



Corporate Report

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DATE: September 29, 2006

TO: Chair and Members of Planning and Development Committee
Meeting Date: October 2, 2006

FROM: Edward R. Sajecki
Commissioner of Planning and Building

SUBJECT: **EPCOR Auburn Energy Centre in Milton**

RECOMMENDATION: That the report titled "*EPCOR Auburn Energy Centre in Milton*", dated September 29, 2006 from the Commissioner of Planning and Building, be received for information and that staff be directed to monitor the development of power generating facilities in the Town of Halton Hills, Town of Milton and the Town of Oakville and to report back to Planning and Development Committee specifically regarding the Environmental Screening and Review Report for the EPCOR Auburn power generating facility.

BACKGROUND: This report is part of the ongoing program to update City council on significant planning initiatives in adjacent municipalities.

EPCOR Utilities Inc. (EPCOR) is proposing to develop, own and operate a 600 MW natural gas-fired power generating facility in the Town of Milton on Auburn Road, north of the Canadian Pacific Railway, south of Highway 401, between Trafalgar and Eighth Line (see Appendix 1). The proposed power generating facility will be situated on an 8 hectare (20 acre) site located approximately 1.5 km (.9 miles) west of Mississauga.

In November 2005, the Ontario Power Authority (OPA) had issued a Request for Qualifications (RFQ) for power generating facilities to be built in GTA West Trafalgar. There were four successful qualified applicants: TransCanada in Halton Hills, EPCOR Auburn in Milton, Pristine Power in Milton and CMS Generation in Oakville (see Appendix 2).

On September 25, 2006 Town of Halton Hills Council adopted a resolution to support the TransCanada proposal (see Appendix 3). To date, the Town of Milton, the Town of Oakville and the Region of Halton have not commented or provided a position regarding the proposals.

In August 2006, the OPA issued a Request for Proposals (RFP) for the GTA West Trafalgar for a single proposal for a new gas-fired power generating facility. The deadline for bid submissions was September 27, 2006. EPCOR has made a bid submission to the OPA. It is anticipated that the OPA will make a selection by mid-November 2006.

EPCOR held a public information session for the Auburn proposal on September 7, 2006 in Milton. Information packages were sent to residents and businesses within a 2 km (1.2 mile) radius, including the northwest corner of Mississauga. EPCOR is presently undertaking an Environmental Screening and Review as required under the Ministry of the Environment's Environmental Screening Process for electricity projects. Once complete and reviewed by the Ministry, the report will be released for public and agency comments.

It is at this point that the City of Mississauga and others will have an opportunity to provide comments to the Ministry of the Environment. EPCOR intends to hold another public information session upon completion of the Environmental Screening and Review Report.

The EPCOR Auburn facility is proposed to include natural gas-fired turbines operating in a simple cycle configuration. The purpose of the facility is to provide electricity during peak demand times. As such, the facility would only be operating during those peak demand times, which usually occurs during weekdays in the morning or late

afternoon/early evening. The facility is proposed to have 6 turbines with 22.8 metre (75 foot) stacks, which are air-cooled. Air emissions are proposed to meet or be better than the Provincial standards.

Detailed air modelling is being undertaken as part of the Environmental Screening and Review Process. As there is no water involved in the process, there will be no plumbing. Water required for fire safety will be provided by an on-site stormwater management pond with a capacity for 16,000 cubic metres of water. A new gas pipeline will be required from the existing pipeline at Derry Road. There will be no alternative fuel source stored on site.

A copy of the report "Power Generating Facilities", adopted by City Council on October 26, 2005, has been forwarded to the Town of Milton for consideration in reviewing applications for power generating facilities.

COMMENTS:

EPCOR's Auburn power generating facility proposal is located 1.5 km from Mississauga. A detailed assessment will be provided through the Environmental Screening and Review Process. Of particular interest to Mississauga will be the detailed air modelling with respect to emissions and noise. Mississauga will have an opportunity to review and provide comments to the Ministry of the Environment once the Environmental Screening and Review Report is released for comments.

Several residents in Mississauga have expressed concern regarding the proposed power generating facility and have requested additional information. This information will be made available as part of the Environmental Screening and Review Report.

FINANCIAL IMPACT: None

CONCLUSION:

Due to the proximity of the proposed EPCOR Auburn power generating facility to the City of Mississauga, City Council and residents must be kept informed of the proposal. The Environmental Screening and Review process is the avenue by which further details of the proposal will be provided. Once released, the City of Mississauga will review and comment to the Ministry of the Environment on the Environmental Screening and Review Report.

