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APPRO

ASSOCIATION OF
POWER PRODUCERS
OF ONTARIO

Ministry of the Environment, Conservation and Parks
Species at Risk Protection Policy Section
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February 12, 2025

Via email

RE: (ERO 019-9411) Regulatory changes under the Endangered Species Act to extend application of conditional exemptions to newly listed species and update the conditional exemption for the operation of wind facilities

This submission is made by the Association of Power Producers of Ontario (APPRO) in response to a request for comments posted on the Environmental Registry of Ontario website on January 13, 2025, in relation to the above-referenced topic.

APPRO appreciates the opportunity to provide such feedback.

Best Regards,

A handwritten signature in blue ink, appearing to read "Colin Anderson".

Colin Anderson
APPRO President and CEO

(ERO 019-9411) Regulatory changes under the Endangered Species Act to extend application of conditional exemptions to newly listed species and update the conditional exemption for the operation of wind facilities

Submission of the Association of Power Producers of Ontario (APPrO)

INTRODUCTION

APPrO represents generators operating in the province of Ontario, and a variety of organizations and individuals concerned with electricity generation. APPrO members include developers, suppliers and consultants to power enterprises, both public and private, with an emphasis on implementing responsible and sustainable energy systems in Canada and around the world.

The Ministry of the Environment, Conservation and Parks (MECP) is seeking input and perspectives from the public, stakeholders and Indigenous communities to inform proposed changes to Ontario Regulation 242/08, made under the *Endangered Species Act, 2007*. The proposed changes would:

- extend the application of the conditional exemptions to species newly classified as threatened or endangered;
- amend the conditions in the conditional exemption for wind facilities to reduce impacts to endangered bat species.

APPrO's submission is focused specifically on the second point above; that is, the proposed amendment to update the Conditional Exemption for the Operation of Wind Facilities in section 23.20 of O. Reg. 242/08 with reference to migratory bats.

APPrO's members are committed to a reliable, affordable and sustainable energy supply in the province of Ontario, which is why APPrO has an interest in this matter.

APPrO appreciates the opportunity to provide feedback.

SPECIFIC RECOMMENDATION

APPRO supports the MECP's proposal to protect migratory bat species. However, given the brief period of this consultation, wind generation operators have not had sufficient time to assess the potential consequences of the proposed mitigation measures on wind energy production (new or existing), including the potential consequences on electricity resource adequacy and ratepayer economic impacts. Furthermore, APPrO is not aware of any specific discussions that took place on the proposed changes during the drafting stage of the changes to the Regulation - the point at which additional assessments could have been done to better understand the full impacts of the proposed revisions.

In addition to the energy and cost implications, APPrO is aware that this consultation conflicts in terms of its timing with certain events in Ontario. The election call during the consultation period could impact generators' ability to consult with Government or its Agencies regarding any questions that exist or clarifications that may be required. Further, Ontario's Independent Electricity System Operator (IESO) is in the midst of conducting a number of resource procurement activities - some of which, undoubtedly, will be impacted by the proposed Regulation changes and the cost and schedule implications for compliance with those changes. These timing issues can be remedied by a reasonable extension to the consultation period and a suspension of changes during that time.

Accordingly, APPrO respectfully requests that MECP extend its consultation period and suspend the implementation of the proposed changes to the Regulation until additional analysis has been completed. That analysis needs to consider the following:

- a) Assessment of the full impact of the proposal in the context of electricity resource adequacy;
- b) Assessment of the full impact of the proposal in the context of electricity rate impacts and implications for Ontario ratepayers;
- c) Evaluation of the proposal's full impact on wind facility operators in a more comprehensive fashion (in general), including impacts on both existing and new facilities, and potential impacts associated with ongoing procurement activities in Ontario.

ADDITIONAL DETAILED COMMENTS

Common and Custom Approaches:

According to the ERO website, there are two methodologies by which wind facility operators can minimize adverse effects on bat species:

1. A "Common" Approach to minimize adverse effects would be as follows:
 - During the time period from May 15 to October 15, wind facilities impacting bat species at risk must adhere to a minimum cut-in speed of 7 meters per second (i.e., the speed at which the blades begin turning and generating power) from dusk to dawn (e.g., 7pm to 5am).
2. A new "Custom" Approach, which would entail the following:
 - Wind facility operators could choose to implement smart curtailment technology (e.g. to allow for variable cut-in speeds and adjustments to daily and seasonal timing windows to minimize impacts to bats when they are detected through live time acoustic monitoring), or,
 - based on geographic location and site-specific details, adjust the timing windows (e.g., months of the year and time of day) in which they apply the minimum cut-in speed of 7 meters per second.

The proposed Common Approach would result in a significant reduction in wind energy production from both existing facilities and future projects. The increase in cut-in speed (from 5.5 to 7 m/s) will result in the loss of energy production, impacting the economics of the wind facilities and the ability to meet contract obligations to the IESO. This increase in cut-in speed would also trigger viability assessments for future development projects.

The proposed Custom Approach proposes a flexible solution to the Regulation's application. However, it is difficult to understand the intent of the MECP based on the ERO posting's description. Generally, the proposed "smart curtailment technology" solution is poorly defined. It is unclear which specific technology would qualify, nor is it clear how the technology's efficacy on bat protection would be evaluated. It is also unclear whether certain wind facilities, given their age and configuration, can even install any of these solutions. Finally, for facilities that can adopt these technologies, their cost and the availability of the necessary components are unknown.

Additional Considerations:

APPrO further wishes to highlight some additional considerations that need to be addressed:

- As already indicated, this proposal would directly result in reductions to energy output from wind facilities. With the province facing significant capacity and energy shortfalls associated with increased consumer demand, APPrO expects that all generation supply (existing and new) would be highly valued. According to the IESO, Ontario's load forecast for 2050 is 75% higher than current demand¹. This is a material increase in demand that will require considerable effort to meet. Further, Stephen Lecce, Ontario's Minister of Electrification and Energy, has endorsed an

¹ <https://www.ieso.ca/Corporate-IESO/Media/News-Releases/2024/10/Electricity-Demand-in-Ontario-to-Grow-by-75-per-cent-by-2050>

“All of the Above” procurement strategy² for electricity supply, meaning that all technologies are needed, and all energy output is critical. It appears to APPrO that the proposed Regulation changes require some additional consideration to achieve their objectives, while not compromising electricity supply in the province.

- In addition to the electricity supply concern, APPrO suggests that further consideration of the costs to wind facility operators is also warranted. No work has been carried out to quantify the economic impacts associated with either the Common or Custom approaches set out in Regulation. APPrO believes that such changes should not be made in the absence of an appropriate understanding of the full costs associated with those changes.
- Furthermore, in addition to incremental costs for wind generators, this proposal could also increase the costs for energy storage facilities that purchase energy at night to re-inject during the day. The proposed increase in cut-in speed will reduce energy production from wind facilities at night. Storage facilities contribute to Ontario’s resource adequacy by consuming low-cost energy at night and re-injecting the energy during periods of higher needs (i.e. during the day). A reduction in wind energy at night will increase the prices of electricity at night, which increases the cost of energy storage facilities. These additional costs would also be passed on to Ontario ratepayers, contributing again to higher bills at a time when demand is increasing dramatically.

APPrO believes additional time and analysis in the areas set out above will ensure the proposed changes support sustainable energy development while remaining focused on the protection of all species listed in the *Endangered Species Act*.

² <https://news.ontario.ca/en/release/1004981/province-launches-largest-competitive-energy-procurement-in-ontario-history>

APPrO appreciates the opportunity to submit this feedback on the proposed amendments.