

Ontario Energy Board Hearing- EB-2016-0085

March 09/17 Innisfil

Thank you for allowing ratepayers the opportunity to comment on Inn Powers proposed rate increase. Like many small communities, Innisfil has strived to retain its' " Local " control as opposed to looking at other viable opportunities that would benefit the Town as a whole.

Having done that, I believe that Inn Power has mismanaged its responsibilities to its Ratepayers at large and has dug itself a hole that it can't climb out of. The new CAO Wally Malcombe, is not responsible for this.

People are not afraid of growth, but it must be planned and managed properly, not just " this sounds like a good idea, lets go with it. " This is not just about proposed rate increases, however their ideas and thought processes are why we are here today.

Inn Power went to great lengths to show off its new state of the art Hydro Building. At a cost of \$13.1 million dollars. Does a Town with a 16,245 customer base (2015) need this? CFO Laurie Ann Cooledge explained that the cost of the new 13.1 million dollar building is what drove the debt ratio to 70%. The bank now wants a reduction back to 65%. Gee, I wonder why.

What about " The Jig " sculpture at a cost of \$125,000 dollars. According to the VP of Engineering and Operations has stated, " As with all our capital investments, THE COST WILL BE RECOVERED THROUGH A RATE COMPONENT "

Next we have the EPCOR fiasco. Those responsible for the proposed sale, went ahead on their own, behind closed doors and initiated the sale of 50% of Inn Power at a bargain basement fire sale price of \$19 million dollars. In the end, our Council, thankfully rejected the sale as it was not in the Towns' best interest.

As a result, Inn Power has approached Innisfil Council, requesting a " Cash Injection " of 8 million dollars in an effort to reduce the staggering Debt Ratio of 70%. I guess those in power thought the 19 million slated to come from Epcor would have bailed them out. Perhaps they should have done their homework a little more diligently.

This is necessary because Inn Power anticipates Annual Capital Expenditures of between 6.5 and 7 million dollars? Further injection in 2016 for 1.6 million, 2017 for 2 million, 2018 for 2.2 million, 2019 for an additional 2.2 million.

To add insult to injury, Inn Power has asked for the return of a further \$625,000 dividend that had been given back in 2015.

Inn Power is seeking the 10.6% increase for 2017 in order to cover Capital Costs, New Infrastructure as well as New Staff? How about holding the line, deal with what you have already screwed up, and get the train back on the tracks.

Incidentally, the above costs do not take into account, the shared building of an estimated 85 million dollar Future Hydro Transformer in the south end of Barrie Annex Land.

Hydro should be a " User Pay " issue. If the Town has elected to continue increasing its population by attracting thousands of new homeowners, then the costs associated with future growth should be the responsibility of the land developers, builders and others responsible for it. The costs should not be subsidized by current ratepayers.

March 2016 Ice Storm damage? The Town of Innisfil has taken the term " Risk Management " with a voracious appetite for at least the past 25 years. Are they trying to tell the ratepayers that they have no contingency plan to offset unforeseen incidents beyond their control? Do they not have some kind of Insurance Policy in place? Did they go to the Province for Disaster Relief Assistance?

As a private corporation, they do not have to divulge salary structures. Before I see any further rate increases, I would like to be assured that those rates are not going towards over compensating employees with big fat raises comparable to the likes of Hydro One. Perhaps they could disclose all salaries of current and future employees?

It may be well and true that Inn Power's service area is the size of Mississauga, however most of us will be dead and buried before the ratepayers increase will reflect a decrease due to its density!

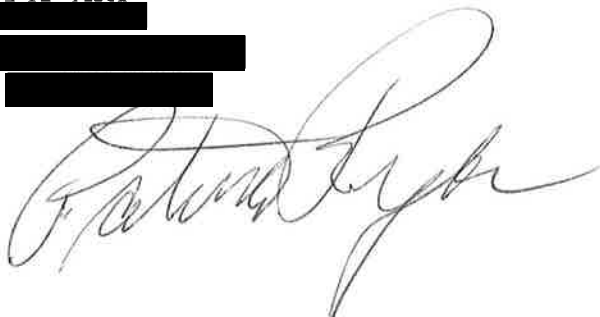
Inn Power is currently ranked 5th in Ontario for having the highest rates. It appears they are striving to be number one (1). Like most negotiations, if you throw out an insane number like a 10.6% rate increase, in this economy, in reality they will be real happy if they get half of it, like they really wanted in the first place.

Of course we can all believe Premier Wynne's announcement that distribution rates will be going down shortly, especially for Innisfil. Just like the Gas Plants, Ornge, Teachers raises, Global Adjustment Fees, etc. etc. etc....

Have you guys heard of PowerStream or Acentra. The increase should be denied for all of the above reasons.

Respectfully yours,
Patrick Ryan

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]



Featured



InnPower wants to increase its delivery rate



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InnPower wants to increase its electricity distribution rates



An open house was held by InnPower on Wednesday September 24, 2015 to discuss a partnership with EPCOR. (Geoff Bruce / CTV Barrie)

Adam Ward, CTV Barrie

Published Friday, March 3, 2017 12:43PM EST

Innisfil's hydro provider has applied to raise its distribution rates.

InnPower Corporation is asking the Ontario Energy Board to approve its application to increase electricity distribution rates to about \$10.96 for the average resident.

The notice on the OEB website also indicates InnPower's intention of raising rates for commercial class customers to \$238.73.

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However, Premier Kathleen Wynne told CTV News during an interview on Thursday that delivery charges for InnPower customers would actually decrease.

"People for example, who are served by InnPower, are going to see their distribution costs go down because their disproportionately higher than people who live in urban centres. We've said that's not fair because those are costs that people can't control, so we're going to reduce those distribution costs to about what some might pay in an urban distribution centre."

