

For Immediate Release

Ontario secures \$800 million investment in province's energy infrastructure

First phase of combined heat & power plan adds 414MW of co-generation

(Toronto—October 16, 2006) The Ontario Power Authority has signed contracts with seven high-efficiency combined heat and power projects (also known as co-generation) across Ontario, with a combined electrical capacity of 414 MW.

The contracts, announced today, are the culmination of the first phase of a competitive 1,000MW procurement process—the first of its kind in Canada—designed to take advantage of situations where larger industries or groups of users require both electricity and thermal energy for industrial use, heating or cooling. Co-generation is considered an efficient form of fossil fuel electricity generation—getting the most overall energy out of a fuel source.

The seven projects represent a total capital investment of some \$800 million and range in size from a 2MW district energy project in Oshawa to a 236MW industrial application in Thorold. Commercial operation dates range from February 2008 to May 2010.

“Developing more distributed energy such as these cogeneration projects is key to having a balanced, reliable and secure electricity system for Ontario,” said Energy Minister Dwight Duncan.

“The projects are diverse in type and location, providing electricity and efficient thermal energy to Ontario industry and communities,” said Paul Bradley, OPA Vice President of Electricity Resources. “They represent the high efficiency we should be striving for in Ontario’s future power projects.”

The procurement identified a number of projects which, because of some of the challenges in developing co-generation, did not result in a submission to the process. The OPA plans to address these issues in a next phase of procurement. Work on Phase Two will begin shortly leading to additional contract announcements by mid-2007.

“We learned that there is a great deal of interest in co-generation, but that it will take time and experience to fully engage that potential,” Bradley added.

The successful projects are:

Great Northern Tri-Gen Facility

Community	Kingsville
Electricity Capacity	11.5MW
Proponent	Soave Hydroponics Company
Thermal Host	Great Northern Hydroponics
Description	Greenhouse

Countryside London Cogeneration

Community	London
Electricity Capacity	12MW
Proponent	Countryside London Cogeneration Corp.
Thermal Host	Countryside District Energy
Description	District energy for Industrial and Commercial Facilities

Warden Energy Centre CHP

Community	Markham
Electricity Capacity	5MW
Proponent	Markham District Energy
Thermal Host	Markham District Energy
Description	District energy for commercial, institutional and residential buildings

Durham College CHO District Energy Project

Community	Oshawa
Electricity Capacity	2.3MW
Proponent	Oshawa PUC Energy Services Inc.
Thermal Host	Durham College
Description	District energy for college buildings

Algoma Energy By-Product Cogeneration

Community	Sault Ste. Marie
Electricity Capacity	63MW
Proponent	Algoma Energy L.P.
Thermal Host	Algoma Steel Inc.
Description	Steel Mill

Thorold Cogeneration Project

Community	Thorold
Electricity Capacity	236.4MW
Proponent	Thorold CoGen L.P. a subsidiary of Northland power Inc.
Thermal Host	Abitibi Consolidated
Description	Paper Mill

East Windsor Cogeneration Centre

Community	Windsor
Electricity Capacity	84MW
Proponent	East Windsor Cogeneration L.P.
Thermal Host	Ford Motor Company
Description	Engine Plant

Ontario Power Authority

In pursuit of its mandate of ensuring an adequate, long-term supply of electricity for Ontario, the OPA creates and implements conservation and demand management programs, ensures adequate investment in new supply infrastructure, performs long-term electricity system planning, and facilitates the development of a more sustainable and competitive electricity system.

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