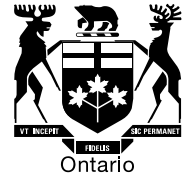


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Toronto ON M4P 1E4
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BY E-MAIL

September 7, 2017

Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Hydro One Networks Inc.
2018 - 2022 Distribution Rate Application
Community Meeting Report
OEB File No. EB-2017-0049**

Please find attached the OEB staff Community Meeting Report for the 2018 - 2022 Distribution Rates application filed by Hydro One Networks Inc.

Yours truly,

Original Signed By

Harold Thiessen
OEB Staff
Case Manager – EB-2017-0049

cc, All Parties, EB-2017-0049

Att.



Ontario Energy Board
Commission de l'énergie de l'Ontario

OEB STAFF SUMMARY OF COMMUNITY MEETINGS

EB-2017-0049

**HYDRO ONE NETWORKS INC. Application
for 2018 - 2022 Distribution Rates**

September 7, 2017

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1 INTRODUCTION

Hydro One Networks Inc. (Hydro One) filed a custom incentive rate-setting application with the Ontario Energy Board (OEB) on March 31, 2017 seeking approval for changes to the rates that Hydro One charges for electricity distribution, to be effective January 1, 2018 and in each following year until 2022. For a typical residential customer using 750 kWh per month beginning January 1, 2018, the proposed increase for each year would be:

2018: an increase of \$2.79 per month
2019: an increase of \$2.47 per month
2020: an increase of \$2.31 per month
2021: an increase of \$1.95 per month
2022: an increase of \$2.23 per month

In supplemental filings on May 3, May 5 and May 12, 2017, Hydro One provided additional evidence for the application.

A Notice of Hearing was issued on May 24, 2017. The OEB undertook to publish the Notice in 91 Ontario newspapers from May 30 to June 4, 2017. Subsequent to the Notice of Hearing, the OEB hosted a series of community meetings as listed below:

June 15, 2017	Leamington, Ontario	Leamington Kinsmen Recreational Complex
June 19, 2017	Napanee, Ontario	Strathcona Paper Centre
June 20, 2017	Rockland (Ottawa), Ontario	Club Powers, Colombian Hall
June 21, 2017	Owen Sound, Ontario	Harry Lumley Bayshore Community Centre
June 22, 2017	Ancaster, Ontario	Ancaster Rotary Centre
June 26, 2017	Stouffville, Ontario	Royal Canadian Legion – Branch 459
June 27, 2017	Dryden, Ontario	Legion Hall
June 28, 2017	Sudbury, Ontario	Rotary Centre
July 12, 2017	Telemeeting	Province-wide
July 13, 2017	Bracebridge, Ontario	Bracebridge Sportsplex

The OEB holds community meetings for consumers whose utility files a major rate application to ensure consumers have the opportunity to ask both the OEB and the utility questions about the requested change in rates. The OEB provides information about the OEB's role in reviewing the rate application and the utility requesting the rate change, in this case Hydro One, provides information about the application itself. Consumers are invited to make presentations and there is a question-and-answer period. The OEB held nine face-to-face community meetings for Hydro One customers, as well as a province-wide telemeeting. The consumer feedback from these meetings will help inform the OEB's final decision on Hydro One's rate application.

This is the OEB staff report summarizing the outcomes of these community meetings. This report will be placed on the public record of the OEB hearing of this application

along with copies of any written presentations made at the meeting. This report includes a summary of comments, questions and concerns raised during the community meeting by customers who attended the meeting. This summary is intended to capture the range of perspectives that were shared, rather than to provide a verbatim transcript of the meetings.

Customers are also able to submit individual written letters of comment with the OEB, either during a community meeting or any other time during the course of the OEB's review of an application. The OEB places written letters of comment on the public record of the specific proceeding. All comments must be submitted to the OEB before the decision-makers in the case begin to consider their decision on the application. In making its decision, the OEB will consider everything on the public record, including all comments when determining whether to grant the requests made by Hydro One in this application.