ATTACHMENTS:

APPENDIX 1: EPCOR Auburn Energy Centre Location Map

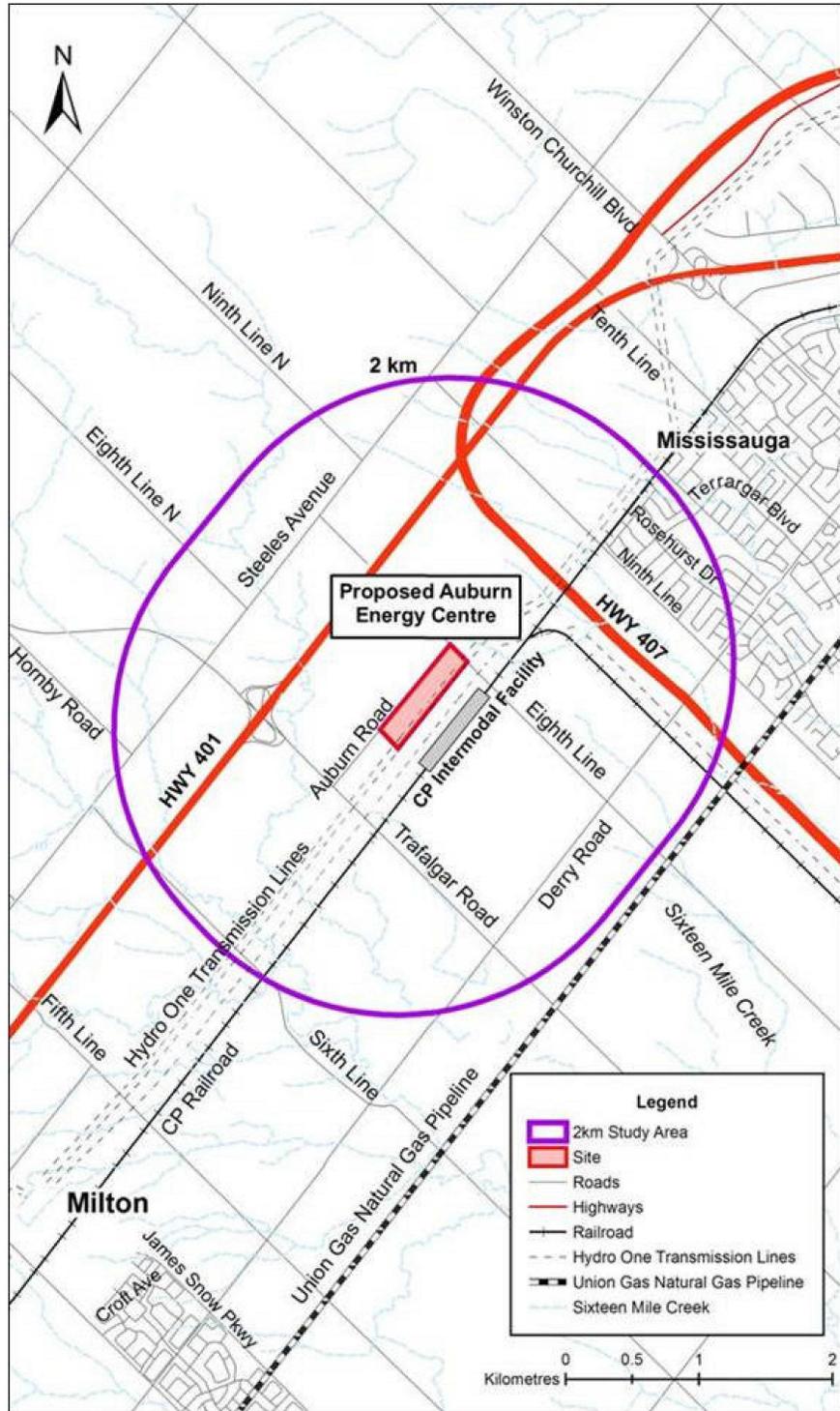
APPENDIX 2: Location of Qualified Participants in the GTA West
Trafalgar Request for Qualifications

APPENDIX 3: Town of Halton Hills Council Resolution regarding
the TransCanada Proposal in Halton Hills

