Chamber of Commerce Breakfast
Sault Ste. Marie, Friday, March 10, 2017

Thank you First name (Last name, position) for that kind introduction.

It’s an honour and privilege to address the Sault Ste. Marie Chamber of Commerce.

I thank you for the invitation to join you here this morning.

Acknowledge VIPs [TBC MPs / Municipal Officials].

[If David Orazietti in attendance]

I want to start by acknowledging your former Member of Provincial Parliament and my former Caucus and Cabinet colleague David Orazietti.

In my mind, David’s never give up work ethic embodies the work ethic of families in the Soo.

Over 13 years David brought forward many Private Member’s Bills.

In most cases, these Bills don’t ever become law, but through his tireless efforts, David was able to make positive changes for families and seniors in Sault Ste. Marie, including improvements to highways in the north, increases to the northern health travel grant and strengthened consumer protections from unfair business practices.

David was relentless in championing the issues and needs of his constituents.

And as a result, your next MPP will have a very large pair of shoes to fill.

Thank you David.

To no one’s surprise, this morning I want to talk about the province’s energy system, our government’s decisions and the millions of Ontarians that pay a hydro bill every month.

Every government is presented with a set of unique challenges they must face in their mandate.

And I like to think that with every challenge comes opportunity.

In 2003, the province's electricity system required significant rebuilding just to meet the existing demand of Ontarians.

That challenge became an opportunity to clean our electricity supply mix and upgrade necessary infrastructure to enhance reliability for families and our job creators in Sault Ste. Marie and across the province.

Prior to 2003, Ontario struggled with an outdated, unreliable energy system.

Because of decades of under investment in the electricity system by governments of all stripes, we had to invest in our generation, transmission and distribution assets.

Distribution assets, like the polls and wires, and transformer stations that the Sault Ste. Marie PUC requires to keep the lights on for families and system reliable for businesses in the Soo and area.

Across Ontario, these investments added up to $50 billion in generation, transmission and distribution assets.

And as part of this rebuild, we chose to invest in the green energy sector to create jobs and eliminate coal from our supply mix.

This decision reduced smog days in Ontario from 53 in 2005 to zero last year, which is improving the health of all Ontarians.

And we will be benefiting from these investments to strengthen our clean and reliable electricity system for decades – both economically and environmentally.

But the investments came with a cost.

And at times, our government did not get the policies right.

As a result, ratepayers in Sault Ste. Marie and across Ontario are paying an unfair share of the cost of these investments in our electricity system's infrastructure.

Those most vulnerable to increasing hydro bills, in some cases, have to choose between heating their homes or purchasing groceries.

That's unfair. And that's not right.

It's no surprise that families and business owners in the North talk to me about their hydro rates.

Premier Kathleen Wynne heard similar concerns and frustrations – and made a strong commitment to deliver real and meaningful relief for families.

And for me, the *challenge* of electricity prices presented an *opportunity* to fundamentally re-shape the electricity sector. Our efforts represent the largest structural change in a generation.

In September, we took a first step towards addressing these concerns by removing eight per cent off the hydro bills of families, farms, and small businesses, the equivalent to the provincial portion of the HST.

And last week, we launched *Ontario's Fair Hydro Plan* – the single largest cut to electricity rates in Ontario's history.

Starting this summer, our government is tripling the size of the cut on people's hydro bills – from 8 per cent to an average of 25 per cent per household, small business and farm.

These cuts will be matched by a guarantee that for the next four years, total bill increases will be held to about the rate of inflation – around 2 per cent.

This is something families in Sault Ste. Marie have asked for and this is what our government will be delivering.

To accomplish this significant step in the reform of our electricity system, we are moving forward with the refinancing of the Global Adjustment to better match the actual useful life of our built infrastructure.

We know that the recent infrastructure we have built will last longer and provide value well into the future – outliving their contracted terms.

The Global Adjustment is like the mortgage on your house.

We're refinancing the mortgage and setting a new term that stretches over a longer period.

It will cost a bit more. And it will take more time to pay off.

But it is fairer – it doesn't ask this current generation of hydro customers to pay the freight for the previous generation or the future one.

The costs of our clean and reliable electricity system will now be shared more equitably.

It’s better for Ontario and it’s fairer for families.

And Ontario’s strong, growing economy allows us to do it while also delivering a balanced budget this spring.

Under our plan, electricity rates will come down, stay down and benefit families and businesses across the province.

By providing real, long-lasting relief, our Fair Hydro Plan makes sense for Ontarians

By moving forward with this significant reform, we will provide significant rate relief starting this summer.

But this is not the end of our commitment to give Ontarians much-needed relief on their hydro bills.

We’re also boosting existing programs and creating new measures to give targeted supports those that need the most help with their monthly hydro bills.

We will be expanding the Ontario Electricity Support Program, increasing credits by 50 per cent.

This means that eligible low-income households in the Soo who qualify, will receive an additional $180 a year in help, to a total of $540 a year.

We will also be loosening the application criteria to make sure that more people can access this extra support.

And for those Ontarians that are struggling with the costs of their bills, our government is investing $200 million in a new Affordability Fund to assist electricity consumers who don’t qualify for low-income conservation programs.

This will give local utilities, like the Sault Ste. Marie PUC, an additional tool to help customers in need to increase their energy efficiency, and reduce their electricity costs.

The Rural or Remote Rate Protection (RRRP) program will be enhanced to give distribution charge relief to those ratepayers that are served by Local Distribution Companies with the highest rates.

About 800,000 Ontarians will benefit from the expanded program.

Legislation will be introduced this spring to move forward on recommendations the Ontario Energy Board has made to increase electricity affordability for First Nations communities.

If passed, we would eliminate the delivery charge for on-reserve First Nations customers and remove some monthly service charges.

This will save the average customer $85 a month and is a move that the COO's Ontario Regional Chief Isadore Day has commended and acknowledged that it will "allow a path forward for greater quality of life for First Nations in Ontario".

With the launch of Ontario's Fair Hydro Plan, by no means is our government expecting parades down main street Sault Ste. Marie or Yonge Street in Toronto.

But there's no question in my mind that these changes are the right thing to do.

Bringing down rates by 25 per cent and fixing the system's structure – that's the approach that we as a government believe in.

I think it's better for Ontario. And I know it's fairer on families and businesses.

Thank you again for joining me this morning.