Cheat Codes



DOOMBERG

JUL 20, 2023

"There's a lot of clarity in hindsight." – Julia Hartz

In 2009, the Legislative Assembly of Ontario passed the *Green Energy Act* (GEA), a bill that was meant to transform the province into a global leader in climate change. Championed by the ruling Liberal Party, the GEA was openly modeled after Germany's *Energiewende* strategy. Like Germany, Ontario operated a fleet of nuclear power plants with a track record of providing reliable, safe, and carbon-free electricity for decades. The province also leveraged ready access to renewable hydroelectric power, making it home to one of the least carbon-intense electricity grids in the world. Despite these enviable energetic anchors, the Liberals were hellbent on shifting the province to wind, solar, batteries, and biomass.



Who could be against kids?

Although the Liberals had promised 50,000 "green jobs," expanded economic activity, and a healthier environmental future for generations to come, the GEA ultimately devolved into one of the greatest political scandals in Canadian history. Against the advice of its own expert advisors, the government entered into a series of one-sided and ironclad feed-in tariff agreements (FITs), enriching all manner of insider cronies at the expense of the public. As electricity rates soared, the howls of protest grew along with evidence that the GEA was nothing more than an expensive cocktail of grift and mismanagement. Hoping to obfuscate the negative impacts of the bill, the government moved billions of annual expenses from the ratepayers' electricity statements to the province's general budget in the form of "price mitigation subsidies." All told, the boondoggle will cost Ontarian taxpayers more than \$60 billion CAD over the life of these FITs. On a per-capita basis, this is the equivalent of the US wasting over a trillion.

By 2018, the citizens of Ontario <u>revolted</u>, handing the Liberal Party the most comprehensive defeat a government has ever experienced in the province. The Progressive Conservatives—led by former Toronto City Councillor Doug Ford—swept into office, winning 76 of the Assembly's 124 seats. The Liberals secured just seven seats, the worst result in its 161-year history. Among the new leadership's first <u>acts</u> was a total repeal of the GEA (emphasis added throughout):

"Ontario's Government for the People is delivering on its promise to repeal the Green Energy Act, 2009, that led to the disastrous feed-in-tariff program and skyrocketing electricity rates for Ontario families.

'The Green Energy Repeal Act eliminates a piece of legislation that introduced disastrous changes to Ontario's energy system that led to rising electricity rates for families and businesses,' said Minister of Energy, Northern Development and Mines, Greg Rickford. 'By repealing this act, we're restoring planning decisions to municipalities that were stripped by previous government and ensuring local voices have the final say on energy projects in their communities."



Sanity restored | Toronto Star

In the intervening years, the province's leadership embarked on a remarkable reconciliation with physics, culminating in a series of historic announcements in the past few weeks that detail their commitment to a full-blown nuclear renaissance. The moves represent a huge victory for our <u>friends</u> at Canadians for Nuclear Energy (C4NE) and offer a blueprint the US can follow to substantially decarbonize without sacrificing the standard of living of its citizens. The details couldn't be more encouraging.

We begin with the Pickering Nuclear Generating Station in Pickering, Ontario. Last August, we <u>profiled</u> C4NE's advocacy mission to save four of the six reactors at the facility. Weeks later, news <u>broke</u> that Ontario was planning to keep the plant operational long enough to hold open the possibility of gaining

approval for full refurbishment. In an opinion piece published in the *Financial Post* last week, C4NE President Dr. Chris Keefer shared even more good news:

"In a move likely unnoticed by most Ontarians, the province has inched closer toward a decade-defining victory of energy policy. Last week, Ontario Power Generation submitted an application to the Canadian Nuclear Safety Commission (CNSC) to extend the life of the Pickering nuclear generating station until the fall of 2026.

The plan had been for the plant to close at the end of 2025. But an extra nine months of affordable, low-carbon electricity from the station will benefit Ontarians. And the bigger news is that the reprieve could pave the way to a full refurbishment that would protect Ontario's domestic supply of clean electricity and high-quality jobs for decades to come."



