

Transcript of Appearance on CHCH TV "Live at 5:30" February 10 2010

Journalists: Mark Hebscher And Donna Skelly

>> Mark: Ontario appears open for business, when it comes to alternative energy production. Last month the province announced a \$7 billion deal with Samsung to build wind

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and solar farms. Now the premier confirms the province is talking to Denmark's Vestas, a wind turbine maker, about setting up shop in this province.

>> Donna: What about our aging nuclear plants, which account for half of the electricity generated in Ontario! Reports suggest Pickering's nuclear power plant could be closing its doors in a decade while Darlington's nuclear operation will be getting extensive upgrades to take it well into 2050. Now the plan would see Pickering plant get a general tune-up to insure it stays operational until the Darlington facility near Oshawa could be completely refurbished. Experts say upgrading the Pickering plant wouldn't be as cost effective because of the age. Plans to construct a second plant have also been in the work but the multi-billion dollar price tag has put things on hold.

>> Mark: Joining us at Queen's Park we have Tom Adams an independent energy consultant.

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are these fixes for Pickering and Darlington throwing good money after bad, in your opinion?

>> Tom: I think Ontario Power Generation has done the exact thing on the Pickering station. They have reviewed for several years now, whether it is worth refurbishing the Pickering B side of the station. There's eight reactors there. They tried a few years ago to refurbish the Pickering A side -- the first four reactors. It proved to be just a terrible disaster. I think they have learned the lesson. From a ratepayer perspective, very good news, although some short-term pain probably, in terms of the rejigging the plan on waste disposal and decommissioning. That will be a bit of a headache. Long-term, not refurbishing is the best course.

>> Donna: What should the province do with Darlington?

>> Tom: They have time. There are big refurbishments going on now at the Bruce and also at the Point Lepreau station in New Brunswick.

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I think what's behind the announcement that OPG revealed yesterday is they're keeping an eye. They're keeping the possibility of refurbishment alive. But we really need more information from the other refurbishment the Bruce and the New Brunswick power projects to see whether it is worthwhile. Those projects in New Brunswick and Bruce are terribly behind schedule. If AECL can't get its act together, it will really require major new thinking on Darlington.

>> Donna: How much money would we talk about bringing Darlington up to date? Do you have any ideas?

>>Tom: Holy smoke. These are really big numbers. In New Brunswick, the initial estimate was \$1.4 billion. That project is now behind the originally estimated time to

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complete the project. It is looking likely that it may be in the range of a \$2 billion project. That's one reactor. Darlington has four reactors. Some similarity in design. Some differences in design as well. But we could be talking refurbishment costs at Darlington in the range of certainly of at least \$5 billion.

>> Mark: If Pickering and Darlington were mothballed where would the energy production we need come from?

>> Tom: This is a major question mark. One bit of good news in terms of planning flexibility, although not good news generally, but electricity demand is going down. The economy is very soft. This gives time to rethink. One bit of good news from a consumer perspective is that natural gas prices right now are very low. That's very attractive in the short-term. You know, the short term gap filler.

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Long-term there's big question marks on the whole wind side of the story. You know, how affordable that is going to be. Another big question mark, whether the coal industry can clean up its act in terms of emissions. That's another possibility longer term. There are other technologies for nuclear that other people in other parts of the world are making quite a bit of progress with.

The announcement on Pickering B is really another nail in the coffin for the CANDU programme. It just can't work.

>> Donna: A little more on wind technology. It is really not new. Why don't we have the answers, as to how much it would cost and whether or not it is feasible as an alternative in this province?

>> Tom: We can -- we have demonstrated we can generate a lot of power but

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the price is really high. We generate it cheaper if we have competitive processes for procuring the wind power. There are some technologies that are coming along that will improve the production but a major question mark is this whole question of intermittency. Wind doesn't blow all of the time. We see a drastic increases and decreases in output. Perhaps if we had some closer commercial cooperation with Quebec we might be able to work out some of the bumps, but the whole question of reliability of wind is a serious question mark.

>> Donna: No one talks about solar power. Why is that?

>> Tom: Well the good news on solar is they're making progress. The bad news is the costs are still out of sight. It is still a niche technology. Ontario is not a very sunny

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part of the world. So if solar will make it, we will see it first in the southwest in the United States and the Middle East, and Israel and other places. They're working hard on the technology. You know there's good prospects but Ontario is not first in line. We get about a third of the solar incidence at our most sunny locations compared to what they get in the Mohave Desert and places like that. Solar is really out there for Ontario.

>> Mark: Having said that, we have half a minute. What do you think of this province's deal with Samsung and the potential deal to build wind and solar farms?

>> Tom: I don't like any of this behind-closed-doors secret dealing. The name Samsung doesn't show up on the lobbyist registry. What is that about?

>> Mark: Tom Adams the independent energy consultant. I learn an awful lot about various forms of energy, when we speak with you.