



## Media Release

# **The Environmental Commissioner says more work is needed on energy conservation**

Toronto, November 29, 2011 – The Environmental Commissioner of Ontario says the government's energy conservation achievements are substantial, but incomplete. In releasing volume two of his 2010 Energy Conservation Progress Report, *Managing a Complex Energy System – Results*, Gord Miller says "the government achieved two-thirds of an electricity conservation target that it had set. It's a respectable showing given that Ontario's targets are among the most ambitious in North America".

What concerns Miller more is that the value of conservation seems to have been lost in the public debates over energy, especially when debating electricity prices or building new generating plants. "The government should step up conservation efforts because it saves customers money, reduces environmental damage, and helps avoid new and often unpopular power plants," Miller says. As the past two years have shown, willing host communities of any type of power plant are hard to find.

The Environmental Commissioner says the *Annual Energy Conservation Progress Report* shows mixed results in the government's conservation efforts.

- Ontario's electricity conservation efforts reduced peak demand by 1,750 megawatts (MW) in 2010 due to new programs and initiatives that began in 2005. This is the equivalent to not having to build three new natural gas-fired peaker plants. By investing about \$1.7 billion in conservation programs, Ontario saved electricity ratepayers \$3.8 billion in avoided electricity supply costs. However, this achievement was only 65% of the 2,700 MW peak demand reduction target that the government had set itself.
- Energy savings from the conservation programs operated by the province's natural gas utilities performed well against the targets approved by the Ontario Energy Board. These programs were very cost-effective, providing more than \$400 million in net benefits and a reduction of 185 million cubic metres in the amount of natural gas used in 2010.
- There are no results available on the conservation impact of time-of use (TOU) pricing. The government is only now beginning to measure how people have changed their consumption with the introduction of TOU. The prices, set semi-annually by the Ontario Energy Board, are not based on actual data of how price levels affect customers' consumption. TOU prices should incorporate this real-world information in order to maximize the amount of conservation.
- There is a risk that electric utilities will not meet their 2014 electricity conservation targets. Not only was there a delay in the province-wide programs delivered by the Ontario Power Authority, but the Ontario Energy Board has been unsupportive of customized-programs that were supposed to be offered by utilities.

The Environmental Commissioner says "I want to impress upon the new Energy Minister, in light of the actions of the Ontario Energy Board and program delays, that immediate action is required if the electric utilities are to meet the 2014 targets that are a condition of their licence. The alternative," says Miller, "is to give them more time."

**For the full report, visit: [www.eco.on.ca](http://www.eco.on.ca)**

**Download the Commissioner's opening remarks to the legislature:**

[http://www.eco.on.ca/uploads/ReportsEnergyConservation/2011v2/Managing%20a%20Complex%20Energy%20System\\_remarks.pdf](http://www.eco.on.ca/uploads/ReportsEnergyConservation/2011v2/Managing%20a%20Complex%20Energy%20System_remarks.pdf)

**Télécharger le discours prononcé devant l'Assemblée législative:**

[http://www.eco.on.ca/uploads/ReportsEnergyConservation/2011v2/Managing%20a%20Complex%20Energy%20System\\_remarks\\_FR.pdf](http://www.eco.on.ca/uploads/ReportsEnergyConservation/2011v2/Managing%20a%20Complex%20Energy%20System_remarks_FR.pdf)

**For more information on the report, [please refer to the backgrounder](#)**

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*The **Environmental Commissioner of Ontario** is the province's independent environmental watchdog, appointed by the Legislative Assembly. The ECO monitors and reports on compliance with the Environmental Bill of Rights, the government's progress in reducing greenhouse gas emissions and its actions towards achieving greater energy conservation in Ontario.*