Before each community meeting was held, the OEB placed advertisements in local and regional newspapers, sponsored radio spots for local radio stations and informed local stakeholders and community leaders and organizations via telephone calls and e-mails.

2 THE PROCESS

The OEB convenes community meetings in the service territories of local distribution companies that have applied to the OEB to change their rates through a cost of service or custom incentive rate-setting proceeding.

OEB community meetings are part of the OEB's process of reviewing a rate application. The OEB has established a [Consumer Engagement Framework](#) to ensure that the perspectives of customers served by rate-regulated entities are considered in the OEB's decision-making process.

OEB community meetings are hosted by the OEB. OEB representatives explain the role of the OEB in rate-setting and the various ways that customers can become involved in the adjudicative process. A copy of OEB staff's presentation is attached to this report as Schedule A.

To help customers better understand the application, the utility makes a presentation explaining its proposals for capital, operations and other spending that result in the requested rate change. A copy of Hydro One's presentation is attached to this report as Schedule B.

Customers are invited to make presentations outlining their thoughts on the utility's proposals. Other interested parties, such as municipal officials, are also welcome to share their thoughts.

Following the presentations, customers had the opportunity to ask questions of the OEB and the utility about the application and the regulatory process. The issues raised by customers in the community meetings are documented and used by OEB staff in reviewing the application, preparing written interrogatories and making submissions to the OEB panel hearing and deciding the application. Any verbal comments provided to OEB staff at the community meeting are summarized in this report with no attribution.

Customers attending the meetings may express their concerns directly to the OEB by providing individual comments (with attribution) through an online form; by filling in a hard copy comment form; or by submitting a separate letter of comment.

3 SUMMARY OF THE MEETINGS

The OEB community meetings to review Hydro One's distribution rate application were held in the communities and locations as set out in section 1.0. The meetings were held from 6:30 p.m. to 8:30 p.m. with doors opening at 6:00 pm. The number of attendees ranged from two at the Dryden meeting to 50 at the Napanee meeting. Attendees heard presentations from OEB staff and Hydro One. Prior to the presentations, OEB staff and Hydro One staff were available to speak with attendees and answer questions. In addition, OEB and Hydro One representatives responded to questions from the audience during and following the presentations.

The following OEB staff and Hydro One representatives attended all or some of the meetings at the various locations:

OEB Staff

Kristi Sebalj, Registrar
Sylvia Kovesfalvi, Manager, Community Relations and Outreach
Rudra Mukherji, Associate Registrar
Lynn Ramsay, Senior Advisor, Community Relations and Outreach
Harold Thiessen, Senior Advisor, Major Applications
Joseph Rosa, Advisor, Public Information
Jane Scott, Manager, Major Applications
James Sidlofsky, Counsel, Legal Services
Theodore Antonopoulos, Director, Rates
Martha McOuat, Project Advisor, Major Applications

Hydro One

Henry Andre, Director, Regulatory Affairs
Jay Armitage, Director, Communications
Tiziana Baccega Rosa, Senior Media Relations Advisor
Nancy Clark, Communications Officer
Oded Hubert, Vice-President, Regulatory Affairs
Kimberly Maves, Manager, Customer Care
Natalie Moffat-Poole, Vice-President, Communications
Ferio Pugliese, EVP, Customer and Corporate Affairs
Local area managers and staff
Security person(s)

OEB staff and Hydro One delivered presentations at each meeting. A number of customers made presentations at the various meetings, and those customer

presentations are briefly summarized below. Copies of a number of the presentations were provided to OEB staff and these have been attached in Schedule C.

Summary of Presentations

The following is a summary of pre-registered presentations. A number of other consumers attending the meetings made brief statements. As written statements were not provided to the OEB, the key themes in these statements are captured under the “Summary of Themes Heard at the Meeting” section on page 12 below.

