

Ministry of Energy

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His Worship Taso Christopher
Mayor
City of Belleville
169 Front Street
Belleville ON K8N 2Y8

Dear Mayor Christopher:

It was a pleasure meeting with you and your delegation at this year's Association of Municipalities of Ontario (AMO) Annual Conference in Ottawa. I have given Minister Thibeault a full report of our meeting, which he was pleased to receive.

Every year, the AMO conference provides an important opportunity to meet with municipal leaders and learn about the issues in their communities. I valued the opportunity to learn first-hand about energy-related concerns in your community concerning the service territories of Veridian and Hydro One and the access of funds from the sale of Hydro One shares to your municipality. Thank you for an open and productive discussion.

Ontario's Fair Hydro Plan

Our government has heard from Ontarians across the province that the price of electricity has risen too quickly, which is why we have taken action to provide significant and immediate rate relief. As you are aware, electricity customers in Ontario are now seeing reduced bills as part of Ontario's Fair Hydro Plan, which lowers electricity bills by 25 per cent on average for residential consumers and will hold increases to the rate of inflation for four years. Ontario's Fair Hydro Plan also includes cost reductions for businesses.

The plan reflects a number of initiatives, including the refinancing of a portion of the Global Adjustment, the shifting of cost recovery for electricity support programs from electricity bills to provincial revenues and the eight per cent rebate introduced in January.

To learn more about Ontario's Fair Hydro Plan, please visit www.ontario.ca/fairhydroplan.

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Service Territories of Veridian and Hydro One

As discussed in our meeting, when developers are building new homes they work with the utilities that service that area. There are two utilities in your area, Veridian Connections and Hydro One. During the planning stage, developers approach the utilities to ask for an “Offer to Connect” and the utilities will provide costs and timing for the project. The developer can choose which utility they would like to service the development, however this may require that the utilities need to review and apply for a Service Area Amendment to the Ontario Energy Board.

This is a transparent application by both parties to ensure that costs are kept low and the infrastructure that is being put in place is cost effective and services the community in the best manner possible. Ultimately, this is a matter of commercial negotiation between utilities and developers, subject to regulatory considerations, and the ministry is not involved in this process.

Municipal Energy Plan Program

The Ministry of Energy supports municipalities’ efforts to better understand their local energy needs, identify energy conservation and green energy opportunities, support economic development strategies, and develop plans to meet their goals through the Municipal Energy Plan (MEP) program. The program is available to all municipalities across Ontario and I encourage your municipality to apply.

The MEP program has two streams of funding. Stream 1 provides successful applicants with 50 per cent of eligible costs, up to a maximum of \$90,000 to develop a municipal energy plan. Stream 2 provides successful applicants with 50 per cent of eligible costs, up to a maximum of \$25,000 to update or enhance an existing energy plan.

I would also like to highlight Ontario’s recently announced \$100 million Municipal Greenhouse Gas (GHG) Challenge Fund. All Ontario municipalities with community-wide GHG emissions reduction plans, or equivalent, and community-wide GHG inventories and targets are invited to apply. This new competitive, application-based program will fund up to 100 per cent of eligible costs for GHG emissions reduction projects proposed by municipalities. MEP program participation is a path to eligibility for the province’s Municipal GHG Challenge Fund.

More information on the MEP program can be found at www.ontario.ca/page/municipal-energy-plan-program, or by contacting Michael Brophy, Manager of the Conservation Programs and Partnerships Branch at Michael.Brophy@ontario.ca.

Long-Term Energy Plan

The Ministry of Energy is preparing to release the 2017 Long-Term Energy Plan (LTEP) later this year. The 2017 LTEP will balance the objectives of cost-effectiveness, reliability, clean energy, community and Indigenous participation and engagement, and an emphasis on conservation and demand management. Ontario is committed to keeping electricity rates affordable while maintaining a clean, modern and reliable electricity system that reduces greenhouse gas emissions and provides cleaner air for this and future generations of Ontarians.

Once again, thank you for meeting with me at AMO 2017. Minister Thibeault and I look forward to continuing to work with you to build a clean, reliable and fair energy system for Ontarians. Please accept my best wishes.

Sincerely,

Bob Delaney
Parliamentary Assistant

c: Hon. Glenn Thibeault, Minister of Energy