

BUSINESS AS USUAL: ONTARIO HYDRO'S EASTERN PLAN STAGE APPROVED

For an earlier background story on the Eastern Ontario Planning Stage hearings, see CELA Newsletter.

On November 10, 1981, the first hearing under the provisions of the Consolidated Hearings Act was convened to consider Ontario Hydro's plan to substantially augment both its transmission system in eastern Ontario and its interconnection facilities with Hydro Quebec. The hearing was also the first to test an Ontario Hydro proposal under the provisions of the Environmental Assessment Act. Having been granted a Legal Aid Certificate, the Hydro Consumers' Association (HCA) participated actively throughout the course of the hearing introducing evidence that demonstrated the inadequacy of Ontario Hydro's assessment of alternatives to its proposed undertaking and demonstrating the viability of smaller scale and environmentally preferable options for meeting the energy needs of eastern Ontario.

On August 6, 1982, the Joint Board released its decision unanimously accepting the environmental assessment submitted by Ontario Hydro and approving the undertaking. In addition, the Board endorsed Hydro's preferred plan stage study area that will provide the parameters for the more detailed transmission route study and assessment process.

In approving the project in principle, the Board provided Ontario Hydro with the go-ahead to continue its planning for the addition of \$360 million worth of 500,000 volt transmission and up to \$630 million worth of interconnection facilities.

In opposing the proposed undertaking, the HCA called a substantial body of evidence to demonstrate the viability of a "soft energy path" alternative for meeting the energy service needs of eastern Ontario. Assisted by several of Ontario's leading alternative energy advocates, the HCA was able to present a comprehensive picture of an energy future that would provide our energy service needs by deploying a wide variety of energy technologies that are best described by their common characteristics:

1. They are decentralized, being matched in scale and location to the energy service needs they are to provide for;
2. They are renewable and do not depend upon our depleting natural energy resources: oil, gas and uranium;
3. They are environmentally viable and are designed and selected to minimize detrimental environmental impacts;
4. They are cost effective and represent the most efficient use of resources we devote to meeting our energy service needs;
5. They are matched in quality to the energy end uses that they will serve, minimizing the waste and attendant pollution that results when particular sources of energy (electricity) are matched to end uses (space heating) to which they are ill-suited.

In approving Hydro's undertaking, the Joint Board seems untroubled by the substantial body of evidence militating against its conclusions, including the evidence of witnesses called on behalf of the Ministry of the Environment and the Ministry of Energy.

During the course of the proceedings, the Ministry of the Environment adduced the evidence of its senior environmental planner of the Approvals Branch, David Birnbaum. Mr. Birnbaum's evaluation of the environmental assessment benefited from his extensive experience on behalf of the Ministry with the Royal Commission on Electrical Power Planning. Being charged with responsibility for co-ordinating the presentation of the review conducted by members of his own and other government ministries of the environmental assessment submitted by Ontario Hydro, Mr. Birnbaum came to the following conclusions:

- . With respect to the proposed interconnection facility with Quebec, the undertaking should be withdrawn for further study in light of the proponents' failure to identify and evaluate any alternative to this component of the undertaking.

- . With respect to supply of the Ottawa area, Mr. Birnbaum concluded that the environmental assessment failed to adequately consider or assess the environmental impacts of alternatives to the undertaking.

Unfortunately, in its reasons for its decisions, the Board failed to address in any detail the criticisms expressed by the Ministry's senior environmental planner, being of the view that it was inappropriate for the review co-ordinator to express his views or recommendations.

In dismissing the evidence of the Ministry's senior planner, the Board was apparently of the view that it would not benefit from being advised of the opinions of the member of the Ministry's staff most familiar with energy planning and policy matters and with the particular undertaking at issue. In coming to this conclusion, the Board was uninhibited by a recommendation by Counsel representing the Ministry as to either the acceptance of the environmental assessment or approval of the undertaking.

Neither did the Board appear to be persuaded by the evidence adduced by N. Jiwan and Richard Lundeen, members of the staff of the Ministry of Energy. In evidence, these witnesses expressed their reservations about approving the second stage of the facilities proposed by Ontario Hydro, being of the view that further evaluation of alternatives was required to enlist Ministry support. Again, the Board appears not to have been persuaded that further evaluation of alternatives to additional transmission need be assessed with respect to facilities that Ontario Hydro does not propose to build until the mid to late 1990s.

As to the substantial body of evidence adduced by the seven witness panels called on behalf of the Hydro Consumers' Association, the Board recognized the desirability of re-orienting their approach to the energy needs of the people of Ontario in favour of renewable and environmentally viable options such as conservation, solar, wind and hydraulic energy technologies. In addition, the

Board accepted the utility of end use energy analysis advocated by the witnesses of the Association. Unfortunately, however, the Board was of the view that, although admitting the role to be played by these alternatives over the long term, it felt them inadequate to meeting the short-term needs of eastern Ontario. Unfortunately, in endorsing Hydro's proposal for the construction of multi-million dollar facilities not due to be in service until 1989, the Board offered little solace for those persuaded by Hydro's characterization of the supply problems of the Ottawa area as being critical at this time.

In recognizing the dramatic changes that have and are occurring on the global and Canadian energy scene, and being cognizant of the need to develop renewable and environmentally viable energy alternatives, after five years and five million dollars worth of public hearings, the Royal Commission on Electrical Power Planning made the following recommendations:

- . Hydro's planning process should be re-oriented to emphasize demand management rather than the conventional emphasis on supply expansion;
- . Hydro should utilize end use forecasting as the primary analytical tool for planning for the energy service needs of the people of Ontario;
- . that detailed evaluation of existing rights-of-way form part of any Hydro application to expand its transmission system.

In approving Hydro's environmental assessment, which included nothing but a token reference to demand management, end use analysis or existing rights-of-way, the Board has sent Ontario Hydro a clear message--"business as usual".