

MC-2017-1100

⊖ MC (Aa)

DeFreitas, Shelley (ENERGY)

From: Millson, Chris (CAB)
Sent: June 9, 2017 1:01 PM
To: Write2us (ENERGY)
Subject: WSU2172263 COPY for ministry reply
Attachments: 1-30679325-Incoming.tif; INFORMATION COPY.pdf

PC: Premier forwards
Township of Ayr
Mayor's concerns
about electricity costs
for municipal operations.
o! Electricity prices
ref MC-2017-1045

Ministry response due June 30, 2017.

INFORMATION COPY

June 9, 2017

Her Worship Gerri Lynn O'Connor
Mayor
Township of Uxbridge
51 Toronto Street South
PO Box 190
Town Hall
Uxbridge, Ontario
L9P 1T1

Dear Mayor O'Connor:

Thank you for your letter regarding hydro costs. The views of our municipal leaders are very important to me.

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.

As the issue you raised falls under the jurisdiction of the Honourable Glenn Thibeault, Minister of Energy, I have sent him a copy of your letter and asked that he respond to you.

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

Sincerely,

ORIGINAL SIGNED BY PREMIER June 9, 2017

Kathleen Wynne
Premier

c: The Honourable Glenn Thibeault



In The Regional Municipality of Durham

The Corporation of the
**Township
of
Uxbridge**

Town Hall
31 Toronto Street South
P.O. Box 190
Uxbridge, ON L9P 1T1
Telephone (905) 852-9181
Facsimile (905) 852-9674
Web www.town.uxbridge.on.ca

May 30, 2017

Honourable Kathleen Wynne
Legislative Assembly of Ontario
Queen's Park
Room, 281, 111 Wellesley Street West
Toronto, ON
M7A 1A1

RE: Skyrocketing Hydro Costs in Ontario

Skyrocketing electricity costs in Uxbridge and everywhere else in the province are pushing residents, municipalities and local businesses to the brink. The government needs to reduce the burden on small towns, rural communities, small businesses and municipal facilities around Ontario, or we will start to see doors being closed.

In the Township of Uxbridge, our total hydro costs increased 10.8% or \$56,890 from 2014 to 2015 and another increase of 17.2% or \$100,802 from 2015 to 2016. Over the two year period, this has resulted in our tax levy increasing by approximately 1.4%, just to cover the additional costs of hydro increases. This is significant. The Township's total hydro costs for 2016 were \$685,620. The impact of hydro cost increases are onerous on small communities and its' residents.

Over the past number of years, the Township has looked for ways to find efficiencies in operations and has implemented numerous cost saving measures at municipal facilities in order to conserve energy, such as the installation of LED lighting, efficient heating, ventilation and air conditioning systems, infrared ice monitoring, slow start compressors, timers for HVAC and lighting systems and ground source heating. In addition, the Township routinely monitors systems and usage to identify areas for improvement.

Despite the Township's improvements, our conservation efforts, and the fact that we have been successful at reducing the amount of energy used, the Township continues to see dramatic increases in our hydro costs. A big concern, is the added fees to our hydro bills, such as the delivery charges and the global adjustment charges, which are a significant part of our bill that we don't have the ability to control.

Public Works Hydro: From the year 2015 to 2016, our electricity (kWh) usage for our streetlights, public works garage and pumping station (which represents 40% of the Township's total hydro costs), decreased by 5%, while the electricity cost component of



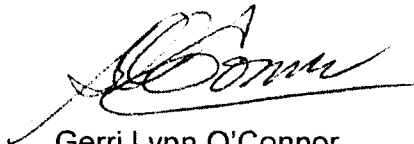
the bill resulted in a 1% increase, however, despite this, the total hydro costs for Public Works increased by 16%. Of these hydro bills, 38% of costs related to electricity, 13% global adjustment cost 13% and 41% for delivery costs.

Arena Hydro: From the year 2015 to 2016, the electricity (kWh) usage at our arena increased by 9%, while the electricity cost component resulted in a 9% decrease, however, the global adjustment cost component of the bill increased by 43% during this same time period. Total hydro costs for the Uxbridge Arena (which represents 34% of the Township's total hydro costs) increased by 22% from 2015 to 2016. Of these hydro bills, 9% related to electricity costs, 56% for global adjustment costs and 28% for delivery charges.

Despite the Government of Ontario introducing an 8% rebate under the Ontario Rebate for Electricity Consumers Act, 2016 ("The Act") on January 1, 2017, equal to the provincial portion of the Harmonized Sales Tax (HST) on the bills of residential, farm, small business and other eligible customers, this rebate does not go far enough. The rebate is mostly meant to target individual consumers (since the restrictions which include that the demand for electricity should be 50 kilowatts or less) and therefore the Township is not receiving this much needed rebate for our arena, nor will businesses whose demand is in excess of 50 kilowatts.

The Province of Ontario, must have a long term plan in place to minimize and manage affordable hydro cost increases.

Yours truly,



Gerri Lynn O'Connor
Mayor
Township of Uxbridge

cc: Hon Charles Sousa, Minister of Finance
Hon Glenn Thibeault, Minister of Energy