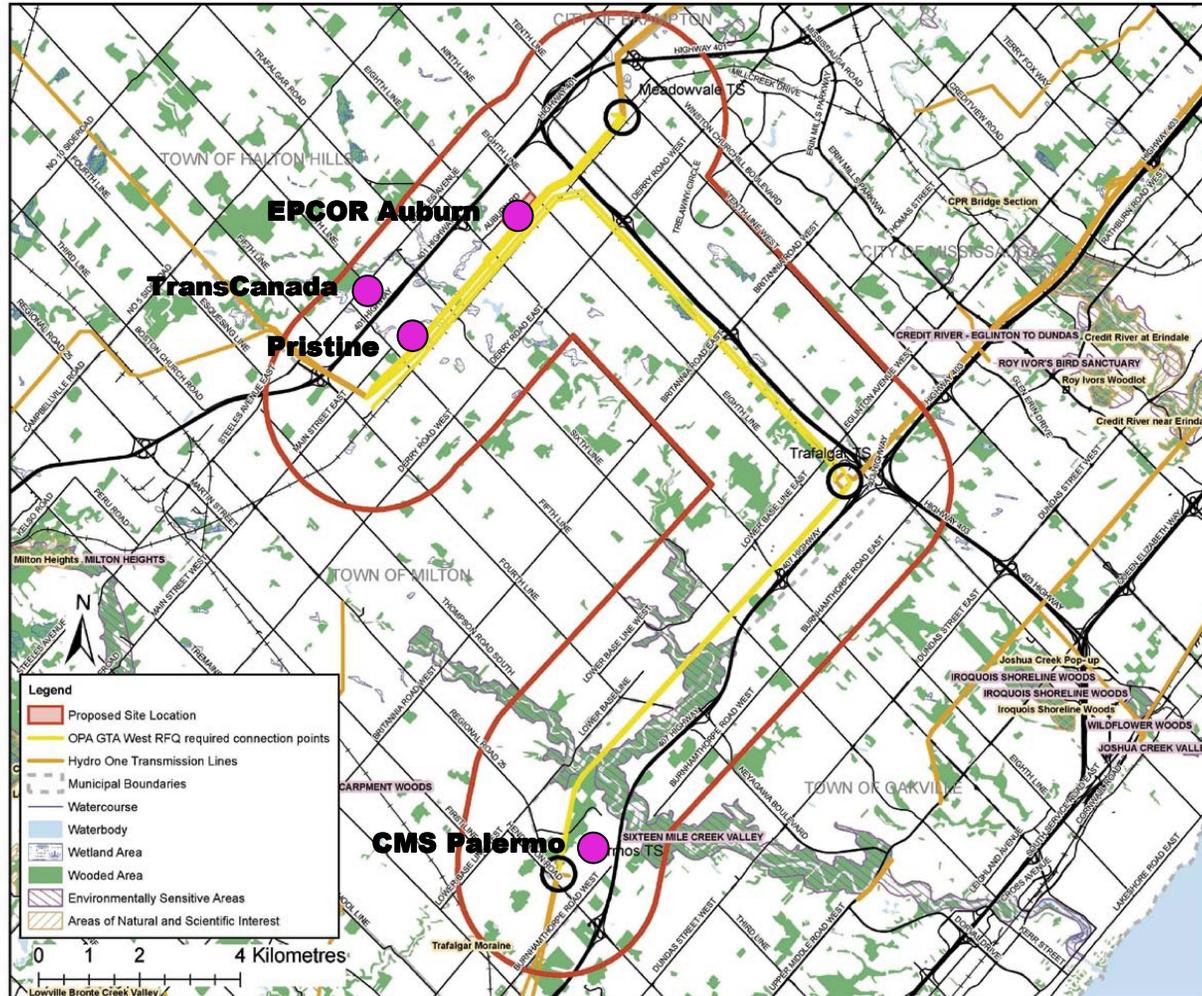
Edward R. Sajecki
Commissioner of Planning and Building

Prepared By: Mary Bracken, Environmental Planner

EPCOR Auburn Energy Centre Location Map



Location of Qualified Participants in the GTA West Trafalgar Request for Qualifications



Town of Halton Hills Resolution
Regarding the TransCanada Proposal in Halton Hills

Resolution No. 2006-0250

THAT Report ADMIN-2006-0023 dated September 21, 2006 regarding a Request From TransCanada Energy Ltd. (TCE) for the Town's support of TCE's proposal to the Ontario Power Authority (OPA) to construct and operate a 680 MW Power Generation Plant, west of the Sixth Line in the 401-407 Industrial Corridor be received;

AND FURTHER THAT in response to the request of TCE for support by the Town of Halton Hills to the Ontario Power Authority (OPA) for the TCE proposal, Council hereby supports TCE's Proposal for a Power Generation Facility in the 401-407 Industrial Corridor on the basis of the September 14, 2006 letter received from TCE outlining its commitments and the benefits to the Town should OPA accept TCE's proposal;

AND FURTHER THAT the Mayor on behalf of the Town of Halton Hills send a letter to the Chief Executive Officer of the Ontario Power Authority indicating the support of the Town on the basis of the commitments and benefits to the Town. The letter should be in form substantially as per Attachment 3 and append the letter received September 14 from TransCanada Energy Ltd, the report before Council on September 25, the resolution of support by Council from the special Council Meeting on September 25, 2006 and any other materials deemed appropriate by the Mayor.