Leamington, June 15, 2017

Jerry Mastronardi’s presentation focused on the challenges of operating a greenhouse business with increases in the cost of electricity due to this application, coupled with the impact of cap and trade, the announced increases in minimum wage and increasing transmission costs. Mr. Mastronardi noted that his business has to be a low cost producer so Hydro One should also be a low cost producer. Among the problems: The high prices paid for solar and wind generation and the fact that Ontario is selling electricity at a loss across the border while we pay generators not to generate. As a business owner he wants to stay in Ontario but is not sure if he can under these cost conditions.

Robert Pula’s presentation, as an R1 and R2 customer of Hydro One and a local LDC board member, cited a 19% increase in his electricity costs over the last 3 years. He noted that the OEB, in the last Hydro One rates case, had approved a higher annual increase over three years than Hydro One had asked for over 5 years. With the Fair Hydro Plan, costs will just be transferred to the tax base. Taxpayers should not be subsidizing Hydro One’s rates. Hydro One is already the highest cost distributor in the province and customers can no longer afford their bills. Mr. Pula expects the OEB to protect both business and residential consumers and hold Hydro One increases to the rate of inflation.

Rick Nicholls, the Chatham-Kent-Essex MPP (Progressive Conservative), said the notification of the meeting was inadequate as he asserted that 90% of attendees found out about the meeting that day. Mr. Nicholls stated that Hydro rates are so high people are finding it difficult to make ends meet, while the Fair Hydro Plan provides only short term relief for long term pain. Mr. Nicholls noted that Hydro One’s executive salaries are too high and that BC Hydro and Quebec Hydro salaries are one tenth of Hydro One’s. Before the Initial Public Offering, the Hydro One CEO made \$725,000 but now is to earn \$4.5 million per year. Mr. Nicholls stated that the OEB should reject Hydro One’s application until the CEO compensation is reduced. He cited the cost of electricity in

Ontario as the reason businesses are leaving Ontario for the United States. Since October 2011, the OEB has increased the cost of electricity 10 times. Rates are too high, children are going to school without breakfast as parent's face the question of "Do I eat or do I heat?" Mr. Nicholls stated that the rate increase should be rejected until executive compensation at Hydro One is brought into line. There is too much generating capacity in Ontario and the province is forced to sell electricity at a loss to neighboring utilities. While renewable generation is desirable, it must also be affordable. Mr. Nicholls also cited two local businesses who have announced investments outside of Ontario (Ohio) in expanding their businesses and cited high electricity costs as a major reason.

Napanee, June 19, 2017

Gail Batten, residential consumer, maintained that Ontario ratepayers had experienced cost increases of 300% in the past 10 years. Hydro One has a monopoly, electricity service that cannot be obtained elsewhere and the OEB appears to have 'rubber-stamped' these increases in delivery and distribution costs. Costs due to duplication and waste have made hydro unaffordable for families even if they take measures to conserve and use less energy. This is especially true in rural Ontario. Something is wrong when a customer's electricity costs exceed their mortgage costs, when businesses are closing and when children go to bed hungry because parents have to pay the hydro bill. Even with high rates, the system's reliability is also in question. The OEB has to step up and say no to further rate increases.

Mark Eaves, ratepayer, asked about a refund on money spent on the Global Adjustment which he said was \$35 to \$50 billion. He questioned how efficient Hydro One was at replacing poles, indicating that something was wrong if they could not replace 100 poles per day compared to the apparent rate of 2 poles per day. He also questioned whether new customers are required to pay for their own poles when they are hooked up by Hydro One. The OEB should block the requested increase.

Cheryl Nelson had concerns about how the meeting was advertised and urged the OEB to provide better notice of the meetings. She indicated that the Fair Hydro Plan would only result in higher levels of debt for the government. She had concerns over the \$144 increase in hydro costs due to this application and the fact that the Fair Hydro Plan was due to end in 4 years. She felt Hydro One was wasting money, citing the news that 35,000 Smart Meters were removed from service as they did not work, and that there was no reason for the OEB to grant the increase requested. She also commented on the sale of electricity to the United States for very low rates.

