

Media Event: MPP Tabuns on Hydro One Spending \$15M on Electricity Bill Redesign

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MEDIA EVENT: MPP TABUNS ON HYDRO ONE SPENDING \$15M ON ELECTRICITY BILL REDESIGN

January 11, 2018

Time / Location:

10:30 a.m. / Media Studio, Queen's Park

Speakers:

MPP Peter Tabuns.

Media Attendance:

Print – 4

TV – 3

Radio – 1

Media Outlets:

Jones – CP; Artuso – Sun; Hains – QP Briefing; Brule - Radio Canada/CJBC; Cooper – Newstalk 1010; Bliss - CTV Ontario; Morissette – TFO;

Statement:

Thank you very much. Good morning, everyone. Bonjour tout le monde. Today, I'm calling on Kathleen Wynne to stop a plan to force families to pay \$15 million for redesigned hydro bills. Hydro One's bills were given a facelift this year, and buried in Hydro One's distribution rate increase application is a plan for further design changes. The total price tag for redesigning the hydro bills is a ridiculous \$15 million.

Kathleen Wynne seems to think the problem of hydro bills is that people don't understand them. I think the problem with hydro bills is that they're too high. And coming up with a new design for those bills in order to justify hiking them further does not help families one bit. I think of Sharon in Sault Ste Marie who's 80 years old. She lives alone, and when NDP Leader Andrea Horwath met her, she was bundled up in layers of clothes. She had piles of blankets all over the house. Sharon is a widow living on a pension, and she simply can't afford to turn the heat up. Redesigning Sharon's hydro bill won't help her warm up her home. And I don't want any part of the \$15 million added onto Sharon's bill.

[Speaking French] This is why I'm against even one cent of the \$15 million be added to Sharon's bill.

Kathleen Wynne has been such a disappointment.

[Speaking French] Kathleen Wynne has been such a disappointment.

Hydro rates have increased 300 per cent under this Liberal government, and they'll skyrocket again after the election thanks to her \$40-billion hydro borrowing scheme. And I have to say Patrick Brown is showing that he isn't the answer.

[Speaking French] I have to say Patrick Brown isn't giving any indication that he is the answer.

He had a chance to stand up to Wynne. He had a chance to lay out a different plan for hydro, but he decided to back Wynne all the way. He's onboard with her privatization and her \$40-billion hydro borrowing scheme. Andrea Horwath and the NDP have a different plan. We believe it doesn't have to be this way, and we know we can do better for the people of Ontario. Andrea Horwath's hydro plan cuts bills by about 30 per cent, and gets at the heart of our broken hydro system to fix it, starting by moving Hydro One back into public hands. She'll ban the pre-pay hydro meters as proposed. She'll ban mandatory time-of-use billing so that parents don't have to worry about the cost of making dinner when they're preparing for their children dinner time. It's time to give people hope that hydro bills will go down instead of continuing to skyrocket. It's time for a more affordable life in Ontario.

[Speaking French] It is high time for Ontario to have an affordable standard of living.

Thanks very much, and I'm happy to answer your questions.

Media Questions:

Q. Bliss: Peter, what specifically is the \$15 million for presumably they'd listed something more than just 'well, we're going to redesign the bill (inaudible) fifteen million bucks?'

You'd have to go into the details that they put forward in their application, Paul. It's redesign. It's testing the bills with customers. There's some element of this that's going to be bills to non-hydro consumers. There's a variety of elements here, all of which is going to be loaded on to people who pay the bills every month.

Q. Bliss: But does that seem like an out-of-whack price for you for a redesign? I mean, it's Toronto, things are expensive, you know, I mean.

Things are expensive, but I don't think the problem we face is a bill that people can't understand. I think the problem is rates that are too high. So if you're spending money on things that really aren't critical, that aren't necessary in terms of making bills affordable, you're wasting your time. You're focused on the wrong thing. This is a question of priorities that don't mesh with what the concerns are of people in this province.

Q. Jones: So you're saying they shouldn't undertake a redesign at all, or just that they maybe shouldn't be spending \$15 million to do that?

Well, if they want a redesign without raising rates, that's their business. But when they start raising rates to deal with a problem that is not central to people, most people are most concerned about what they're paying at the end of the month. They're not concerned about what the bill looks like.

Q. Brule: [Speaking French] Peter, how did you do the calculation of \$15 million? Because money that has already been spent; there is money that is predicted to be spent; is it that?

[Speaking French] My God, Claudine, again please.

Q. Brule: [Speaking French] So the \$15 million, it's money that has been partially spent, and money that must be spent.

[Speaking French] Yes, it's that. There are two parts, certainly. But right now, the entire bill for this project is the people of Ontario's responsibility and I don't think it's a good idea. I think that the people of Ontario have a problem with the rates. It's not a question of the bill itself.

