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RECEIVED

Town of Rainy River

SEP 09 2009

September 2, 2009

ONTARIO ENERGY BOARD

Ontario Energy Board
Box 2319
2300 Yonge Street, 27th Floor
Toronto, Ontario
M4P 1E4

Dear Sir/Madam:

I am writing to express my extreme dismay on learning that Ontario Hydro has applied for an Electricity Distribution Rate Change under File EB-2009-0096

When most of Ontario is hurting economically how can such an action even be considered? I am the Mayor of a small Northwestern Ontario town that has a high percentage of senior residents, many of who live on fixed pensions. Already many are having a difficult time in making ends meet. Local residents will suffer two fold as their individual rates will increase, but in order for the municipality to pay its hydro bills the increase will need to be passed onto residents through property taxes or a decrease in services. We are attempting to reduce the operating costs of our facilities and operations with the assistance of the Infrastructure Stimulus Fund which relies on 1/3 funding for the municipal coffers with the focus of maintaining current property taxation rates.

To my understanding, Ontario Hydro is asking for a 9.5% increase for 2010 and a 13.3% increase for 2011. The implementation of the Harmonized Tax on July 1, 2010 will translate into an increase to consumers of 17.5% in 2010 and 21.3% in 2011. That is a 38.8% increase over two years.

Citizens, myself included, cannot afford such an exorbitant hike in rates as this. Already we are paying for a debt retirement for Ontario Hydro, yet it seems that salaries and wages paid to those working in the executive positions of this company are astronomical. Has nothing been learned from the financial fiasco in the United States and even our own country?

The average yearly salary increase in my region is between 2% and 3% for most working class jobs, so how can a company ask the average citizen to pay an increase such as what is being asked for. The rate increase being asked for will most surely destroy what is left




in the heart of Ontario's Sunset Country

of the economy of this region. With increases such as this, it is impossible to stay competitive in a global market for any industry.

Considering the current economic and labour climate in Ontario, perhaps Ontario Hydro needs to tighten its belt as the rest of the citizens are being made to do.

Such a rate increase to even be considered is in my opinion unconscionable and totally reprehensible.

Sincerely,


for - Deborah J. Ewald, Mayor
Town of Rainy River

cc. Mr. John Rafferty, MP Thunder Bay – Rainy River
Mr. Howard Hampton, MPP Kenora – Rainy River