Shawn Lucas, Ward 5 Councilor, Greater Napanee, mentioned that people could not afford electricity and the electric heat for homes was too expensive. With regard to

notice of the meeting, he suggested the OEB should advertise these meetings in the hydro bill. He expressed concerns over the lack of information on the hydro bill regarding the carbon tax, the fact that seasonal customers would not benefit from the Fair Hydro Plan like other classes, and the cost of the program being transferred to taxpayers.

Todd Smith, Prince Edward–Hastings MPP, (Progressive Conservative), indicated that electricity rates are the number one issue for constituents in his riding. Hydro rates are so high people are finding it difficult to make ends meet, while the Fair Hydro Plan leads to higher prices in the future. Hydro One's executive salaries are too high. BC Hydro and Quebec Hydro salaries are one tenth of this. Before the IPO, the Hydro One CEO made \$725,000 but now earning \$4.5 million per year. The OEB should look to other jurisdictions for salary comparisons and reject Hydro One's application until the CEO compensation is reduced. Rates are too high, children are going to school without breakfast as parent's face the question of "Do I eat or do I heat?" The rate increase should be rejected until executive compensation at Hydro One is brought into line. The OEB cut salaries at OPG and the Supreme Court agreed. There is too much generating capacity in Ontario and we are forced to sell electricity at a loss. People have been living in energy poverty for 6 years and businesses are just hanging on by a thread. The OEB should stand up for the residents of rural Ontario and Eastern Ontario. He also questioned the independence of the OEB because they presented aspects of the Fair Hydro Plan in their presentation.

Steve Ward, New Democratic Party candidate for Kingston and the Islands, indicated that Ontario residents are forced to choose between rent/groceries and paying their hydro bills. Electricity rates are just too high and people can just not afford the cost. Hydro One should be brought back into public ownership. The Fair Hydro Plan will cost too much over the next generation. Mr. Ward felt that there were questions over the independence of the OEB as they seemed to be promoting the Fair Hydro Plan.

Other Speakers: A number of other Napanee attendees made brief statements citing the high cost of electricity in Ontario, that there was much hardship for rural customers, especially for seniors on pensions. There were calls for maintenance of public ownership of Hydro One and that Hydro One as prone to wasting money. One example provided was that Hydro One took six months to replace 14 poles in the community and raised a question as to why this work could not be contracted out to increase efficiency. Also cited were high salary costs at Hydro One, including salaries for the CEO and executives. Presenters generally felt the rate increase requested was unacceptable, that Hydro One should work to reduce its own costs and that the rate increase should

be denied. There was also some concern raised over the independence of the OEB as the Fair Hydro Plan was included as a part of the OEB's presentation.

Rockland (Ottawa), June 20, 2017

Brian Doyle, insolvency trustee, has 1,500 clients who are customers of Hydro One and is a Hydro One customer himself. Ontario's electricity rates are among the highest in North America. Hydro One is awarded large rate increases when the system is broken. He sees the effects of high hydro rates on the citizens of Ontario which is especially felt by seniors. Mr. Doyle cited as an example a pensioner with electricity bills which are \$100 per month more than they would be in other provinces. The rate increase should be denied and he recommends independent consultants be appointed with no political ties to recommend a restructuring of the current system.

Gareth Jones, is a member of the executive of the Ontario Public Sector Employees Union (OPSEU), representing his members who are all electricity customers in Ontario. Hydro electricity in Ontario has been turned into a commodity and is not seen as a necessity. Ontario was built on low electricity rates. Citizens must ask themselves, what kind of province do they want to live in? Of the 130 applications cited by the OEB in their presentation, how many were turned down? It appears there is no opportunity for a consumer to recommend a rate decrease. There are too many vice presidents at Hydro One and the CEO's salary at \$4.6 million is too high especially when compared to his counterparts at BC Hydro and Hydro Quebec. The Fair Hydro Plan only pushes costs out to the future. The privatization of Hydro One only increases costs and reduces transparency. Citizens of Ontario should make their voices heard in the next provincial election.