InnPower also wants the OEB to approve rate increases to help them recover costs they incurred from last year's ice storm. Ice covered powerlines and downed trees, which caused widespread power outages for days.

The Ontario Energy Board will host two meetings on Thursday to hear comments from the public.

The first meeting happens at Innisfil Town Hall at 1:30 p.m. and the other happens at Innisfil idealab and Library at 6:30 p.m.

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CTV News at 11 Barrie for Sunday, March 5, 2017

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Bell Media Television

Pat Ryan

From: Pat Ryan [REDACTED]
Sent: January 11-17 1:17 PM
To: [REDACTED]
Subject: FW: Fw: Fwd: Hydro bills

Subject: Hydro bills

Ontario People WOW!!!

Based on a monthly use of 1000 kw the average Hydro bill for an Ontario resident is \$226.03!

1. Move to Quebec ! In Quebec for the same number of kilowatts the average bill is \$67.89? That's 70% lower than Ontario .

Don't speak French?? Then go to option No. 2.

2. Move to British Columbia : While maybe British Columbia will be more suitable, as English is spoken there but Chinese would be an asset.

The average monthly hydro bill for 1000 kw is \$89.12 that's 61% lower than Ontario .

Don't want to move so far??? Go to option 3.

3. Move to Manitoba : How about Manitoba ??

English spoken there and the average hydro bill for 1000 kw is \$81.09 that's 64% lower than Ontario .

This huge price disparity is due to badly mismanaged and misguided energy policies of the present Provincial government, that wants to be remembered as the GREEN Government and feel good about themselves, all the while rewarding their friends and foreign investors with your money.

And this is only the beginning, the Provincial Government has stated there are lots more rate hikes to come.

These high energy costs are one of the main reason that Ontario 's industry can't compete and good paying jobs are leaving our province.

So just remember this when Kathleen Wynne wants you to re-elect her and her band of merry bandits.

Isn't it amazing how quickly our Friend McGuinty disappeared from the radar. He should be in jail for his mismanagement, and so should she !

PASS IT ON !!!!!

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Who pays the most — and the least — for power in Ontario? Hydro One, Toronto Hydro among priciest

ASHLEY CSANADY AND MONIKA WARZECHA | October 25, 2016 | Last Updated: Oct 26 12:47 PM ET

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Reprint



Ontario electricity bills are the new weather.

Everyone loves to talk about how high theirs is, how their respective utility must be the worst, most expensive in the province. But not everyone can have the highest bills in Ontario.

So who really pays the most?

It's likely no surprise that Hydro One's customers pay the most, thanks in large part to the cost of transmission to remote areas. Low-density customers pay \$258.82 with HST for 1,000 kWh of

Most expensive power bills in Ontario for 1,000 kWh

These are the ten most expensive local distribution bills in Ontario, including HST, according to data pulled from the Ontario Energy Board's bill calculator.

power, medium-density consumers pay \$226.58 for the same, according to data pulled from the Ontario Energy Board's [bill calculator](#) on Oct. 25. (Hydro One consumers are categorized by the utility depending on their area to account for the cost of transmitting power long distances.)

People in Algoma and Atikokan have the next highest rates, paying \$222.68 and \$209.62 respectively with HST for 1,000 kWh of power. **Innpower customers in the Innisfil area north of Toronto have the fifth most expensive bills. They would cough up \$205.76 for the same amount of electricity after tax.**

And residents of the country's largest city might be surprised to learn they pay just pennies less than those in Innisfil for a bill of 1,000 kilowatt hours (kWh). That means Toronto Hydro is the **sixth-most expensive power company in the province despite enjoying mass density.** And given the recent discussion of its aging infrastructure, there's a good chance those rates will climb even further.

Related

[Getting beyond "wear a sweater": Seven ideas for how to fix Ontario's hydro system](#)

Customers of Hawkesbury Hydro east of Ottawa enjoy the cheapest rates in the province, paying \$173.74 with HST for 1,000kWh of power. E.L.K. Energy Inc. in Essex charges the second least: \$174.24 with HST for 1,000kWh of power. Thunder Bay Hydro Electricity Distribution Inc. comes third, with a 1,000 kWh bill costing \$174.24 with tax.

There are over 80 local distribution companies in Ontario, and over half charge between \$180 and \$195 for 1,000kWh of power, so most consumers are paying around the same amount. But the outliers are what cause tensions, with people going to the media saying their neighbours down the street in a different utility enjoy much cheaper rates. The difference between a rural Hydro One customer and one in Hawkesbury, both of who used 1,000 kWh, is \$85.05, or \$1020.96 a year, respectively. (Three communities, in Woodstock and Norfolk and Haldimand Counties, have seen their LDC absorbed by Hydro One, and are currently paying a slightly lower rate that will be phased out over time).

The above map lets you explore each local distribution company (LDC) and what it charges for a 1,000 kWh of monthly usage before and after HST are added. (The eight per cent provincial portion of that tax will be rebated starting next year).

The large swaths of the province not covered by an LDC are either Hydro One customers, Crown land or remote First Nations communities that aren't connected to the grid (or use a power company too small to map). Rates fluctuate in Ontario with time-of-day pricing. All figures in this map are based on average usage throughout the day.

While 1,000 kWh is fairly heavy power usage, likely representing a larger single-family home, the figure was selected because it's the number Hydro Quebec uses to compare that province's rates to the rest of the country.

It's also not out of bounds. For customers angry about their summer hydro bills, they should note Toronto Hydro says a normal 2.5 tonne central conditioning unit — a pretty average size — gobbles 1,050 kilowatts hours in just one month. A fridge, by comparison, uses just 75 kWh in a month, a ceiling fan 12 kWh.

