



**Ontario Energy  
Association**

August 28, 2006

Linda Jeffrey, Chair  
c/o Susan Sourial, Clerk  
Standing Committee on General Government  
Room 1405, Whitney Block  
Queen's Park, Toronto, ON  
M7A 1A2

***Re: Support for Proposed Exemptions for Energy Projects (Bill 51, Sections 23 and 24)***

Dear Ms. Jeffrey,

With 170 member firms and organizations, which together employ some 32,000 Ontarians and represent about \$34 billion in annual market revenues, the Ontario Energy Association represents the people that build and maintain the energy infrastructure in the province. On February 26, 2006, we wrote to the Ministry of Municipal Affairs and Housing, and last week we wrote to the Premier expressing our strong support for the exemptions for energy undertakings as proposed in Sections 23 and 24 of Bill 51, *An Act to Amend the Planning Act and the Conservation Land Act and to make related amendments to other Acts* (see attached letters).

As we indicated in these previous letters, we support intensification and compact development but emphasize the need for timely and cost-effective new energy infrastructure to support these goals. This need is particularly acute in urban areas targeted for compact development, as many are facing significant generation, transmission and distribution infrastructure challenges. **Unfortunately, Ontario's regulatory framework and processes have become increasingly cumbersome and unpredictable in recent years, often as a result of duplication and inconsistency, impeding the timely development of this critical infrastructure.**

We would like to take this opportunity to reiterate for the members of the Standing Committee on General Government that the proposed exemptions are *essential* to achieving compact development and intensification goals. One might even argue, given the many challenges Ontario is facing, that the proposed exemptions are essential to keeping the lights on!

Currently, many important energy infrastructure projects are facing significant delays and cost burdens as a result of existing regulatory duplication and inconsistency between the Environmental Assessment (EA) process, local planning processes and provincial planning initiatives (e.g., *Greenbelt* and *Places to Grow*). While there has been much discussion about the need to fix this long-standing problem, it is imperative that we act now, in the broader public interest, to ensure that our energy-related infrastructure is reliable and sufficient to meet our current and future needs, both provincially and regionally.



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It is important to note that the proposed exemptions would in no way jeopardize opportunities for local participation. Indeed, we strongly believe that the public – particularly local communities and municipalities – must have meaningful opportunities to participate in the approvals process for energy projects. The problem, however, is that many of the issues raised in local planning approvals are already considered extensively in the EA process (which reviews impacts on land use and the human environment). This duplication only adds to the cost and uncertainty of energy infrastructure, which ultimately affects and is paid for by all Ontarians.

One of the strengths of Ontario is our diversity. Energy infrastructure investments are undertaken by a wide variety of companies and organizations, including Ontario Power Generation, Hydro One Inc., local distribution companies and gas utilities, and independent power producers. As you are probably aware, a number of key energy infrastructure projects being undertaken by independent energy developers – including clean and renewable generation projects - are facing significant delays and risks as a result of regulatory duplication. The proposed exemptions will ensure that all energy infrastructure projects, regardless of who is developing them, will benefit from the proposed *Planning Act* exemptions.

In closing, we want to emphasize that these exemptions will not diminish opportunities for public and municipal participation; instead, they are an important first step in creating a positive environment for much-needed investment in Ontario's energy sector and will go a long way to ensuring that Ontario's communities continue to be served by reliable, cost-effective energy infrastructure. In light of the dire need for energy infrastructure in growing urban areas, this last point cannot be overstated. We strongly urge members of the Standing Committee to recognize the importance of these exemptions and ensure that Bill 51 continues to support the timely and cost-effective development of energy infrastructure in Ontario.

Sincerely,

A handwritten signature in black ink that reads "Shane T. Pospisil". The signature is written in a cursive style with a large initial "S".

Shane T. Pospisil  
President and CEO  
Ontario Energy Association

cc.

Honourable Dalton McGuinty, Premier of Ontario  
Honourable John Gerretsen, Minister, Ontario Ministry of Municipal Affairs and Housing  
Honourable Laurel Broten, Minister, Ontario Ministry of the Environment  
James Gillis, Deputy Minister, Ontario Ministry of Energy  
Paavo Kivisto, Deputy Minister, Ontario Ministry of the Environment  
Ken Petersen, Manager, Ontario Ministry of Municipal Affairs and Housing  
Jan Carr, CEO, Ontario Power Authority  
David Civiero, Chair, Ontario Energy Association  
Jim Mulvale, Chair, Environment Joint Sector Committee, Ontario Energy Association