Owen Sound, June 21, 2017

Sharon Coulter, ratepayer from Lions Head on the Bruce Peninsula, indicated that she appreciated the meeting and the information provided but still has concerns over the high cost of electricity in Ontario and the impact on customers, especially pensioners. She raised a number of issues and specific questions, including:

- The high salary of the Hydro One CEO.
- The fact that she does not trust her smart meter and that her bills appear higher than her relatives and friends.
- The billing problems at Hydro One, when she received 8 bills in one month and with one bill for 6,000 kWh.
- The Bruce Peninsula is designated as southern Ontario not northern Ontario as it should be so she could get more relief on her bills.

- The response she received from the Minister of Energy that more poles are needed in rural Ontario so costs are higher.
- Ontario's aging population and how the OEB should be making it easier for seniors to stay in their homes with lower electricity costs.
- The cost of coupon programs to encourage conservation...she has used coupons for energy efficient goods and services but her bills still increase.

Ms. Coulter also indicated that the OEB should be more aware of the impact on customers of the rate increases, why are they necessary and who is making the profits? Hydro electricity is a necessity and not a luxury and the quality of life in Ontario is suffering. She questioned who has the power to stop the increases in hydro rates and if there are ways to cut costs. She wants the OEB to act on this. Finally, she questioned the Fair Hydro Plan and pointed out that future generations would have higher bills to save on power costs now.

Bill Walker, Bruce-Grey-Owen Sound MPP (Progressive Conservative), indicated that electricity rates are the biggest concern for constituents in his riding. People struggle to keep the lights on and it is an issue of affordability. Businesses in his riding are facing excessive increases in their hydro bills. Businesses are leaving the province due to these costs. The salaries of the Hydro One CEO (cited as 10 times those of BC Hydro and Hydro Quebec) and the top executives are excessive. The Fair Hydro Plan will provide short term relief but increases future costs including higher taxes. Ontario pays customer in the United States to take our power, while Ontario is still signing up green energy contracts. The OEB should not allow the increase Hydro One has asked for until executive compensation is brought into line.

Ancaster, June 22, 2017

Sarah Warry-Poljanski represents a grass roots group called Hamiltonians Against High Hydro Rates. Her presentation touched on the following issues: the high salary of Hydro One's CEO, the Ontario Electricity Support Program (OESP) being under-subscribed and not sufficient despite the amount of money spent on it; choices are being made by consumers between eating and paying the hydro bill; and businesses which are closing due to high electricity costs. Electricity prices have been jumping at the rate of 15 percent each year which is a great hardship for families. OESP payments are not enough. While the province used to have cheap, reliable electricity, now prices are out of control. Is the cost of maintaining the system not already in the current bill? Why does Hydro One need more money for maintenance? The Fair Hydro Plan is just like stretching out a mortgage payment over a longer time period and our grandchildren will have to pay for this. The rate increases should be denied.

Ben Levitt, is the Progressive Conservative candidate for Hamilton West-Ancaster-Dundas. Mr. Levitt touched on the high CEO salary of \$4.5 million at Hydro One (indicating that CEO's at BC Hydro and Hydro Quebec make 1/10th that amount) and the fact that the top 5 executives make \$11 million per year. He stated that Hydro One was unable to find savings in its operations so they come to the people for a rate increase. He noted that the OEB has, in the past, reduced the compensation amounts at OPG and that this was supported by the Supreme Court. Businesses are struggling and cannot afford to stay in business due to high Hydro bills. Residential customers have to choose between heating their homes and putting food on the table. The Fair Hydro Plan is only pushing Ontario electricity costs into the future. Enough is enough, the OEB should reject the requested increase and stand up for hard working Ontarians.

