



**POWER
WORKERS'
UNION**

October 18, 2021

Independent Electricity System Operator
1600-120 Adelaide Street West
Toronto, ON
M5H 1T1

Via email to engagement@ieso.ca

Re: Northwest 2021 Integrated Regional Resource Plan (IRRP)

The Power Workers' Union ("PWU") represents a large portion of the employees working in Ontario's electricity industry. Attached please find a list of PWU employers.

The PWU appreciates the opportunity to provide input on the Northwest 2021 Integrated Regional Resource Plan (IRRP). The PWU is a strong supporter and advocate for the prudent and rational reform of Ontario's electricity sector and recognizes the importance of low-cost, low-carbon energy to the competitiveness of Ontario's economic sectors.

The PWU believes that IESO processes and initiatives should deliver energy at the lowest reasonable cost while stimulating job creation and growing the province's gross domestic product (GDP). We are respectfully submitting our detailed observations and recommendations.

We hope you will find the PWU's comments useful.

Yours very truly,

Jeff Parnell
President

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List of PWU Employers

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AMEC Nuclear Safety Solutions
Aptum (formerly Cogeco Peer 1)
Atlantic Power Corporation - Calstock Power Plant
Atlantic Power Corporation - Kapuskasing Power Plant
Atlantic Power Corporation - Nipigon Power Plant
Bracebridge Generation
Brighton Beach Power Limited
Brookfield Power Wind Operations
Brookfield Renewable Power - Mississagi Power Trust
Bruce Power Inc.
Canadian Nuclear Laboratories (AECL Chalk River)
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Hydro One CSO (formerly Vertex)
Hydro One Sault Ste. Marie (formerly Great Lakes Power Transmission)
Independent Electricity System Operator
Inergi LP
InnPower (Innisfil Hydro Distribution Systems Limited)
Kinectrics Inc.
Kitchener-Wilmot Hydro Inc.
Lakeland Power Distribution
London Hydro Corporation
Milton Hydro Distribution Inc.
New Horizon System Solutions
Newmarket Tey/Midland Hydro Ltd.
Nuclear Waste Management Organization
Ontario Power Generation Inc.
Orangeville Hydro Limited
Portlands Energy Centre
PUC Services
Quality Tree Service
Rogers Communications (Kincardine Cable TV Ltd.)
Sioux Lookout Hydro Inc.
SouthWestern Energy
Synergy North (formerly Kenora Hydro Electric Corporation Ltd.)
Tillsonburg Hydro Inc.
The Electrical Safety Authority
Toronto Hydro
TransAlta Generation Partnership O.H.S.C.
Westario Power

Power Workers' Union Submission on the IESO's Northwest Region IRRP

October 18, 2021

The Power Workers' Union (PWU) is pleased to submit comments and recommendations to the Independent Electricity System Operator (IESO) regarding its September 27 Webinar #2 on the Integrated Regional Resource Plan (IRRP) for the Northwest Region. The PWU remains a strong supporter and advocate for the prudent and rational reform of Ontario's electricity sector and recognizes the importance of planning for low-cost, low-carbon energy solutions to enhance the competitiveness of Ontario's economy.

The IESO is seeking comments on the proposed IRRP plan for the Northwest Region to help inform the engagement plan, electricity forecast assumptions and local reliability concerns. The IESO has also offered to conduct one-on-one meetings with interested stakeholders to further discuss issues raised during this engagement.

The PWU continues to support the IESO's efforts to develop this IRRP in response to growing electricity demand in the region and acknowledges the IESO's recognition of our previous submissions. However, the IESO's response to the PWU recommendations and other third-party questions about the future role of the Atikokan Generating Station (GS) indicated that the station was outside the scope of the IRRP and deferred the matter to its Resource Adequacy (RA) framework engagement. The PWU continues to be concerned that the unfolding RA framework is biased against the Atikokan GS, in spite of the views expressed by several stakeholders in the region. It is a critical function of the overall IESO planning framework to consider regional stakeholder input. The IESO should also be concerned with the status of the Atikokan GS as it forecasts large regional demand growth over the next 5 years, with limited identified options to meet this need.

The IESO has asked for more feedback on local reliability concerns. The PWU would like to reiterate its prior submissions and elaborate on the relevance of several recent developments that highlight the critical role that the Atikokan GS currently plays in the region's reliability of supply and how the importance of the role will grow over the next five years.

- **Electricity Demand Growth in the Northwest Region**

IESO is forecasting ~30% demand growth in Northwest region, mainly driven through mining projects. This demand forecast does not factor in electrification, as the City of Thunder Bay is planning for, which could cause further supply and capacity gaps and hence reliability concerns. The E-W tie line was planned to help meet this need, but IESO stated in the webinar that additional loads (e.g. electrification efforts at Algoma Steel to convert to electric arc furnaces) could impact on the E-W tie line's ability to serve Thunder Bay and the regions west of it.

- **Atikokan GS Supports Reliability in the Northwest**

The Atikokan GS is strategically located at the root of the transmission network that will be feeding the mining developments identified by the IESO in the North of Dryden area, providing resiliency to the supply of electricity to the region.

Recently, drought conditions required the Atikokan GS to run 24x7 for three weeks (Aug. 22-Sept. 12) to offset the loss of hydro production in the region. ¹Urgent IESO needs for Atikokan generation arose at least three other times since February.

- **The IESO Resource Adequacy Framework has Procedural Gaps inhibiting Atikokan GS eligibility**

The Atikokan GS contract is expiring in July 2024. There is no clear path for extending its operations to allow it to participate in the IESO's Medium-Term (MT) RFP, which would govern operations commencing in May 2026, almost two years after Atikokan's contract expires.

- **Atikokan GS Contributes Local Jobs and GDP Benefits**

In addition to GHG emissions benefits, the Atikokan GS provides local economic benefits through jobs and GDP contributions, not only at the GS but also at the wood pellet production facilities and the forestry jobs in the First Nations communities that support it.

- **Minister of Energy's Direction to the IESO to Consider Emission Reductions²**

The Minister's letter asks the IESO to explore emission reduction pathways and develop a pathway to phase out the use of natural gas fired generation. Reducing emissions and displacing gas-fired generation is a critical role that the Atikokan GS station can play in the Northwest, particularly after Pickering Nuclear GS is retired in 2024 and the province will need its supply of gas-fired generation in the south to meet the needs of the Greater Toronto Area.

Closing

The PWU has a successful track record of working with others in collaborative partnerships. We look forward to continuing to work with the IESO and other energy stakeholders to strengthen and modernize Ontario's electricity system. The PWU is committed to the following principles: Create opportunities for sustainable, high-pay, high-skill jobs; ensure reliable, affordable, environmentally responsible electricity; build economic growth for Ontario's communities; and, promote intelligent reform of Ontario's energy policy.

We believe these recommendations are consistent with and supportive of Ontario's objectives to supply low-cost and reliable electricity for all Ontarians and specifically in Northwest Ontario. The PWU looks forward to discussing these comments in greater detail with the IESO and participating in future stakeholder engagements.

¹ Northern Ontario Business, "Atikokan power station helped beat August's heat", September 21, 2021

² Minister of Energy, Re: Gas Phaseout Study, Oct 7, 2021