



# HALDIMAND COUNTY

Report PED-ED-06-2007  
of the General Manager of Planning And Economic  
Development  
For Consideration By Council in Committee

**RE: Economic Impact Analysis for a Potential Nuclear Power Generation Facility  
in the Nanticoke Area**

**OBJECTIVE:** To provide Council with an outline of the steps, scope, timing and cost of an Economic Impact Analysis for a potential Nuclear New Build Project In the Nanticoke Area

## **RECOMMENDATIONS:**

1. THAT Report PED-ED-06-2007 Re: Economic Impact Analysis for a Nuclear Power Generation Facility in the Nanticoke Area dated September 19, 2007 be received;
2. AND THAT Council approve the funding for the Economic Impact Analysis out of the Economic Development Division 2007 budget (Account 6.821.1110.5500.5520 – Consulting) to an upset of \$5000 plus taxes;
3. AND THAT Council approve the sole-sourcing of Dr. Harry Kitchen to complete an Economic Impact Analysis for a Potential Nuclear Power Generation Facility in Nanticoke area;

4. AND THAT Staff continue to correspond with Norfolk County in an effort to seek their financial support (up to \$2,500) towards this project.

Prepared by:

Reviewed by:

Brian Morris  
Economic Development Officer  
Date: September 19, 2007

Karl, Huyge  
Manager, Economic Development

Respectfully submitted:

Approved:

Craig Manley  
General Manager  
Planning & Economic Development  
Department

Karen General  
Acting Chief Administrative Officer

## **BACKGROUND:**

As directed by Council through a resolution passed on August 27, 2007, staff was asked to investigate the desirability, scope, cost, and process associated with the preparation of an Economic Impact Analysis for a Nuclear Power Generation Facility in the Nanticoke Area. Furthermore, staff was to contact Norfolk County about the possibility of financially supporting the cost of such a study.

Through discussion with representatives from Bruce Power and Golder Associates, an International Environmental consulting firm, Dr. Harry Kitchen has been recommended as the person to carry out the study. Dr. Kitchen, who is completing the Economic Impact Analysis portion of the Bruce A Restart and Refurbishment Project, is an Economics Professor at Trent University and as such has information and experience directly related to this task. Dr. Kitchen has quoted a cost of \$5000 excluding taxes to undertake this analysis. Given this cost, the specialized nature of the work and a desire to obtain the information quickly it is recommended that Council authorize a sole source contract rather than undertaking a competitive bid process.

## **ANALYSIS:**

The objective of an Economic Impact Analysis is to provide information on the net increase or decrease in local economic activity and jobs arising from, in this case, the implementation of a nuclear power generation facility development project. Given the unique nature and the scale of this type of facility and its potential as a catalytic project leading to other investment in the Nanticoke area, it is prudent to indicate the potential economic benefits accruing to a municipality and surrounding areas as well as to assess the changes to municipal revenue. Staff would stress to Council that this initiative would be seen as a first step to a broader overall study of all lands in the Nanticoke area contained in the industrial influence area intended to be undertaken in 2008.

The proposed study will be a broadly based high-level economic impact analysis of a Nuclear New Build in the Nanticoke area. This analysis will include the discussion of points such as: construction and operating jobs and their direct economic impact, indirect economic spin-off effects and any changes to municipal revenues. Dr. Kitchen indicates that the study would be completed and made available for public release by mid-October, 2007.

Given the location of existing power distribution infrastructure in the Nanticoke area and that power generations facilities would need to be located in close proximity, If a study were to be carried out assessing a Nuclear New Build in the Nanticoke area, it would be necessary, for the accuracy of the study, to include Haldimand County and Norfolk County in the study area as a new build would have economic impacts in terms of job creation and indirect economic benefits to both municipalities. In accordance with the Council direction, staff has made initial contact with Norfolk County on the subject on supporting the potential cost of such a study. At this time it is unclear what the response will be but given the relative minor cost, staff would recommend moving forward with the analysis while awaiting their response.

## **BUDGET/LEGAL IMPLICATIONS:**

Dr. Kitchen has indicated that the cost for an Economic Impact Analysis of a Nuclear New Build in the Nanticoke area would be \$5,000 excluding taxes. The Economic Development Division

has monies sufficient to cover these costs in their 2007 budget. Under the County's Purchasing Policy the General Manager has the authority to sole-source work up to \$5,000. Given that with the inclusion of taxes, this amount will be exceeded Council's direction to allow the General Manager of Planning and Economic Development to retain Dr. Kitchen to complete the work that will be required.

**INTERDEPARTMENTAL IMPACTS:**

Not applicable.

**LINKS TO STRATEGIC PLANS:**

Recommendations in this report are linked to the Economic Development Strategic Plan 4.0 – Foster healthy and vibrant industrial activities in Haldimand County.

**CONCLUSION:**

Given the need to better understand the economic implications of a Nuclear New Build project to the areas economy staff recommend Council approve the recommendations made in this report.

**ATTACHMENTS:**

1. None.

<b>REQUIRED AND RECEIVED COMMENTS FROM:</b> Yes or Not applicable	
Clerk's	Not applicable
Community Services Department	Not applicable
Finance	Not applicable
Health & Social Services Department	Not applicable
Human Resources	Not applicable
Information Systems	Not applicable
Legal	Not applicable
Physical Services Department	Not applicable
Planning & Economic Development Department	Not applicable
Support Services	Not applicable
Other	Not applicable

<b>CLERK'S DIVISION REVIEW</b>	
<b>Report: PED-ED-06-2007 - Economic Impact Analysis for a Nuclear Power Generation Facility in the Nanticoke Area</b>	
COUNCIL IN COMMITTEE: RECOMMENDATION NO: <input type="checkbox"/> Approved <input type="checkbox"/> Approved with Amendments <input type="checkbox"/> Defeated <input type="checkbox"/> Deferred <input type="checkbox"/> Other <input type="text"/>	COUNCIL: September 24, 2007 RESOLUTION NO: 911-07 <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Approved with Amendments (Noted below) <input type="checkbox"/> Defeated <input type="checkbox"/> Deferred <input type="checkbox"/> Other <input type="text"/>
Amended Recommendation(s):	
Council Direction:	
Clerk's Division Action Taken: Letter sent to Dr. Kitchen.	