Stouffville, June 26, 2017

Mohammed Vepari, residential customer, concentrated his remarks on the high cost of electricity in Ontario and how living in the province could become unaffordable. As an example, he cited consumer's spending on electricity as opposed to food or recreational activities for their children. For this reason, he asked that the OEB not approve the Hydro One application.

Dryden, June 27, 2017

No formal customer presentations were made.

Sudbury, June 28, 2017

Vic Fedeli, Nipissing MPP (Progressive Conservative), is also a Hydro One customer at his home in Corbeil, Ontario. He stressed that high electricity costs are the number one issue in his riding, saying that life in Ontario has become unaffordable. His presentation focused on the management of the entire electricity system in Ontario which is leading to very high rates, contributing to hardship for consumers and the cause for businesses to leave Ontario. In particular he mentioned the Green Energy Act and the addition of generation capacity that is not needed and causes surplus power to be sold at a loss to other jurisdictions. He saw the Fair Hydro Plan as an expensive project to save \$24 million for ratepayers now but would cost ultimately up to \$93 million in the future. He did speak positively about the OEB and Hydro One.

Tele-meeting, July 12, 2017

Gary Thorpe, small business owner, Annan, Ontario, expressed concern over the salaries of management and employees, as well as the costs of retirement packages, at Hydro One. He felt that Hydro One was always going to get its requested increase as the system needs the money to keep it running. He indicated that he had invested in saving energy by installing LED lights and upgrading his own energy systems, but was

not provided with the rebate that he was to receive. He maintained that if consumers saved 20%, then Hydro One would get a 20% increase to cover that revenue.

Bracebridge, July 13, 2017

Art Meredith, Bracebridge, residential consumer, was opposed to any increase in rates. He felt that under the old Ontario Hydro, Ontario has the least expensive rates in the country and now had the highest rates in the country. He felt the government was wasting money on green energy contracts while Ontario sold power to the United States at a loss. He suggested that all employees at Hydro One be replaced with those that could run a business and that all salaries be reduced to \$99,000 per year. In addition, all wind and solar contracts should be cancelled.

Norman Miller, Parry Sound-Muskoka MPP (Progressive Conservative), concentrated on hydro prices being the number one issue he hears from his constituents. He related stories of people choosing between paying their hydro bills and other important needs plus businesses that have tried to conserve but their bills still increase and therefore were finding it hard to keep their business in the area. MPP Miller had a number of suggestions for the liberal government on how to fix the electricity sector. He mentioned the high salaries of the CEO and stated that distribution rates have increased 60% from 2005 to 2016. He criticized the Fair Hydro Plan as providing short term relief but resulting in higher costs over the longer term. The current practice of adding additional green energy contracts should stop. The rate increase should be denied.

Bob Young, Mayor of Lake of Bays Township, stated that the application filed by Hydro One as pre-mature and that Hydro One should be sent back to redo its application and fix the whole distribution model. He felt that bills were too high, especially for the rural customer in his community, where incomes are low and work is often seasonal. He cited that many residents face the question of paying to heat their homes or putting food on the table. Electricity costs are too high and service is not reliable. Many in his community have back-up generators due to frequent power outages. He feels the entire electricity distribution rate model needs fixing.

Maurice MacMillan, is a former Ontario Hydro power system operator with long experience in the sector. Mr. MacMillan was concerned with the sale of electricity to the United States at a loss and that rural customers were being unfairly treated in favour of urban customers and out-of-province customers. He noted that asking for more money for poles does not make sense as poles have always been part of the hydro system. Hydro One should use the \$36 million that it intends to pay for Orillia Power for poles. Ontario has suffered job losses due to high electricity rates and this has impacted social services in the province. He does not believe the increase should be approved and the

policies should be changed with all stakeholders included in the decision making process.