But Ontario consumers are right to be riled about their bills. They pay some of the highest rates in Canada; however, in a North American context, they're doing OK. The below map shows how major cities across the continent compare and is based on numbers from Hydro Quebec's annual report comparing electricity rates across the continent. (The numbers in the below map are based on Hydro Quebec's annual comparison of electricity prices. The [document](#) uses figures from April 2016, so the numbers for Ottawa and Toronto may vary slightly.)

Hydro One (low density):
\$258.82

Hydro One (medium density):
\$226.58

Algoma Power Inc.: \$222.68

Atikokan Hydro Inc.: \$209.62

Innpower Corporation:
\$205.76

Toronto Hydro: \$205.61

Wellington North Power Inc.:
\$204.50

Erie Thames Powerlines Corporation: \$202.74

Hydro 2000 Inc. (Alfred, Ontario): \$202.25

Sioux Lookout Hydro Inc.:
\$202.10

Least expensive power bills in Ontario for 1,000 kWh

These are the ten least expensive local distribution bills in Ontario, including HST, according to data pulled from the Ontario Energy Board's [bill calculator](#).

Hydro Hawkesbury Inc.:
\$173.74

E.L.K Energy Inc. (Essex) :
\$174.24

Thunder Bay Hydro Electricity Distribution Inc.:
\$177.81

PUC Distribution Inc. (Sault Ste. Marie): \$178.26

Kitchener-Wilmot Hydro Inc.:
\$178.38

Niagara-on-the-Lake Hydro Inc.: \$179.35

Kingston Hydro Corporation:
\$180.53

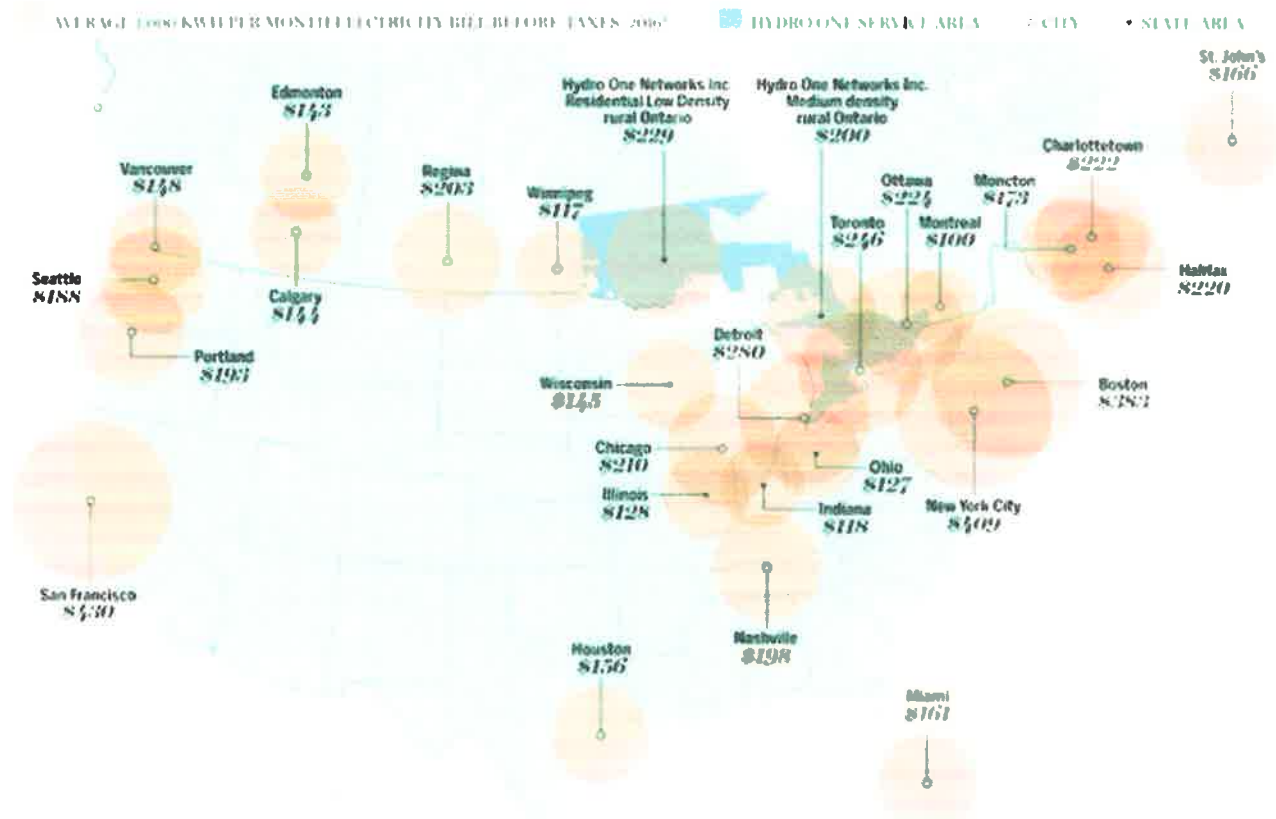
Energy Plus Inc. (Cambridge and North Dumfries): \$180.53

PowerStream Inc. (Barrie):
\$182.17

Ottawa River Power Corporation: \$182.29

COMPARISON OF ELECTRICITY BILLS ACROSS NORTH AMERICA

The price of power in Ontario is a hot political issue, but how does the province really compare to the rest of North America? A large, single-family home with heavy usage gobbles about 1,000 kWh of electricity a month. The map below shows how much that usage would cost in a given city or state.



