The following comments are being submitted by staff of the Regional Municipality of Durham on ‘Proposed Amendments to the Electricity Act, 1998, Ontario Energy Board Act, 1998 and the Energy Consumer Protection Act, 2010 to enable an affordable energy future’ (Bill 214, Affordable Energy Act, 2024, ERO number 019-9284) and have not been formally approved by Regional Council.

We appreciate the opportunity to provide feedback on this proposal and look forward to reviewing any additional information that may become available.

# Summary

Since the 1960s, Durham Region has been proud to be at the forefront of nuclear innovation. The Region continues to play a critical role in Ontario's clean energy future through its six licenced nuclear facilities. While we strongly support the Ministry's vision for integrated energy resource planning and enhanced energy affordability, we believe these amendments also present a critical opportunity to address long-standing fiscal inequities that impact municipalities hosting nuclear generating stations.

As the province moves to enable enhanced energy planning and affordability programs, we strongly urge complementary amendments to:

* Update and index the nuclear generating facility statutory rate;
* Address the redirection of proxy property tax payments made by OPG to the Ontario Electricity Financial Corporation (OEFC) to ensure they support both upper/lower and single tier host communities upon retirement of the stranded debt; and
* Ensure that all stakeholders in the Integrated Energy Resource Planning process coordinate and engage with local and regional municipalities. Municipalities, through Official Plans and other planning documents and preparation of growth forecasts are an excellent source of information about the location and intensification of growth and the subsequent future energy infrastructure needs.

The modifications suggested in this submission align with the ministry's goals of creating a predictable planning cycle for investors and stakeholders while ensuring the sustainable development of Ontario's energy infrastructure.

# Comments on Integrated Energy Resource Planning Amendments

The Region of Durham supports integrated planning that incorporates comprehensive resource consideration through predictable planning cycles that enable timely and appropriate stakeholder consultation and input at predetermined intervals.

The Region encourages the province to prioritize coordinated planning between local distribution companies, the IESO, OEB and local municipalities. Through local Official Plans, Secondary Plans, and other growth-related planning processes, municipalities play an important role in determining the scope and location of growth in the province. Providing timely energy infrastructure to support new development has been a challenge in some areas of Durham. Increased integration of energy planning would help provide the infrastructure where it is needed and ensure housing and industry are built without delay.

## Comments on the prioritization of nuclear power generation

The Region supports the prioritization of nuclear power generation to meet future increases in the demand for electricity. As an experienced and informed nuclear host community, the Region urges the province to include nuclear host communities as a group under section (4) Consultation required. As stated in the Nuclear Communities Global Partnership [declaration](https://www.energyca.org/eca-updates/2024/3/26/global-partnership-issues-declaration-at-the-nuclear-energy-summit) of March 21, 2024, it is crucial for all levels of government to actively listen to local communities, engage in early dialogue, provide resources for participation, and establish genuine partnerships throughout all phases of nuclear projects.

***Consultation required***

*(3) The Minister shall, before issuing an integrated energy resource plan under subsection (1), consult with any consumers, distributors, generators, transmitters, Indigenous communities,* ***nuclear host communities,*** *or other persons or groups that the Minister considers appropriate about the matters that are proposed to be addressed by the integrated energy resource plan, and the Minister shall consider the results of such consultation in developing the integrated energy resource plan.*

The proposed shift to integrated energy resource planning recognizes the need for comprehensive, coordinated approaches to energy system development. However, true integration must extend beyond technical planning to include modernized fiscal frameworks that support host communities. Durham Region's experience with the outdated nuclear facility payment-in-lieu-of-taxes (PILs) framework—**unchanged since 1968**—illustrates the pressing need for reform. The current statutory rate of $86.11 per square meter for generating facilities has resulted in significant revenue erosion for host municipalities.

Over the years, nuclear governance responsibilities have increasingly shifted from the provincial level to municipalities without a corresponding transfer of resources. This trend has placed an undue strain on host communities like Durham Region, which now bear a significant portion of nuclear-related responsibilities, including emergency management (e.g., evacuation planning), emergency social services, management of the public alerting system, nuclear public health initiatives (e.g., Durham Nuclear Health Committee, potassium iodide program), nuclear public education and awareness campaigns, and testing of drinking water for radionuclides.

For decades, Durham Region has highlighted the unique challenges that result from this transfer including resource challenges, unfair tax treatment, expanding legislated requirements, land use planning restrictions, and the need to engage in federal nuclear sector regulatory proceedings and related policymaking processes. These responsibilities, while crucial to Ontario’s nuclear sector, come at a considerable cost to Durham Region property taxpayers.

We urge the province to recognize that there can be no thriving nuclear industry in Canada without the support of nuclear host communities. By addressing these issues now, we can create a more equitable, sustainable, and successful future for Canada's nuclear sector.

# Comments on Electricity Connections to Support Growth

Alternative methods of cost recovery for first movers may allow necessary grid expansions to occur. The Region has seen instances of initiatives being adversely impacted and/or delayed by distribution system limitations. Together with the proposed amendments by OEB to the Distribution System Code (DSC) to allow for extended revenue horizons and greater flexibility for assessing connections, alternative cost contribution and recovery mechanisms for transmission and distribution infrastructure may enable more timely and cost-effective electricity grid expansions. The Region understands that there will be separate consultations on how these costs will be recovered in the future.

# Comments on Exemptions for EV Charging and Flexible Billing

The Region understands that the current EV charging cost recovery mechanisms can create inequitable charging structures. For example, users may face inconsistent per-hour or per-event rates that do not accurately reflect actual electricity consumption. These amendments will enable billing based on actual electricity usage. The Region understands that these amendments will clarify that EV charging rates are not regulated by the OEB.

# Comments on Programs to Increase Energy Affordability

The Region understands that these amendments will extend the IESO’s ability to offer efficiency programs to promote electricity instead of other fuels to reduce overall energy use and subsequently reduce costs for high consumption activities such as home heating and cooling, regardless of fuel-type (i.e., propane, oil, wood). This will allow a systems view of energy usage including increased electricity usage and reductions in other fuel types. The Region continues to support initiatives that result in decarbonization and electrification.