## Donna Kinapen

**From:** Donna Kinapen
**Sent:** March 9, 2017 3:14 PM
**To:** brett.smith@ontario.ca; Beare, Michael (ENERGY) (Michael.Beare@ontario.ca)
**Subject:** FYI - MPP comment on OESP values that seem to be incorrect...

FYI - from our news clipping service today. Section highlighted in blue – a single person earning $22,000 would never be eligible for $50 in the first place, secondly that amount in not doubling to $100 but increasing by 50% to $75. Not sure if additional clarification needed with caucus members.

### Rural residents could see 40-50% hydro rate cut: Rinaldi

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**Tone:** Neutral
**Byline:** John Campbell
**Page:** B3

Northumberland -Quinte West - Residents will begin paying 25 per cent less for their **hydro** this June as the provincial government responds to persistent criticism over the high cost of **electricity**.

The reduction announced last week includes the eight per cent the government introduced in January when it began issuing rebates for provincial sales tax on **hydro** bills, but the overall savings will be even larger depending on where you live, MPP Lou Rinaldi said.

"Every household, every small mom-and-pop business, every agricultural account will receive a minimum 25 per cent (reduction)," he said, but those "in rural areas with very low density, which is a good chunk of our neighbourhood ... will see additional relief - it could be up to 40 to 50 per cent."

The "big difference is in the delivery charge" which his government is "smoothing out" so that it will be "roughly the same" throughout Ontario, Rinaldi said.

The Liberal MP, who lives in a home with **electric** heat in a low density area east of Brighton, said he's currently paying a delivery charge "probably three times higher than someone who lives in an urban area."

His government is also doubling the amount of relief it provides people with low incomes who need help paying their **hydro** bills. A single person earning below $22,000, for example, **will receive $100 a month, not $50**, when the different initiatives take effect.

The money to pay for that will come out of general revenues.

"We figure social programs should not be subsidized by **ratepayers**," Rinaldi said.

The government is also extending the length of time it will take to pay off the debt it incurred upgrading the **energy** system and to meet commitments it made with long-term green **energy** contracts that are costing it more than the revenue they generate.

The repayment schedule will be stretched from 20 years to 30 years and will cost an extra $1.4 billion a year maximum in interest payments.

"It's just like refinancing your mortgage," Rinaldi said. **Hydro** bills will be less -with increases tied to the **rate** of inflation - "but we are going to pay more in the long run," he acknowledged.

"What we're saying is why should today's generation absorb the whole burden of **energy** supply?" By spreading out the costs over the actual lifespan of the infrastructure "everybody will pay their fair share for the time they are a customer," Rinaldi said.

His government has spent a considerable amount rebuilding the system while shutting down coal-fired **power** plants to improve air quality in Ontario, which he said made it difficult to keep **hydro** bills from rising - roughly double what they were a decade ago.

"If it was easy it would have been done a long time ago," said Rinaldi, who intimated the Liberals are not yet done.

"This is something that is so important we're still not finished," he said. "We're going to keep on looking for ways to improve the system, improve the **rates** ... If there are other opportunities we will follow them through whenever that might be."

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