

MC-2017-1063

⊖ MC (AG)

DeFreitas, Shelley (ENERGY)

From: Millson, Chris (CAB)
Sent: June 5, 2017 1:42 PM
To: Write2us (ENERGY)
Subject: WSU2171636 COPY
Attachments: 1-30677003-INCOMING_RUSH.msg; INFORMATION COPY.pdf

PC: Premier forwards
request from Clean Energy
Canada to rename
"clean energy adjustment
in OFHP."
s: Electricity Prices

For ministry reply, due June 23, 2017.

INFORMATION COPY

June 5, 2017

Ms. Merran Smith
Executive Director
Ms. Sarah Petrevan
Senior Policy Advisor
Clean Energy Canada
Suite 721-602 West Hastings Street
Vancouver, British Columbia
V6B 1P2

Dear Ms. Smith and Ms. Petrevan:

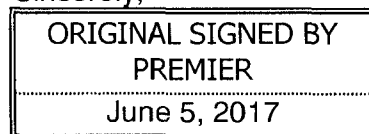
Thank you for your letter regarding the Fair Hydro Plan and the Clean Energy Adjustment. I appreciate your sharing your views.

Our government's passage of the *Fair Hydro Plan, 2017*, lowers electricity bills by 25 per cent on average to provide significant rate relief. All residential consumers and as many as half a million small businesses and farms will see bill reductions. Lower-income Ontarians and those living in eligible rural and northern communities will receive even greater reductions. And rate increases over the next four years will be held to the rate of inflation. The changes, which include the eight per cent rebate introduced in January and build on other previously announced initiatives, are delivering the largest relief to electricity rates in Ontario's history.

I note that you also addressed your letter to my colleague the Honourable Glenn Thibeault, Ontario Minister of Energy, and I trust that he will respond further to your comments about the adjustment name.

Thank you again for writing to me. Please accept my best wishes.

Sincerely,



Kathleen Wynne
Premier

c: The Honourable Glenn Thibeault

DeFreitas, Shelley (ENERGY)

From: Sarah Petrean <sarah@cleanenergycanada.org>
Sent: May 30, 2017 11:52 AM
To: Thibeault, Glenn (ENERGY); Premier of Ontario | Première ministre de l'Ontario
Subject: Letter Regarding the Fair Hydro Plan
Attachments: LetterfromCECtoWynneThibeault300517.pdf

Dear Premier Wynne and Minister Thibeault,

Please see the attached letter from Merran Smith and Sarah Petrean of Clean Energy Canada regarding our concerns with the Fair Hydro Plan, specifically the naming of the Clean Energy Adjustment.

Thank you for your time and attention to this matter.

Sincerely,

--

Sarah Petrean
Senior Policy Advisor
647-999-2992 | @sarahcpetrean | cleanenergycanada.org

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Hon. Kathleen O. Wynne
Legislative Building
Queen's Park
Toronto ON M7A 1A1

May 23, 2017

Hon. Glenn Thibeault
Hearst Block 4th Floor
900 Bay St
Toronto, ON M7A 2E1

Dear Premier Wynne and Minister Thibeault,

We are writing to express our disappointment in the introduction of the *Fair Hydro Plan*, specifically the name of the Clean Energy Adjustment.

Electricity prices are causing challenges for many Ontarians. We recognize this issue, and the government's desire to act. However, with the introduction of the *Fair Hydro Plan*, it has been made public that a charge associated with refinancing the Global Adjustment will appear on hydro bills. That adjustment has been named the Clean Energy Adjustment. We are urging the government to reconsider this decision.

Naming the charge the Clean Energy Adjustment will reinforce the persistent and erroneous belief that renewable energy contracts are the primary reason that electricity prices have risen over the past decade. While it is true that renewables (namely wind and solar) have played a role, they are only one factor.

The Global Adjustment represents the difference between the total contract cost of the various contracts it covers (for the prescribed generating assets, Bruce Nuclear, gas plants, renewable generation, CDM, etc.) and the market value of contracted generation. Wind and solar only comprise about one-quarter of the costs in the Global Adjustment.

It will take approximately 20 years for the costs of refinancing the global adjustment charge to be recouped. Therefore, the Clean Energy Adjustment will send a monthly message to all electricity consumers in Ontario that the government's foray into green energy is the reason their bills are so high.

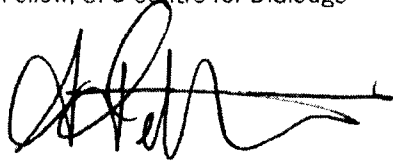
There are many factors that contribute to electricity price escalation: an unreliable and neglected system, nuclear refurbishments, a mismatch between supply and demand, repeated interventions by government of all stripes to mask the true cost of power in Ontario, and phasing out coal.

We therefore would ask that the Ontario government select a name that better reflects the many investments that contribute to our electricity system, including the refinancing of the Global Adjustment which includes costs for nuclear power, hydro, gas, as well as wind and solar.

Sincerely,

A handwritten signature in black ink, appearing to be 'Merran Smith', with a stylized, flowing script.

Merran Smith
Executive Director, Clean Energy Canada
Fellow, SFU Centre for Dialogue

A handwritten signature in black ink, appearing to be 'Sarah Petrevan', with a stylized, flowing script.

Sarah Petrevan
Senior Policy Advisor, Clean Energy Canada