

**Ministry of Energy
and Electrification**

Office of the Minister

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MC-994-2024-1006

November 29, 2024

Her Worship Olena Hankivsky
Mayor
Municipality of Port Hope
56 Queen Street
Port Hope ON L1A 3Z9

Dear Mayor Hankivsky:

Ontario is at a pivotal moment in its growth and development. Over the next 25 years electricity demand in the province is forecast to increase by 75 per cent, the equivalent of adding four and a half cities the size of Toronto to the grid. Meeting that demand will be critical if we are going to continue to build new homes, support growing electrification and power new industry.

While the province is already on track to meet demands through 2035 with major projects already announced, including Canada's first small modular reactor and the largest competitive energy procurement in Ontario's history, the province will need 16,000 additional megawatts (MW) of generation, in addition to new transmission to meet demand by 2050.

To address this pressing need, our government asked Ontario Power Generation (OPG) to undertake meaningful conversations with you and your council about potential new clean energy generation projects. We recognize the importance of these early discussions, and I am reaching out to ensure your community is fully informed about the opportunities ahead.

The province has identified the Wesleyville site in Port Hope, as well as two other sites in St Clair Township and Haldimand County, as ideal locations for future energy generation. All of these sites are already zoned for energy generation, close to transmission infrastructure, and located in regions experiencing significant growth.

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Early community engagement is a critical part of the province's approach to new energy generation. As part of these early conversations, OPG will provide more information on the financial support that will be made available to communities willing to explore the energy development potential of their sites. They will also work with your community to outline the potential benefits that would flow to a host community, including:

- Eligibility to access funding to support community infrastructure and attraction of co-located industries. A total of up to \$50 million has been set aside for municipal host communities across the three sites. Funding will be contingent on the size and type of technology;
- Incremental municipal property taxes related to new generating stations and co-located companies, should projects proceed; and
- Associated jobs and economic development for municipalities and Indigenous communities from new generation, co-located industries and supply chain spending. OPG is working with the Conference Board of Canada to better understand the potential for sustained local economic benefits in Port Hope if new energy generation was supported and developed. This will include benefits such as GDP, jobs and tax revenue. OPG will share this report with you and your council before your December 17 council meeting.

Where nuclear is a feasible and preferred option to explore, immediate funding of up to \$1 million will be available upon request to the municipality, recognizing the additional amount of energy that this technology could produce. This funding could be used at the discretion of the municipality to carry out related activities, such as an assessment of the municipal infrastructure improvements that would be required to support the siting of new generation; initial planning and economic development initiatives; and/or to offset the cost of municipal staff participation and other municipal expenditures incurred in the assessment of potential new generation.

In terms of Rightsholders, OPG is committed to equity participation for Indigenous communities in generation projects and capacity funding for engagement, including consultation, as well as funding to explore economic partnership opportunities.

Ontario Power Generation is well positioned to support these ongoing conversations which build on their positive relationships with existing host communities across the province, including in nearby Durham Region. Existing OPG stations provide significant benefits; for example, the ongoing refurbishment program in Clarington supports 14,200 direct and indirect jobs and will contribute more than \$90 billion in economic benefits, including for local co-located industry.

Ontario is growing, and together, we have the chance to shape the province's future. I invite you to share your community's perspectives, priorities, and aspirations as we embark on this important journey. Please don't hesitate to reach out to me or my office as well as OPG.

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Thank you for your attention to this matter, and I look forward to continuing our dialogue on this critical issue.

Sincerely,

A handwritten signature in blue ink, appearing to read 'S. Lecce', with a long horizontal flourish extending to the right.

Stephen Lecce
Minister

c: Matt Hiraishi, Chief of Staff to the Minister of Energy and Electrification
Susanna Laaksonen-Craig, Deputy Minister of Energy and Electrification
Ken Hartwick, President and CEO, Ontario Power Generation