



June 08, 2017

Canadian Manufacturers & Exporters (CME) is a strong proponent of nuclear power generation, including capital investments to extend the operation of nuclear assets, a fact that CME has emphasized in our submissions at the Ontario Energy Board (OEB). It has come to CME's attention that the Clean Air Alliance, an anti-nuclear group, has circulated a news release which includes a number of extracts from CME's submissions to the OEB that were taken out of context. The comments were in respect to the component of OPG's 2017-2021 Payment Amounts application relating to the incremental costs of extending operations at the Pickering nuclear facility announced by the Government in January, 2016.

The excerpts circulated by Clean Air Alliance do not provide a full picture of CME's position with respect to incremental costs associated with extending operations at the Pickering facility. CME recognizes that nuclear power is the backbone of Ontario's electricity system and strongly supports this element of the province's Long Term Energy Plan.

The issues identified by CME in its submissions to the OEB were focused on the need to update key information used in the economic analysis undertaken to demonstrate that extending operations at Pickering will generate savings for ratepayers. CME also highlighted the importance of having an accurate picture of the potential savings for ratepayers in the context of an application for approval of generation payment amounts for 2017-2021. These matters are of significant concern to all of CME's members.

Because the focus of the OEB process is on the price and quality of electricity service, it is not a forum for the consideration of the broader economic benefits of nuclear power which include:

- In 2016, generated 60% of Ontario's electricity at 6.6 cents per KW/h compared to an average price of 11 cents per KW/h.
- 50,000 Ontarians are employed directly or indirectly in the nuclear industry.
- Contributes \$5 Billion annually to the Ontario economy
- Ontarians will also benefit from avoided costs of cap and trade by using clean nuclear. In fact, between 2017 and 2064, carbon-free nuclear from Bruce Power and OPG, when compared to alternatives, will avoid between \$18 billion and \$95 billion in carbon costs that ratepayers would have to fund if this output was replaced by fossil fuels.

The OEB process is an important one and permits ratepayers to engage in more technical discussions about electricity rates and implementation. CME is therefore very concerned that its comments with respect to the need for accurate and current economic analysis were purposefully taken out of context. CME hopes that this letter will serve to correct the record and reinforce CME's continued support for ongoing investment in nuclear power in the province of Ontario.

Ian Howcroft
Divisional Vice-President, Ontario
Canadian Manufacturers & Exporters