

Hon. Prabmeet Sarkaria
Associate Minister of Small Business and Red Tape Reduction
Ministry of Economic Development, Job Creation and Trade
56 Wellesley Street West, 7th Floor
Toronto, ON M5S 2S3

Dear Minister Sarkaria:

RE: Ontario Power Generation Submission – ERO 019-0774

Ontario Power Generation (OPG) appreciates the opportunity to make a submission on Bill 132, *Better for People, Smarter for Business Act, 2019* (**ERO 019-0774**); as it relates to the proposal for legislative amendments to the *Ontario Water Resources Act (OWRA)*, *Crown Forest Sustainability Act (CFSA)*, and Administrative Monetary Penalties (AMPs) (under the OWRA and the *Environmental Protection Act*) and the proposal for a new regulation under the *Lakes and Rivers Improvement Act (LRIA)*.

OPG is Ontario's largest clean energy generator – currently generating more than 50% of Ontario's electricity at 40% below the average cost of other Ontario generators. OPG's operations include: two nuclear generating stations; three thermal generating stations; 66 hydroelectric generating stations and one wind power turbine. The majority of OPG's generation is from its nuclear and rate-regulated hydroelectric stations. OPG also owns two other nuclear generating stations, which are leased on a long-term basis to Bruce Power LP.

OPG supports the efforts of Bill 132, *Better for People, Smarter for Business Act, 2019*; to bring cost reductions to the hydroelectric generating business of OPG, and other hydroelectric generators in Ontario. This is an important step to ensuring that our low-cost, GHG emission free waterpower remains affordable to Ontarians. OPG also supports and commends the Ontario government's overall efforts to reduce red tape for business and to introduce efficiencies and cost-savings.

**Bill 132: Better for People, Smarter for Business Act, 2019
Proposed Amendments and Regulation**

OPG offers comment on the specific amendments and regulation below in response to the OWRA, CFSA, AMPs and LRIA.

Ontario Water Resources Act (OWRA)

OPG strongly supports the proposed exemption of waterpower facilities from the requirement to obtain a Permit to Take Water under the OWRA. Currently, the Ministry of the Environment, Conservation and Parks and the Ministry of Natural Resources and Forestry (MNRF) both regulate water flows and levels associated with the production of waterpower, which results in duplicative requirements. This proposed change would remove the current duplication and overlap between the two Ministries.

We are confident that eliminating this duplication will result in savings to the ratepayers of Ontario without compromising water flows and levels.

Crown Forest Sustainability Act (CFSA)

The proposed amendments to the *CFSA* would enable the issuance of a “permit” to allow a person to remove forest resources from a Crown forest for non-forestry purposes (e.g., roads, mining, utility corridors). OPG supports this proposal as it should improve the ability to obtain permits to remove trees for activities that are already subject to existing approvals or MNRF licenses (e.g. when maintaining dams and power transmission corridors). This acknowledges that while trees are a Crown resource, there is a need to more easily permit their harvest/removal in cases where other approved activities are taking place on Crown lands.

Administrative Monetary Penalties (AMPs)

OPG has specific interest in the development of the list of contraventions subject to AMPs, as AMPs would apply to OPG’s entire electricity generating fleet (hydroelectric, nuclear, and thermal sites).

OPG is keenly interested in the development of the aforementioned contravention list and would kindly ask to be invited to participate in any consultations regarding the AMPs contravention regulation development.

Lakes and Rivers Improvement Act (LRIA)

Permits to Take Water

OPG has worked extensively with the Ontario Waterpower Association (OWA) on the issues of Permits to Take Water (PTTW), and fully endorses OWA’s comments. Together, we are united in the position that, in our experience, the PTTW process under the *OWRA* has added no demonstrated value to hydroelectric projects or to the public.

OPG has been involved in the burdensome and costly process of obtaining and implementing PTTW at the Peter Sutherland Senior Generating Station (PSS). OPG supports the proposal to remove the duplicative regulatory burden for obtaining PTTW for waterpower facilities under the *OWRA*. We expect that this change will simplify future reporting obligations for OPG and its partner Coral Rapids Power for PSS.

One-Window Approach

OPG also supports the proposed regulatory provisions under the *LRIA* to implement a “one window” approach for waterpower facilities. This will reduce regulatory burden, while maintaining regulatory effectiveness and increasing efficiency. However, the accompanying amendment to the *LRIA* seems potentially broad.

Specifically, Schedule 16 of Bill 132 as it relates to the *LRIA* creates broad regulation-making powers in section 3(2) of the *LRIA*. It is proposed that the Minister shall have the power to make regulations with respect to the assessment and management of any impact on fish, wildlife and other natural resources that may result from the construction, operation, alteration, improvement or repair of a dam associated with the production of electricity. OPG has good faith that this new regulation-making power will not be used in a broad manner, and is only intended to allow for the transition of existing Mercury Monitoring programs for specified stations (such as PSS), or for new hydroelectricity development where there is a new or expanded head pond as described in the ERO Notice.

Adoption of Reference Documents

OPG notes the regulatory provision under the *LRIA* that would enable the Minister to adopt by reference any document, including a code, formula, standard, protocol, procedure or guideline. In this regard, OPG recommends that the Best Management Practices "*Ontario Waterpower Development Surface Water Quality and Fish Sampling Programs*" and "*Small Hydro and Methyl Mercury*", commissioned by the OWA, be adopted.

Thank you again for the opportunity to provide comments. OPG encourages the province to move forward with the important burden reduction initiative of eliminating hydroelectric generation facilities from the PTTW regime under the *OWRA*, as proposed, and looks forward to the improved efficiencies. OPG also looks forward to continued consultations on the *CFSA* and the *LRIA*.

We would be happy to meet in person to review our comments in more detail.

Sincerely,



Aaron Del Pino
Vice-President Environment, Health and Safety