Don Furniss, Mayor of Muskoka Lakes Township, focused on reliability in his township and noted Hydro One's plans to keep reliability at current levels. He described reliability levels as pathetic, noting that many customers have installed back-up generators and that his township has spent thousands of dollars for back-up generators in community centres, municipal offices, arenas and firehalls. Outages are a regular occurrence. He indicated that the Hydro One scorecard for reliability must be a provincial average, as the record in Muskoka Lakes is much worse. Reliability must be improved.

Summary of Themes Heard at the Meetings

The overall message heard from attendees at the meetings was that the cost of electricity was too high and therefore Hydro One's request for a rate increase should not be approved. There was some confusion about how the Hydro One rate application and the Fair Hydro Plan interacted.

Issues and Comments Directly Related to Hydro One's Distribution Application

1. The OEB should not approve this request by Hydro One to increase its rates. Reasons given included:
 - Hydro One should find efficiencies instead.
 - CEO and executive compensation should be reduced.
 - Replacement of assets should have already been paid for with revenues in the past (replacement reserve) and new funds are not necessary.
 - Hydro One has been wasting money in the past.
 - Rates in Ontario are the highest in the country creating hardships for customers and forcing business to close or relocate.
2. The salaries of Hydro One's CEO, executives and employees are too high. The CEOs of BC and Quebec Hydro make one tenth of the amount the Hydro One CEO makes. There are too many vice presidents at Hydro One and too many employees were on the "sunshine list" when Hydro One was a part of it.
3. Concerns over reliability and service capacity issues.
4. Disagreement with customer assignments to density based rate classes. Customers who were classified as medium density by Hydro One for years have been reassigned to a low density classification with higher rates.

5. In a few communities (particularly Leamington and Napanee), MPPs and some consumers said there wasn't enough advance notice about the community meetings. Several attendees said they heard about the meeting from their conservative MPP.
6. Whether the OEB has ever refused a rate increase request and whether it is permitted to do so.
7. Concerns that the OEB does not care about the customer/consumer (OEB accountability).
8. An assertion that in the last Hydro One case, the OEB approved a higher increase than was requested.

Issues Directly Related to Hydro One's Distribution Application Specific to Certain Communities

1. Leamington - concerns were raised that greenhouse agricultural producers were moving investment and jobs to jurisdictions in the United States (Ohio, Pennsylvania) due to high electricity rates.
2. Rockland – concerns were raised about the need for additional capacity in the area, so that businesses could expand.
3. Bracebridge - customers were concerned about reliability and many had already purchased a backup generator; due to the number, frequency and duration of outages.

Issues Not Directly Related to Hydro One's Distribution Application

1. Concerns over high commodity and global adjustment costs, including confusion about what the global adjustment is and how it is calculated.
2. Hydro One's ownership and the sale of shares; commenters stated that public ownership of Hydro One should be maintained.
3. The following questions and concerns were expressed about the Fair Hydro Plan:
 - a. Is Hydro One's application consistent with keeping increases at the rate of inflation.

- b. Will costs be borne by taxpayers rather than ratepayers and will overall costs rise so future consumers will pay more.
 - c. Concern about what will happen to bills after the Fair Hydro Plan ends and the fact that the proposed Hydro One rate increases are over five years, while the Fair Hydro Plan will be in place for only four years, leaving customers exposed to a significant increase with less relief in the last year if the OEB approved the application as filed.
 - d. Why seasonal customers are excluded from the Fair Hydro Plan.
- 4. The high prices paid for solar and other renewable generation sources and how this is increasing costs for consumers.
 - 5. Concern about paying other jurisdictions to take our electricity exports or selling electricity at a loss or for a low price and about generators being paid when off-line.
 - 6. Cap and trade issues for both gas and electricity, increasing costs due to this and the presentment of these costs on the customer bill.
 - 7. The need to build gas pipelines to currently unserved communities.
 - 8. How the electricity system in Ontario works; the difference between distribution and transmission; and who owns Hydro One.

