

Bruce Nuclear Generating Station - Key Elements

The Bruce Nuclear Generating Station is one of three nuclear facilities in the province. It provides roughly one-third of Ontario's electricity and consists of two generating stations (Bruce A and Bruce B) with a total of eight nuclear units. After being refurbished, Bruce A, Units 1 and 2 were restarted in 2012, bringing an additional 1,500 MW of baseload capacity online. Further refurbishments are planned for the remaining units in Bruce A and for the Bruce B units.

In December 2015, the IESO updated its contract with Bruce Power. The agreement secured 6,300 MW of supply from the site for the long term and will enable the refurbishment of the remaining six nuclear units at the Tiverton-based nuclear generation station. The contract with Bruce Power (available below) has been and continues to be the most transparent agreement between IESO and any of its suppliers.

Key Elements of the 2015 Bruce Power Agreement

- The terms of the Bruce Power agreement are the product of two years of negotiations, as well as extensive analysis, due diligence, independent fairness and technical review by numerous parties including the provincial government, economic and legal advisors and auditors.
- Bruce Power receives a fixed price for its generation that is inclusive of all costs and future decommissioning liabilities. The average price over the life of the contract is estimated to be \$77/MWh, or 7.7 cents per kilowatt hour (kWh).
- In examining resource options, the IESO analyzed system needs in the short and long term, options to meet those needs and the costs and benefits of those alternatives.
- The contract shifts virtually all of the execution risk of refurbishments to Bruce Power. Moreover, if the cost of future refurbishments is uneconomic, the IESO can elect not to proceed with those refurbishments.
- If actual refurbishment costs are less than the estimates, then the savings are shared between electricity consumers and Bruce Power.
- There is robust transmission infrastructure already in place to deliver power from the plant to the Golden Horseshoe where most of the power is consumed.