*All bills are based on a household usage of 1,000 kWh per month and calculated by myra Curbier of the U.S. Energy Information Administration. The Hydro One prices are based on current numbers from the Ontario Energy Board. Average bill prices do not include HST and are based on rates for April 2016. The last month for which Hydro-Quebec completed its annual comparison of electricity rates in North America is 1,000 kWh would power a large, three-bedroom single-family home with heavy usage. All estimates are based on average time of day usage depending on the area's peak demand.

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Mike Kenny • Software Developer at Self-Employed

Who or what has brought us to a third world status for energy consumption where our poor huddle in the dark cooking their food late at night and drying their clothes late at night etc. like we're some back water third world nation! Our whole advanced civilized existence is predicated on inexpensive abundant any time everywhere energy. Luddites and moronic Green NGO's have foisted a weird carbon fairy tale on us, based on a CO2-man-made-global-warming-climate-change-extreme-weather-fear-narrative, of course governments love it because they can use the fear to tax in new ways. Just because the CBC and the Liberal government says over and over and over again the words carbon pollution dose not actually mean that carbon is pollution, CO2 IS NOT POLLUTION.

Like Reply 27 Oct 26 2016 10:15am Edited



James Linzel

You are wrong.

Like Reply 1 Oct 27 2016 1:58am



Brian Wark • York University

Mike you're a complete idiot that should not be allowed to leave your house. This problem is only going to get worse. Its the freaking hottest year ever. Its simple CO2 holds heat, we are adding lots of CO2, so that planet is heating...I cannot believe there people as stupid as you are still out there. Folks if climate change was a hoax, your Koch head brothers, with there billions of R&D, would have published a report with those stats, since they have billions riding on this being a hoax. Nothing. But they do spend billions in advertising on CNN and MSNBC in order to control their editorial reporting on climate change.

Like Reply Oct 27 2016 10:38am



Jack Reacher • Winfield, Pennsylvania

Brian Wark Agreed, Lets be smart, unlike Mike, and tax the \$hit out of Canadians with this carbon tax because..uh..because..hmm..well not because it's gonna effect world carbon levels..uh.. and its not gonna help the poor, probably gonna hurt them the most...although it won't effect dicaprio, hes got a lotta money and a tax aint gonna bother him...that's good right?...oh yeah because it's progressive to suffer to save the planet and we don't care if we ain't really saving anything, the suffering makes us better than them climate deniers.

Like Reply 5 Oct 27 2016 8:40pm

Show 9 more replies in this thread



Randy Smith • Michipicoten High School

Yes What about the delivery cost? It should have shown "TOTAL" cost per 1000kw, not just the cost of the electricity. Wake up Liberals your days are numbered, and for that matter any party in power who pulls the same stunts.

P...Off

in North Bay

Like Reply 27 Oct 25 2016 5:33pm

George Digler

- we pay huge for delivery in Alberta.

Like Reply 5 Oct 25 2016 5:43pm



Brian Wark • York University

those are the total costs numnuts.

Like Reply 1 Oct 25 2016 6:42pm

George Digler

Tomas Douglas - deregulations been a disaster right from project stanly. They collude and create artificial brownouts. Over charging consumers hundreds of millions that the consumer never gets back. BUT can bet money was making its back to PC party

March 5, 2017

Ms. Lynn Anderson
Vice President Applications
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON
M4P 1E4

Dear Ms. Anderson,

Re: APPLICATION FILE NUMBER: EB-2016-0085

I am writing this letter to you on behalf of the members (the "Members") of the Strathallan Beach Association ("SBA"). The SBA is an association representing the 23 property owners within Strathallan Woods ("SW"). SW is located on the north side of Big Bay Point road within the Township of Innisfil. The Members' residences are serviced insofar as their electricity needs are concerned by InnPower.

By OEB notice to each of the SBA Members, we all were advised that InnPower has applied to the OEB to increase its electrical distribution residential rates by \$10.69 per month retrospective to January 1st, 2017 for a five-year period. The SBA Members urge the OEB to deny this request from Innpower. Furthermore, we also believe that Innpower's request for increasing commercial class (increase of approximately \$238.73 per month) also be denied. We believe that these requests do not reflect the best interests of the consumer. These increased costs will drive commercial businesses to leave this area and will ultimately pass on additional financial burdens to the consumers.

There are at a minimum two significant reasons motivating the Members to request the OEB deny the application and its requested electricity distribution rate increase:

1) Innpower for whatever reason failed to align itself and merge together with Barrie Hydro, Enersource, Horizon Utilities, Hydro One Brampton and PowerStream to become Acentra. The aforementioned merger (the "merger") proceeded on the basis that as North America's second largest utility, its residents would be the beneficiaries of an immediate reduction of power rates of approximately \$40.00 per year, have access due to size of state of the art technology pertaining to the power industry, avoid redundancies, duplication of costs, and enhance significantly service to its customers. In

that the OEB supports and mandates a consumer-centric strategy for utilities within the Province of Ontario, the merger dovetails perfectly within this strategy to the benefit of all of the customers within the merged areas.

As SBA Members, over the past number of years we have not seen any increased benefits from InnPower that reflect a need for a rate increase. If anything, our Members and local corporate consumers will be receiving a lower value from InnPower than our neighbours (less than 1 km away) that are being serviced by Acentra.

2) Coincidentally, last week, the Ontario Government introduced legislation, the effect of which is to reduce hydro rates in the GTA by 25% this year (Inclusive of the HST rebate already approved). This was done in recognition of the need to make electricity more affordable for consumers. Thus the InnPower application flies in the face of the merger in which InnPower declined for own purely altruistic reasons to participate in and as well reflects a strategy within the senior management of InnPower directly contrary to the position espoused by Ontario's Premier- that is taking every effort within the Government's control to reduce hydro rates for Ontario's residents.

