Letter to the Editor
Minister Glenn Thibeault

There is an important clarification to be made regarding the Barrie Examiner's story on Tuesday, "InnPower seeking rate hike." That clarification is this: regardless of the outcome of InnPower's current rate application, the electricity bills for customers in Innisfil will actually be going down beginning this summer.

Earlier this month, our government announced Ontario's Fair Hydro Plan, which brings the largest cut to electricity rates in Ontario's history. Recognizing that some Ontarians are struggling with their electricity bills, we are lowering rates by 25 per cent on average for every household, along with half a million small businesses and farms. Rate increases over the next four years will also be held to the rate of inflation. Under our plan, electricity rates will come down, stay down and benefit families and businesses across the province.

As part of our plan, we are committed to providing additional support to those facing the highest delivery costs in the province. Legislation will soon be introduced regarding distribution charges levied by the eight utilities with the highest rates, which will all be lowered to protect ratepayers in these areas. InnPower is one of these utilities.

InnPower currently has a rate application before the Ontario Energy Board requesting an increase in rates. But our plan is designed to bring down InnPower's rates to make them more in line with the rest of the province, regardless of the outcome of this application. If the Board decides the utility needs more funds to maintain distribution, we will ensure the utility receives support through the Fair Hydro Plan. The decision would not impact InnPower's customers, who will still see their rates decrease starting this summer.

This is all part of our government's plan to make the electricity prices more fair in Ontario. Those who would like to learn more can visit Ontario.ca/FairHydroPlan. By providing real, long-lasting relief, our plan makes sense for Ontarians.

Original article is below:

InnPower seeking rate hike
The Barrie Examiner
Tue Mar 21 2017

Innisfil's electricity line distribution company has applied to the Ontario Energy Board (OEB) for permission to hike electricity rates over the next five years.

Initially, InnPower's request - citing growth pressures and infrastructure needs - asked for a $10.69 increase in the distribution costs on the average residential hydro bill, adding just over $128 to the average homeowners' yearly costs.

By cutting back on staffing plans, and deferring some major capital expenditures planned to expand the wire network, InnPower announced that the requested monthly increase has been reduced to $8.59, or $103 annually, on the line distribution portion of the bill.

Homeowners, and especially commercial account-holders who face a potential increase of over 14% per month, were not impressed.

They recently shared their dissatisfaction with representatives of the OEB at two meetings in Innisfil. See RATES A2 In the evening, at the Lakeshore Library, more than 130 innisfil residents came out to ask questions, listen to a presentation by InnPower president and CEO Wally Malcolm, and comment.

Malcolm noted that InnPower services an area of 292 sq. km., comparable to Mississauga. While the latter has over 180,000 customers, InnPower has only 15,073 customers who bear the cost of the userpay system. He spoke of “strategic imperatives” and “value for customers,” promising to stabilize hydro rates to heckling from the audience, who told the CEO, “You should be ashamed” of InnPower’s $12 million expenditure on a new headquarters, now sitting two-thirds empty.

Malcolm defended construction of the new offices, noted that InnPower had been housed in 5 buildings, all “in rough shape… When it rained outside, it rained inside as well.” He cited health and safety issues.

Malcolm also explained that it was Innisfil council that made the decision to retain 100% ownership of InnPower, turning down an opportunity to partner with PowerStream (now Alectra), that could have saved homeowners $40 per year their bills.

The comments led resident Steven Wells to call for an “independent focus group”, to hold council to account.

“Where does the responsibility really lie? The responsibility lies with everybody in this room. Where we should be taking this fight is to council,” said Wells. “This meeting tonight didn’t have to happen. We have to take back Innisfil. We have to stand up.”

Another resident agreed. “This is about fiscal responsibility of a hydro company that we supposedly own,” the man said, referring to the fact that InnPower is 100% owned by the Town of Innisfil. “We have a major power source that we can’t afford.”

There were complaints over InnPower’s new customer policy, that hand-delivers disconnection warnings to customers only days after a bill’s due date and charges the customer $16.90 for the letter. There were also objections to InnPower’s plans to recoup the costs of repairing wires after last April’s major ice storm, as a special charge over and above the rate hike.

Onion farmer Boris Horodynsky spoke of the impact of the increase on commercial operations. Noting that he already pays $20,000 per month for electricity, he asked Malcolm, “What’s my increase going to be?” When the CEO replied that he was looking at an increase of 14.61%, Horodynsky demanded, “What do I get out of this?” Malcolm responded, “What you’re paying for is to make sure the lights stay on.”

“It doesn’t do anyone any good, these high power rates,” said Horodynsky. “We don’t have any choice. We have a gun to our head.”

“How many seniors get an $8.59 increase a month?” asked another resident.

Councillor Stan Daurio, who has long advocated for a partnership with PowerStream, also addressed the crowd. While he praised InnPower for “doing a really good job, controlling costs,” Daurio pointed out that InnPower customers are already paying the highest rates in Simcoe County, while Innisfil has the second-lowest per capita household income.

Partnering with PowerStream would lead to harmonization of rates and an immediate reduction, Daurio said, as well as generating dividends for the town and filling the InnPower office space.

There were calls for InnPower to “trim the fat,” and find other ways to reduce costs. “Pay cuts all around,” shouted one resident.

Deb Burton, owner of the Fork and Plate Restaurant in Innisfil, summed it up. “I’m a foodie. I’m really good at making food. You (addressing Deputy Mayor Lynn Dollin, one of a handful of

Innisfil council members present at the meeting) are a Deputy Mayor - you're really good at being a Deputy Mayor… Is a municipality good at running a hydro company? "You're doing it on such a smaller scale, it doesn't make sense. Why are you buying trucks? You're not a trucking company. Why don't you lease them? The whole business model doesn't make any sense."

Burton concluded, "I'm hoping we're heard, because we cannot continue on this road."