Advocacy in action | C4NE

The Pickering news came on the heels of a truly historic announcement made at the Bruce Nuclear Generating Station days earlier. Weeks after Bruce Power reached a <u>new</u> three-year contract with its 1,200-member union, Ontario Minister of Energy Todd Smith was on hand to declare the province's intent to invest in expanding what is already the <u>largest</u> nuclear power facility currently in operation globally. Amazingly, the Bruce power plant <u>supplies</u> 30% of Ontario's electricity while occupying less than 1,000 hectares of land—testimony to the unparalleled energy density of nuclear power. If Ford's government gets its way, the site's <u>output</u> will soar:

"Canadian power company Bruce Power has commenced pre-development work to expand its nuclear-generating station on the shores of Lake Huron in Ontario. The expansion, driven by soaring demand for clean energy, will mark the country's first new large-scale nuclear plant construction in 30 years. It will add 4.8GW of capacity, doubling the site's output, with the power generated sufficient to meet the needs of 4.8 million households. The move is expected to help Ontario reach its net-zero target.

Bruce Power president and CEO Mike Rencheck stated: 'Nuclear power has been the stable backbone of Ontario's clean electricity system for decades and Bruce Power is ready to play an integral role in addressing the province's clean energy needs, while supporting good jobs and economic prosperity for the future."

Completing a hat trick of good news, the Ontario government also recently revealed plans to quadruple the number of small modular reactors (SMRs) to be installed at the Darlington New Nuclear Site. We turn to *Reuters* for the exciting details:

"Ontario plans to build three new small modular reactors (SMRs) to help meet rising electricity demand, the provincial government said on Friday, increasing its bet on the new nuclear technology Canada is counting on to help reduce emissions. The Ontario government is working with utility Ontario Power Generation (OPG) to start planning and licensing the reactors at the

Darlington nuclear site, where Canada's first grid-scale SMR is already under construction.

'A fleet of SMRs at the Darlington New Nuclear Site is key to meeting growing electricity demands and **net zero goals**,' OPG CEO Ken Hartwick said in a statement."

These developments are foundational to the province's newly released long-term energy strategy. In a comprehensive 86-page <u>document</u> titled "Powering Ontario's Growth: Ontario's Plan for a Clean Energy Future," Ford's government lays out a plan that simultaneously secures the province's energy needs in the short-, medium-, and long-term while outlining a holistic approach to minimizing its carbon emissions. Columnist and former politician Randall Denley, in a commentary <u>published</u> in the *National Post*, made a fascinating observation:

"What's remarkable about the nuclear announcements of the last week is **how** uncontroversial they have been. Nuclear has gone from completely out of fashion to the most practical way to provide large quantities of predictable, emissions-free power."

A constant and cynical argument deployed by anti-nuclear activists is to claim the technology takes too long to bring online, all while doing everything in their political power to delay and obstruct meaningful progress in the sector. For the past several years, Ontario Power Generation has embarked on massive project to <u>refurbish</u> the Darlington Nuclear Generation Station, extending the lifetime of the facility by several decades. Earlier this week, we learned just how <u>fast</u> major nuclear projects can proceed when the government fully supports the industry:

"Ontario Power Generation (OPG) has achieved a major milestone by successfully connecting Darlington Nuclear Generating Station's Unit 3 to Ontario's electricity grid, 169 days ahead of schedule. This world-class project performance demonstrates OPG's expertise and commitment to completing the station's four-unit refurbishment safely, with quality and on budget, by the end of 2026.

Unit 3 is now the second Darlington unit to undergo complete refurbishment and is operating at 100 percent capacity, providing clean, reliable energy for Ontarians during these peak summer months. The early return of Unit 3 will produce an extra 3 terawatt-hours of energy, enough to power 350,000 homes for an entire year. It will also reduce up to 1 megatonne of greenhouse gas emissions, or the equivalent of taking 300,000 cars off the road for an entire year."

We close by lamenting the similarities between Ontario's bungled *Green Energy Act of 2009* and the US *Inflation Reduction Act of 2022* (IRA). (The main difference between the two pieces of legislation may simply be that the former predates the latter by more than a decade.) Despite glaring evidence of Ontario's prior failed approach, the US is on a path to repeat those mistakes. Does anybody reading this doubt that the hundreds of billions of public funds earmarked in the IRA will be vaporized in an inferno of corruption? That the future US grid will be less stable, less green, and more expensive? That a generation's worth of energy investments will have been squandered in tithe to the Church of CarbonTM?

Nothing about the physics of energy changed in Ontario. Only their politics did. The cheat codes are there for all to see. It's up to us to use them.

Doombergians for nuclear energy "♥ Like" this piece!