Yours truly

Strathallan Beach Association

per: Schuyler Sigel - Secretary

Cc: Ms. Kirsten Walli, Board Secretary

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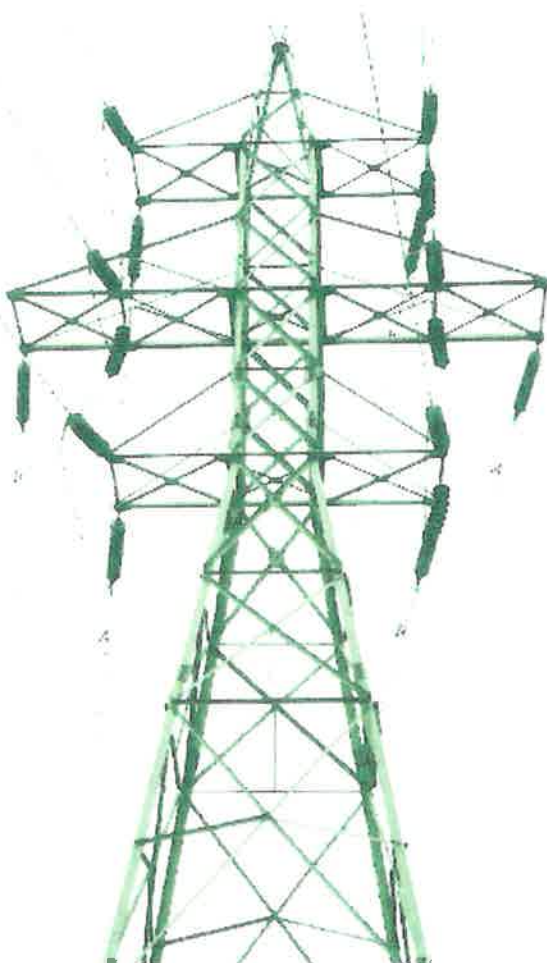
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OPINION LETTERS

InnPower deal spells trouble for consumers

Thursday, September 24, 2015 7:26:06 EDT PM



(Re: 'InnPower sale shocker; Town looking at selling 50% of hydro distribution company' in the Sept. 18 edition of the Examiner)

I have some very serious questions and concerns regarding the proposed sale of one of Innisfil's most vital assets; not only of the sale itself, but in the manner in which it was carried out and presented to council

And, I believe the rest of Innisfil residents should have concerns too.

Not being an expert on civic affairs, nevertheless, I am quite sure there is a proper procedure and protocol to be followed.

Simply put, it should go like this: council is accountable to the citizens and is obliged to keep them informed of town business; committees and various boards reporting to council are obliged to keep council informed and to seek guidance and permission before making major decisions or expenditures.

This protocol was not followed in the case of this proposed sale. Instead of coming to council with information about the apparent offer to purchase Innpower, the board or at least some members went ahead on their own initiative or perhaps solicited the deal themselves and entered into negotiations with the proposed buyer, EPCOR, formulated a deal and then after the fact brought this deal to council with a recommendation to go ahead and sell.

This in my opinion is a serious breach of protocol and lack of integrity. This smacks of back room skulduggery behind closed doors and casts a foul smell over the whole proceedings, as well as raising red flags and suspicion.

Even if it did happen to be a good deal, this type of secrecy cannot be accepted and is not necessary. What were they afraid of? That someone might come along with a better offer?

As for the deal itself, what is the real purpose and motive behind it? The reason given was that the province might come along and force an amalgamation of some of the smaller utilities for better control and efficiencies.

Well so what!

This may or may not happen and may be preferable to giving away control of our utility to some huge conglomerate corporation. I don't believe this is the whole reason and we are not being told whole story.

On the matter of price, \$19 million is far, far too low a price for this facility. Sure they hired a consultant, but consultants are prone to say whatever the parties who are paying them want to hear. I'm not too sure who paid the consultants, but by my reckoning this utility is worth many times that amount. For instance, in this town we have many thousands of hydro poles complete with hardware and transformers. There are millions of kilometres of wire and cable.

This alone is worth far more than \$19 million. Then, of course, we have all the trucks and equipment plus transformer stations and so on. And let's not forget the shiny new facilities which InnPower just moved into. That too, is worth more than \$19 million.

Ah, but the fiscal equipment is not the real price. It's the revenue EPCOR is interested in. How much is that worth now and in the future? EPCOR is in this business for profit.

I could write pages of questions and comments about what I think of this deal, but hopefully the answers may come before any deal is signed. Before that happens, I believe a full informed plebiscite must be held so that every citizen will have a say in whether this publicly owned corporation is sold or not.

And if it is sold, it must be done in an honest way by advertising and calling for bids - not just sold off for the only offer.

Remember when control of this utility is gone, we as consumers are at the mercy of the owners and have no recourse.

Delbert Hall

Innisfil

(EDITOR'S NOTE: Council approved the sale this week)

