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For Immediate Release

Ontario's Power Producers Welcome Minister of Energy's Direction

Ontario's power generators today welcomed the Minister of Energy's Direction to the Independent Electricity System Operator (IESO) on how to fulfill the province's coming power needs, while supporting the necessary transition to net zero.

The Minister has approved the acquisition of 1,500 megawatts (MW) of new natural gas generation, along with at least 1,500MW in energy storage and 1,000MW from other non-emitting sources. These measures are aimed at addressing a supply gap of approximately 4,000MW over the second half of this decade, a gap that was identified in the IESO's 2021 Annual Planning Outlook.

"Today's announcement moves us in the right direction. It is a balanced, 'safe bets' approach using proven technologies that maintains a reliable, sustainable and affordable power system to meet the needs of a growing population and economy, while keeping us on the path to net zero," said David Butters, President and CEO of the Association of Power Producers of Ontario (APPRO).

Butters noted that Ontario's electricity system is already cleaner than California or Germany, representing only about 3 per cent of the province's greenhouse gas emissions, largely due to Ontario's significant nuclear, hydro and other renewable generation, as well as highly efficient natural gas fired generation.

Our made-in-Ontario clean energy advantage is powerful tool in the battle against climate change. Our generation system must be able to rise to the challenge of higher demand as we move towards electrification to cut emissions in transportation, industry and buildings.

The IESO report notes that Ontario could soon be faced with significant reliability challenges if we do not act now. There is much to do in short order to maintain adequate and affordable supply over the next decade. The Minister's announcement is a good first step.

Decarbonizing Ontario's economy requires a multifaceted approach. The Royal Bank of Canada noted in a recent [report](#) that keeping natural gas in the energy mix is unavoidable in the short-to-medium term. Adding energy storage will provide Ontario with additional capacity and operating experience in integrating new technologies.

"As the people who generate the electricity that keeps the lights on for Ontarians, we are committed to playing a constructive role in building and maintaining a reliable, affordable and sustainable system for the benefit of us all," Butters said.

APPrO is a non-profit trade organization representing Ontario's independent power producers and related businesses. APPrO's generator members produce most of Ontario's electricity, relying on clean and renewable sources including nuclear, hydroelectric, natural gas, and wind energy.

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