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Ontario considering two new reactors for Darlington nuclear plant: sources

TORONTO (CP) _ The Ontario government is leaning towards a multi-billion-dollar expansion of its Darlington nuclear generating facility as part of an ongoing effort to expand the province's energy supply, sources say.

The province is investigating the potential construction of two 700-megawatt Candu 6 reactors _ which, combined, would be able to generate enough power for one million homes _ at the site in Clarington, some 80 kilometres east of Toronto, sources told The Canadian Press.

It would mark the first new nuclear construction in Ontario since controversial cost overruns at Darlington _ the original cost of the plant nearly tripled to some \$14 billion during construction in the 1980s _ soured governments on such projects.

Plenty of work needs to be done before the province will announce it's going ahead with the expansion, including negotiating construction and supplier contracts that guarantee the province doesn't face similar cost increases, sources said.

Ontario's Ministry of Energy is also waiting for a report due in early December from the Ontario Power Authority that's expected to lay out future supply needs and recommend further expansion of Ontario's nuclear power base.

But sources insist the province is eyeing a Darlington expansion that could be started quickly and efficiently, noting that there's infrastructure already in place to accommodate more units at the site and confidence the project would be welcomed by the local community.

"The fastest, most cost-efficient way to add new nuclear generating capacity would be a pair of Candu 6's at Darlington," said one source familiar with the talks, who spoke on condition of anonymity.

Energy Minister Donna Cansfield said the government has "absolutely not" made any decisions on a Darlington expansion.

But earlier this week, Clarington Mayor John Mutton met Tuesday with top bureaucrats at Ontario's Energy Ministry to discuss just such a project.

Mutton confirmed the meeting, but refused to talk about what was discussed — except to say he provided assurances that Clarington is ready and willing to accept an expansion of the Darlington plant.

Clarington's council passed a resolution earlier this month pledging its support for an expansion.

Mutton also accompanied Premier Dalton McGuinty on his recent trip to China, where the two examined Candu 6 reactors now in place in that rapidly emerging economy. Mutton said the premier was "receptive" to Clarington's interest in an expansion, which the mayor said would create "tens of thousands of person-hours of employment" for his city.

"Without question, it's the best site for nuclear rebuild," Mutton said in an interview.

He hopes an announcement confirming a decision on the project will be made not long after the Ontario Power Authority releases its report on what the province's future supply mix should look like.

"The sooner the better that these decisions start coming down, because we've got to get on with the **environmental assessments**," which can take several years to complete, Mutton said.

Earlier this year, McGuinty said Ontario would be willing to look at expanding its nuclear capacity, citing a need to refurbish, rebuild, or replace 25,000 megawatts of supply over the next 15 years.

This fall, the province approved a deal allowing Bruce Power (TSX:TRP TSX:CCO) to refurbish four units at its nuclear generating station off the shores of Lake Huron.

It's unclear how much it would cost to build two new Candu reactors at Darlington. Estimates suggest each would run at least \$1.5 billion, while others say the cost could be much higher.

Darlington would be relatively easy to expand; it was initially designed to accommodate a second set of nuclear units, but the idea was scrapped due to cost concerns. The facility's transmission lines are also designed to carry twice the plant's current capacity.

"Darlington is a site with room and infrastructure to accommodate additions," said Murray Elston, president of the Canadian Nuclear Association, which is lobbying the province for more nuclear rebuilds.

Darlington and Bruce "are in communities that are not only supportive, but are also heading into a third-generation of people working at the sites .n.n. understanding what exactly it takes to operate them safely."