Submit letters to: barrie.news@sunmedia.ca

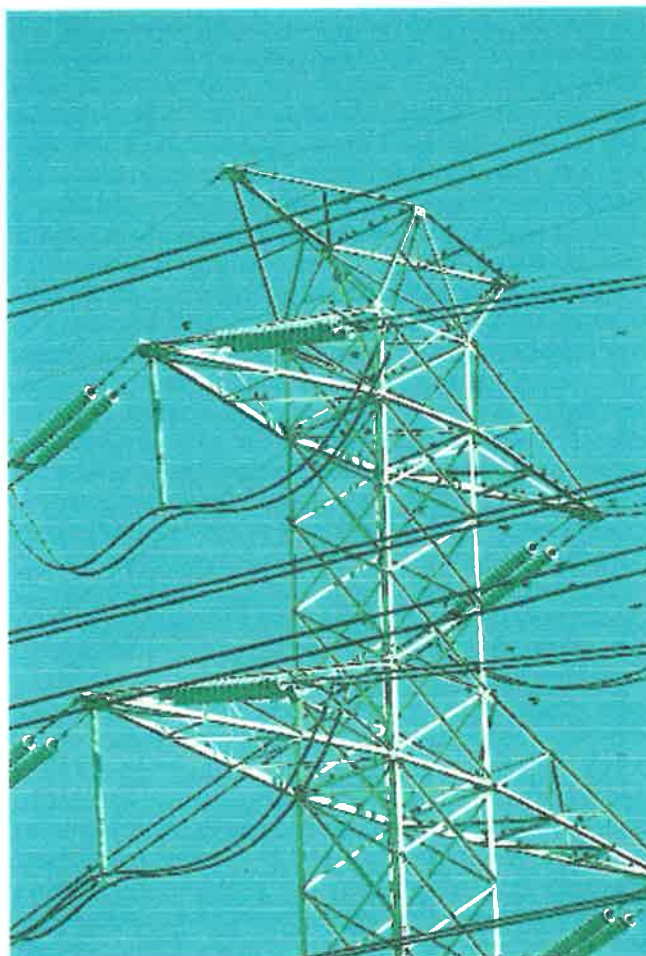


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ID Theft
Protection**FREE 30-Day Trial**
with purchase of Equifax Complete™**Get Started****NEWS LOCAL****PowerStream announces decrease**

Friday, February 1, 2013 9:17:35 EST PM



The Ontario Energy Board (OEB) has approved an application by PowerStream to significantly lower its distribution rates for residential and small business customers in Barrie and Simcoe County.

Effective Jan. 1, 2013, a typical PowerStream residential customer who uses 800 kilowatt-hours per month, will see a 16.2% or \$4.56 per month decrease in distribution charges and an overall bill savings of 6.9% or \$7.98 per month.

A typical small business customer in Barrie and Simcoe County which consumes, on average, 2,000 kWhs of electricity per month will see a total bill reduction of 2.7% or \$7.72 per month.

"This significant drop in power bills for Barrie residents is a direct result of the merger of Barrie Hydro and PowerStream," said Barrie Mayor Jeff Lehman, who also is a member of PowerStream's board of directors. "In addition to providing tens of millions towards the expansion of RVH through the merger savings, PowerStream continues to be a big part of our community through its sponsorship of many local non-profits and charities."

Distribution rates, which are reviewed and approved by the OEB through an application process, are a component of the 'Delivery' charges found on an electricity bill.

It is the only area of the bill that PowerStream can directly control.

"By continually working to find ways to reduce costs, PowerStream has been able to either lower or at least reduce the upward pressure on customer distribution rates," said Frank Scarpitti, PowerStream board chairman and Markham mayor. "It is through innovation, strong project management and streamlining our core business processes that PowerStream has been able to provide optimal service to all of its customers."

Electricity and other charges found on customer bills are collected by PowerStream on behalf of other electricity market participants — including generators, transmitters, retailers and regulators.

PowerStream was formed through the consolidation of several utilities, including the merger of Markham Hydro, Hydro Vaughan and Richmond Hill Hydro in 2004, the acquisition of Aurora Hydro in 2005 and the merger with Barrie Hydro in 2009.

Barrie Hydro was also involved in consolidation prior to its merger with PowerStream including acquisition of utility assets from Alliston, Beeton, Bradford West Gwillimbury, Penetanguishene, Tottenham and Thornton.

PowerStream is a community-owned energy company providing power and related services to more than 355,000 customers residing or owning a business in communities located immediately north of Toronto and in Central Ontario.

It is jointly owned by the municipalities of Barrie, Markham and Vaughan.

bob.bruton@sunmedia.ca

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NEWS LOCAL

Innisfil looks at cash injection for InnPower

By Miriam King, Bradford Times
Thursday, May 26, 2016 4:42:30 EDT PM



The Town of Innisfil has decided to retain ownership of InnPower hydro distribution services, rather than selling 50% of shares to Edmonton-owned EPCOR.

INNISFIL — There are changes at Innisfil's line distribution company, InnPower, in the wake of town council's rejection of the sale of 50% of the company to Edmonton's Epcor.

On Wednesday, acting InnPower president Robert Lake appeared at a special council meeting, presenting detailed financial statements at the company's annual general meeting.

Instead of a \$19-million payment from Epcor, InnPower asked for an "injection" of \$8 million in capital to help the company reduce its debt equity ratio and meet the pressures of growth over the next four years.

InnPower treasurer and chief financial officer Laurie Ann Cooledge explained the new International Financial Reporting Standards (IFRS) format that has been adopted, telling shareholders there has been a 6.8% growth in total assets, as well as a 5.5% growth in total liabilities and 7.6% increase in expenses, from Dec. 31, 2014 to Dec. 31, 2015.

Revenues were up 12.1%, reflecting the sale of the old InnPower property on Commerce Park, rate revenues and accruals.

"Rates are now calculated on what you project in the future," she said, to cover future needs and pointing out the company is looking at significant growth of 5% to 6%, with a large land area to service but without a large customer base.

Although the number of InnPower customers is expected to grow from 16,245 in 2015 to 26,220 in 2023, to maintain the wires and "keep the business moving forward," InnPower is looking at significant capital expenditures of \$6.5 million to \$7 million annually.

The company is asking the town for an injection of \$1.6 million in 2016, \$2 million in 2017, and \$2.2 million in each of the following years, primarily to reduce its debt ratio from the current 70%, to 65% at the end of the four-year period.

InnPower also asked for the return of the \$625,000 dividend paid in 2015, and indicated there would be no further dividends, until about 2023.

