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Energy conservation could save Ontario \$14 billion: new study *Study compares green energy vs. new nuclear plants*

TORONTO—May 11, 2004—A study released today by the Pembina Institute and the Canadian Environmental Law Association suggests that Ontario could save approximately \$14 billion between now and 2020 by embracing energy conservation rather than commissioning new nuclear power plants.

The 80-page study includes the findings of computer modelling using the Canadian Integrated Modeling System (CIMS), developed at Simon Fraser University. The computer model estimated that a 40% reduction in electricity consumption against business as usual projections could be achieved by 2020 through implementing “green” energy policies, such as incentives to adopt energy efficient appliances, promoting increased commercial and industrial co-generation commercial and fuel switching from electricity to natural gas for water heating.

The study also examines to potential reductions in demand that could be achieved through peak demand reduction measures, and the potential contributions to electricity supply from low-impact renewable energy sources, such as wind, small-scale hydro and biomass. The study outlines how Ontario’s future electricity needs can be met while phasing out coal-fired and nuclear generation.

The study compares the cost of meeting Ontario’s electricity demands through efficiency investments vs. the construction of new nuclear power facilities. The study finds that:

- Meeting 40% of projected Ontario demand through conservation and energy efficiency measures would cost an estimated \$18 billion in capital costs between now and 2020
- Meeting the same demand through new nuclear power will cost approximately \$32 billion—an additional \$14 billion
- Other jurisdictions in North America have been pursuing conservation successfully. For example, California has reduced its peak electricity demand by 20 per cent over the last 20 years
- Moving to energy efficiency will cost Ontario’s consumers money, but up to 96 per cent of this will be recovered by lower electricity bills from using less power.

“Ontario is now at a critical juncture in terms of its future energy path, and that the decisions made about electricity policy over the next year will set the province’s course for the next 20 or 30 years. Our research shows that a more sustainable, reliable and affordable electricity system is possible without coal-fired or nuclear power” said Mark Winfield, Director of Environmental Governance for the Pembina Institute and one of the report authors.

“The choice faced by the province is clear” said Theresa McClenaghan, Counsel with CELA and a member of the project team. “The province can take the path of making a massive investment in a generation technology, nuclear power, that is in large measure responsible for the environmental, reliability, and financial crises now facing Ontario’s electricity system. Or it can choose the alternative set out in our report of pursuing widespread adoption of proven energy efficient technologies and low-impact renewable energy sources that will reduce consumers’ energy bills, improve air quality, protect the health and safety of Ontario residents, and result in a more, safe, secure, and reliable electricity system.”

The report can be downloaded from www.pembina.org and www.cela.ca.

For further information

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