclear projects is reckless and puts

Ontarians at risk as we have seen with the Harris-Hudak energy experiments of the past. Ontarians deserve a modern, stable and reliable energy system.

Long Answer:

Nuclear power is the backbone of Ontario's energy system and, for the past 40 years, it has produced reliable, stable and cost-effective power for Ontarians across the province. Our government has a strong record of negotiating deals that put the consumer as the primary consideration as we thoroughly plan and prepare to complete projects safely, on time and on budget. It will always remain our priority to ensure that ratepayers are protected and that they are getting the best value for their dollar as we continue to build and invest in securing our energy future.

Nuclear projects underway now will be exceptionally transparent, cost-effective, expertly managed and meticulously planned. For example, all costs associated with the Darlington nuclear project are subject to the rigorous due diligence process of the Ontario Energy Board.

This was not always the case and, during the late 1990s, the Harris-Hudak PC Party presided over the Pickering nuclear renewal project: it went nearly \$2 billion over budget, while only half the work was completed, taking twice the amount of time scheduled. This type of waste and misuse of taxpayer dollars by the former PC government should not have been tolerated. We are taking the necessary steps to ensure that does not happen again.

The PC Party's plan to expedite nuclear projects without proper planning or consideration is potentially dangerous. Ontarians do not deserve to be exposed to the kind of failed energy experiments that were prevalent in the Harris-Hudak era.

It is important to consider the contribution that Canada's nuclear industry makes to Ontario's economy: approximately 70,000 Canadians are employed in this sector and 55,000 of those are based in Ontario. The refurbishments of the Bruce and Darlington units will provide substantial benefits to the Ontario economy by creating almost 25,000 jobs and annual economic activity of \$5 billion.

Our government remains committed to protecting Ontarians and to working in their best interests. The Ontario Liberals are the only party committed to renewable resources like wind and solar power. Tim Hudak wants to gut Ontario's clean energy economy and the NDP has backed away from support for renewable energy.

Our track record is clear and we will continue to build a modern, reliable and stable clean energy system — one that is creating thousands of jobs, attracting investment and building a cleaner, healthier future for generations to come.