Cooledge explained that it was the cost of the new, \$13.1-million InnPower building that drove the debt ratio to 70%.

It is the bank that is asking for the reduction of that ratio, over the next four years, to 65%, necessitating the cash injection, she added.

Councillors questioned projected residential rate increases, particularly a 10.6% increase shown in 2017, to cover capital costs, new infrastructure and new staff.

Cooledge was quick to point out "there will be discussions as to how to mitigate that," which could include spreading the increase over several years, as InnPower makes representations to the Ontario Energy Board, to set rates for the next five years.

The town's chief administrative officer, Jason Reynar, said it was unlikely that the Ontario Energy Board would approve a 10% rate increase in one year, but instead would look to cost-cutting measures to get you to the rates they will ultimately approve.

The projected rates do not include a future hydro transformer station in the south-end Barrie annexed land, still part of InnPower's service area, projected to cost as much as \$85 million.

Reynar noted that the cost of the transformer station would be shared with other local distribution companies, including PowerStream and Ontario Hydro, but for the time being, was being deferred.

The Epcor deal had been considered as a means of providing the needed future capital, and there were plans to fill the "overbuilt" InnPower building with both Epcor's Ontario head office, and InnServices Corp., the town's municipal water/wastewater corporation.

Coun. Rob Nicol asked where the \$1.6 million would come from.

Reynar agreed there was "no crisis" that would require an immediate decision, but added the town does have a significant amount of reserves in the bank, sitting in cash at 1% interest.

Council voted to defer a decision on the cash injection to June 15, asking staff to provide a report on the details, business case and ramifications.



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CREATE PROFILE

NEWS LOCAL

Innisfil Hydro sculpture raises concerns

By Miriam King, QMI Agency
Monday, June 16, 2014 8:30:34 EDT PM



Artist Ron Baird. JANE DEWAR/IACHC/SUBMITTED

INNISFIL — There has been controversy surrounding the decision of Innisfil Hydro to commission an original sculpture by Ron Baird, the artist who created the iconic Spirit Catcher sculpture, that now overlooks Kempenfelt Bay in Barrie.

During a recent Innisfil Arts Culture and Heritage Council (IACHC) meeting, Baird brought in a **maquette of 'Jig Rig'**, the polished stainless steel, kinetic sculpture he designed for Innisfil Hydro's new facility near the Innisfil Recreational Centre. He talked about the importance of public art in the community, saying the impact is both financial and inspirational.

Some Innisfil residents have expressed anger over the commissioning of the public work of art — pegged at a cost of \$125,000 — on the taxpayer's dime. Wade Morris, Innisfil Hydro's vice-president of engineering and operations, has stated, "As with all our capital investments, the cost will be recovered through a rate component."

"How can Innisfil Hydro purchase something and then just turn around and make the public pay for it?" Innisfil resident David Hobbs asked in a letter to the Innisfil Examiner. "This is absolutely outrageous, to expect the public to pay for something that we had no say in! What else are we paying for that we don't know about?"

But there was plenty of controversy when the City of Toronto decided to purchase a sculpture by Henry Moore for the plaza in front of its new city hall. Once installed, The Archer became an accepted part of the urban landscape, enriching the environment and inspiring other installations — both privately and publicly-funded — around the city.

Besides the aesthetic aspect — appreciating the beauty of the piece — of public art, there is also a financial reward, Baird said.

"Studies have shown that for every \$1 invested in art, \$2.70 comes back," he said, adding that significant pieces — like The Archer in Toronto and Baird's Spirit Catcher in Barrie — have become iconic over time, helping to define the character of the community.

He said it's important the Innisfil Arts and Culture Council is entrenching the support of arts and culture into the official policy of the town.

"Innisfil Hydro responded to this directive and initiated a national competition for the very first public work of art in Innisfil," Baird said. "High five to them. Not every industry is as responsive and supportive to the desires of the community as Innisfil Hydro.

"I suggest that the presence of the Spirit Catcher sculpture in Barrie has helped to powerfully define that city's self image."

Baird also created the Spirit Clock, for Pratt Homes' upcoming community Yonge Station, located at the corner of Yonge Street and Madelaine Drive Barrie.

Baird said arts and culture are an economic engine for the community and that they employ more than 400,000 people across the country, three times the number of workers in the Canadian insurance industry and twice as many as the forest industry.

Baird has been regularly commissioned over many years to create large-scale, site-specific sculpture installations across Canada and abroad. Many of them move in the wind, are interactive, light responsive or make musical sounds.

Jig Rig is currently under construction and will be installed in October after wind testing is complete.

"We're excited about it," said IACHC past chair Jane Dewar, noting that the 12-metre high sculpture — which has steel columns intertwined in a complex pattern resembling the flow of water, topped with blades that will spin in the wind and be illuminated by LED lighting — will be available for all to see in front of the the new Innisfil Hydro headquarters on Yonge Street.

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NEWS LOCAL

Innisfil has an Operating surplus of more than \$1M

By Miriam King, Bradford Times
Thursday, May 19, 2016 3:57:37 EDT PM



The Town of Innisfil has decided to retain ownership of InnPower hydro distribution services, rather than selling 50% of shares to Edmonton-owned EPCOR.

INNISFIL - The Town of Innisfil is reporting an Operating surplus in 2015 that topped more than \$1 million.

While some departments went over-budget, others ended up with a surplus, and the expected year-end surplus of \$394,000 more than tripled, to \$1.25 million.

The municipality, in its approved budget, over-estimated the cost of customer service and communications by \$127,245 and saved a total of \$472,000 by delaying the hiring of staff to fill new and vacant positions. The town was also able to cut winter maintenance costs by \$357,000 due to the mild winter.