Q. Brule: [Speaking French] And so Ontarians have already paid \$5 million of this bill?

[Speaking French] Yes – no – right now, there has been a project in which Hydro One spent almost \$5 million, but the bill must – the bill comes – my God – the bill, it's a thing that the people of Ontario will pay in the future.

Q. Bliss: Peter, I'm stuck on the \$15 million. Does it seem – I guess I asked this before – does it seem out of whack that that much money is spent on the redesign?

It does to me. Paul, there are two parts to it. One, it seems very strange to me that you'd spend – you'd have to spend \$15 million in a province full of graphic artists who can redesign a bill. You're not talking about redesigning the whole billing system. You're not talking about redesigning all the computers, the IT systems. You're talking about the look of the bill and how it's laid out. All kinds of people can do that fairly straightforwardly. So \$15 million seems awfully expensive to me. But the other part of this is, if you're going to spend money – and this just as an equivalent, it's worth about 250 nurses for a year – if you're going to spend this kind of money, why are you not using your investment to deal with hydro costs? Why are you upping hydro costs? It looks like you're dealing with the wrong problem. And again, I don't think people – if people had to choose between lower hydro bills and a different-looking bill, I don't think there'd be any contest.

Q. Cooper: Peter, it says here that in 2016, 62 per cent of customers found their bill easy to understand, so has there been any research done on the changes and how that figure is going to increase by the changes?

I don't know the answer to that. I understand that part of the process would be looking at how people would relate to the bill. But again, I have to say, a decade ago, no one was asking about whether they could understand the bills. It was – at a time when the bills were a lot lower, people didn't spend time saying, 'gee, I don't understand this hydro bill.' It becomes an issue that you hear about when the bills are too high. Then people complain about the bills as a whole complex. If the bills were low, people wouldn't be saying, 'I have a problem with the layout of this bill.' And frankly, I don't think that's their primary concern right now. It's their bottom line.

Q. Hains: When (inaudible) previously, Hydro One has said that one of the number-one source of calls from ratepayers and so on is to help understand what's on their bill. They can't read it and so on, and so this should lower call volume and save them money. How would you respond to that saying, you know, this must justify that cost cause, you know,

will have better customer satisfaction savings (inaudible) in time and so on?

What I can say is that when I talk to my customer – to my – sorry – to my constituents who have properties outside Toronto and deal with Hydro One, is not so much that they can't understand the bill, is that they feel that they've been mis-billed. There was a huge flurry about the time the smart meters were brought in, and it wasn't so much they didn't understand the bill. They couldn't understand why they were so high. It was the scale of the cost, not so much a problem with understanding where the lines are allocated to what they're ultimately going to have to understand it's making up the bill. They think – they thought it was too high. They couldn't understand why it was too high. If they want to reduce their call centre volume, then reducing the bills is the number-one solution. Reducing the cost of the electricity is number-one solution.

Q. Brule: So you just asking the government to
[Speaking French] in French, you're asking the government –

[Speaking French] It's necessary to stop this project. It's not necessary. We have a problem with the bills, with the rates. We have a problem with the rates. They are very high, too high, no? It's not a question of bills, it's a question of rates.

Q. Jones: Wouldn't it be up to the OEB to reject?

Well, Kathleen Wynne says that this government controls Hydro One. And she has what she says is a dominant block on their board of directors. She can tell her board of directors that this is not in the interest of the people of Ontario or the interest of Hydro One. Stop this project.

Q. Artuso: So Peter, you probably already covered this, but the bill's already out, the new bill's already out, so what is the savings that you think can be had?

Well I – first of all, they're looking at spending about \$11 million more on this bill redesign. And frankly, one could go back to Hydro One and say, 'you're just going to have to eat that, you're going to have to have – find a way within your total budget to absorb that cost because this is not something that you should be putting on the backs of ratepayers who are already pressed very, very hard.'

Q. Bliss: \$11 million more than the fifteen?

Sorry, there's a chunk that's been spent prior to January 1st, 2018. About \$5 million. Another \$10 million to go. But that expenditure hasn't been approved by the OEB. They can't collect that yet, and they're asking the OEB to approve the expenditure and approve the application to the rates.

Q. Brule: So that almost \$5 million.

Yes.

Q. Hains: And then \$10.4 million in 2021 and 2022.

Roughly, yes.

Q. Brule: [Speaking French] And you're saying Mr. Tabuns that if the bills weren't so high, people would have fewer problems understanding their bills? Why do they have

problems understanding them? The bills are so high –

[Speaking French] If I understand, it's not a question of understanding; it's a question of rates. It's simply that. If we had lower rates, there is no problem.

Thank you all.

N.B.: Comments captured are not verbatim quotes

Prepared by:
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