The “Peoples Guarantee” document was released by the PC Party of Ontario this past weekend. It is a glossy, magazine-style vision of the PC’s platform leading into the May election.

It contains 5 guarantees for the first mandate of a PC government in Ontario, one of which is a 12% reduction in the average hydro bill over and above the reductions contained in the Fair Hydro Plan. The five guarantees are highlighted on page 4.

Electricity prices (which are called hydro prices in the document) receive a splash page on pages 10 & 11 titled “Change that works for hydro customers”. The pages highlight 5 points that are expanded upon in more detail starting on page 36.

The 12% reduction in commodity price (footnoted as 11.7% rounded up) will be funded by rebating the Hydro One dividend to ratepayers, moving conservation funding into the tax base, putting a moratorium on new supply contracts and re-negotiating or cancelling pre-notice to proceed contracts.

The document quantifies the annual dividend from Hydro One at $350 million per year. This would be rebated to RPP customers (household, farms and small businesses) at $70/year as costed in the document. There is also a commitment to keep the Province’s holding of Hydro One at 49%.

The PC’s call conservation programs a form of income support. They state that this measure, costed at $433 million annually, split evenly between residential and C&I, will reduce residential bills by $43/year.

Regarding the supply contracts, this document summarizes the Auditor General Report that the Province overpaid for renewable energy contracts let under the Green Energy Act FIT program by $9.2 billion. The PC’s would renegotiate or exit contracts at every contract breach. Following from that, the PC’s would cancel any contract that has negligible penalties. This would save ratepayers $200 million per year and lower residential bills by $40/year. As well, not entering into any new contracts for supply would save $100 million immediately and up to $500 million by 2025, saving households $20/year.

The savings attributed to these proposals will reduce the average bill of $123 by 11.7%. The $123 number comes from page 28 of the LTEP.

Other proposals contained in the “Change that works for Hydro Customers” section:

- Immediately removing the Smart Meter Charge (savings of $3)
- Rein in executive salaries at Hydro One and OPG
- Repeal the Green Energy Act
- Restore local planning for renewable energy projects
- Return energy planning to the IESO (although this is a bit ambiguous and may continue to rest with the Minister) including how to reduce the amount of hydroelectric power spilled or sold.

- Improve the efficiency of the OEB to drive costs out of the application process
- Have a regulator that is adaptable to new technologies and tasking the IESO to advising on market renewal and nuclear refurbishment
- Institute a separate line on natural gas bills to show the cost of carbon pricing

On page 47, under the heading “Change that gets Ontario working”, the PC’s put forward the idea that a single, stable industrial rate would benefit Ontario businesses. As well, other supporting measures for corporations would be a lower electricity rate for expansion of business and support co-gen and fuel switching. Also under this heading (page 49) is the C&I portion of benefits derived from moving funding for Conservation off the ratepayer. This will benefit C&I customers by $215 million per year or a savings of $4,300/year

Section 8 of the document is titled “Change that works for Rural and small-town Ontario”. This section (page 57) bemoans the fact that the OEB has decided that NG distributors are unable to fund expansion project themselves and that this led to the $100 million NG Grant Program. The PC’s commitment is to enable privately-funded expansion and save $100 million. As well in this section, a promise is made to rebate 80% of the carbon price paid by greenhouse operators (page 58).

“Change that makes Government Accountable” is the title of section 10. The document commits to preventing public agencies and staff from expensing the cost of attending speeches given by Ministers.