Town operations ended up with a surplus of \$651,886, including savings from staff vacancies, and street-lighting cost-savings due to installation of LED lights.

The town also received \$625,000 in dividends from the town-owned InnPower Corp.

At council on Wednesday, a report from treasurer Lockie Davis recommended that the InnPower dividends be transferred to a dedicated reserve for future reinvestment in the company, that \$113,884 be carried forward to 2016 for a variety of purposes, from implementation of "culture visioning" to municipal emergency management, and that \$369,081 be placed in the tax-rate stabilization reserve to offset future hits to the budget and taxpayers.

Davis recommended that another \$141,116 go into the capital reserve fund.

Deputy Mayor Lynn Dollin noted that the mild winter contributed substantially to the surplus, but wanted to know what would happen if severe winter conditions returned this year.

"Do we have such a thing as a winter maintenance reserve?" she asked.

Davis explained the tax-rate stabilization reserve would provide the funds for any overage in expenditures. With the addition of 2015 surplus funds, that reserve will hold approximately \$4.4 million.

The year-end review also looked at long-term debt, reserves and reserve funds, including those for water and wastewater, although the report noted "all activity and balances pertaining to water and wastewater is now the responsibility of InnServices ... effective Jan. 1, 2016."

That includes an \$11.8-million deficit in obligatory reserve funds, for water and sewer works in the Innisfil Heights area, for which InnServices is "actively looking into debt or other financing opportunities to permit these projects to proceed in a timely manner."



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This Week's Flyers



Pat Ryan

From:

Sent: February-06-17 4:16 PM

To:

Subject: Fw: Global Adjustment Fee,

From:

Sent: February 5, 2017 3:47 PM

To:

Subject: Fwd: Global Adjustment Fee,

THIS IS CRIMINAL

What is the Global Adjustment fee?

The mysterious cost Ontario hydro customers must pay!

A product of Ontario's 2009 Green Energy Act, the *Global Adjustment fee* is a charge billed to all hydro customers in the province.

For major manufacturers and large businesses, the fee appears separately on electricity bills. But for

06/03/2017

residential customers and small businesses, the fee is hidden – appearing on your electricity bill as a part of the per kilowatt hour charge. According to data obtained by Global News from the Independent Electricity System Operator (IESO), the organization responsible for managing Ontario's energy system, residential customers and small businesses in Ontario paid an average of 7.9 cents per kilowatt hour in Global Adjustment fees last year.

So for every \$100 in usage that appears on your electricity bill, \$77 of that is the Global Adjustment fee. Meaning the cost of electricity use is only \$23.

What exactly is included in the Global Adjustment fee?

First, there's the difference between what the IESO pays energy producers for the electricity they produce, known as the contracted rate, and the actual fair market value of this electricity, known as the Hourly Ontario Energy Price, or HOEP.

In 2015, the average HOEP was 2.36 cents per kilowatt hour, while the IESO paid wind producers as much as 13 cents per kilowatt hour. The remaining 11 cent difference was then passed on to the consumer in the form of the Global Adjustment fee. Solar producers, many of which

signed contracts with the government for as long as 20 or 30 years, were paid as much as 80 cents per kilowatt hour for the energy they produced, despite the fact that fair market value for this energy was the same 2.36 cents per kilowatt hour. Here, too, the 78 cent difference was passed on to consumers.

And while the argument can be made that the Global Adjustment fee simply reflects the true cost of producing reliable, green electricity in the province, this ignores the fact that, in 2015 alone, Ontario sold more than 22.6 billion kilowatt hours of electricity – enough to power 2.5 million homes – to places like New York and Michigan at the fair market price of 2.3 cents per kilowatt hour – generating a loss of more than \$1.7 billion for Ontario hydro customers.

So while Ontario customers are required to pay for producing green electricity, utility providers in the United States are able to access this same energy source for a fraction of the cost.

In other words, Ontarians pay the Global Adjustment fee, delivery fees, administration fees and HST (harmonized sales tax = 13%), while American utility providers pay for the electricity alone. The Global Adjustment fee also includes what's known as "curtailing," when the IESO pays energy producers not to produce electricity out of fear too much production could

cause stress on the system and result in a blackout.

But when asked not to generate power, electricity producers must still be paid because the Government of Ontario initially agreed to purchase everything the energy producer's facilities were capable of putting out. The Global Adjustment fee also includes certain government conservation programs.

For example, when you receive a tax credit for purchasing new high-efficiency appliances or LED light-bulbs, that's included within the Global Adjustment fee. When a delivery man takes away an old refrigerator for free, or when they recycle your old computer parts, the cost of these services are all part of the Global Adjustment fee.

Why conservation won't make a difference

Over the past seven years, Ontario has signed numerous agreements with energy producers guaranteeing minimum levels of revenue regardless of how much energy they produce.

TransCanada, set to open their Napanee Generating Station later this year, signed an agreement with the Ontario Power Authority in 2012 that guaranteed the company would receive a minimum of \$13.7 million per month once the plant comes online – even if they produce zero

electricity.

"Essentially... TransCanada is being paid nearly \$165 million a year to leave their power generating station running on idle," said Parker Gallant,

former vice president of TD Bank and an outspoken critic of the province's green energy strategy.

With agreements similar to this in place across the province, Gallant thinks it's no wonder hydro rates in Ontario continue to rise.

The easiest way to explain it, said Gallant, is that when energy consumption drops due to conservation, the Global Adjustment fee must be increased to make up the difference.

So the less power Ontarians use, the higher their electricity costs must be in order to cover the minimum revenues energy producers are guaranteed.

Formulating and overseeing this nonsense is the socialist liberal government of the province of Ontario.

Just another example of incompetent socialism at work!

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