4 SUMMARY OF LETTERS OF COMMENT

Over 3000 letters of comment have been received by the OEB to date. Generally, they fall under similar themes to the comments heard at the community meetings.

The most common theme is that electricity costs are already too high and for those on fixed incomes, they are already having a hard time paying their bills.

The second most common theme is that the executives at Hydro One are paid too much. In general and in relation to both of the above comments, the opinion was expressed that Hydro One should get no increase.

A third theme, which was in less than 5% of the letters, was concern about specific reliability (outage) issues.

SCHEDULE A

ONTARIO ENERGY BOARD PRESENTATION

HYDRO ONE DISTRIBUTION RATE APPLICATION

EB-2017-0049

JUNE 15 – JULY 13, 2017

WELCOME

- Ontario Energy Board (~6:30 pm)
- Hydro One (~6:45 pm)
- Consumer Presentations (~7pm)
- Questions and Answers (~7:30 to 8:30pm)

Getting Involved In OEB's Review of Hydro One's Rate Application

OEB Community Meeting

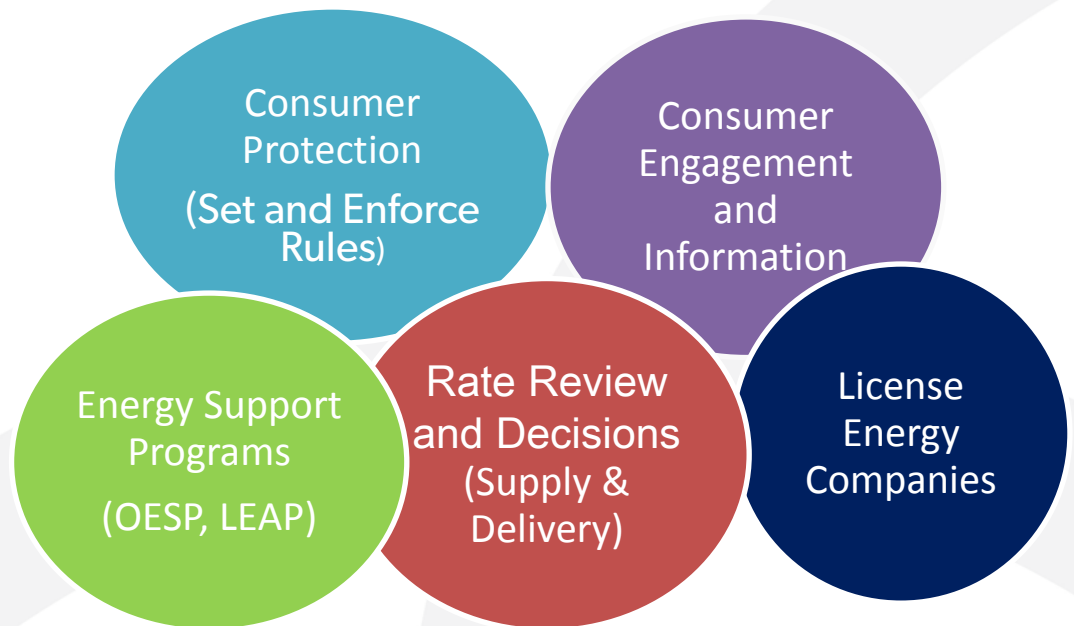
June-July, 2017

Every Voice Matters

- The OEB wants to hear from you to ensure we take your concerns into account as we make a decision about this application.
- OEB Community Meetings are held to give you an opportunity to:
 - Learn more about your utility's costs and rate application
 - Find out how to get involved in the OEB's process
 - Provide your comments to us about your utility's application.

OEB – Regulating Ontario's Energy Sector

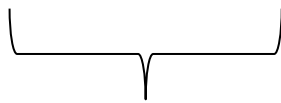
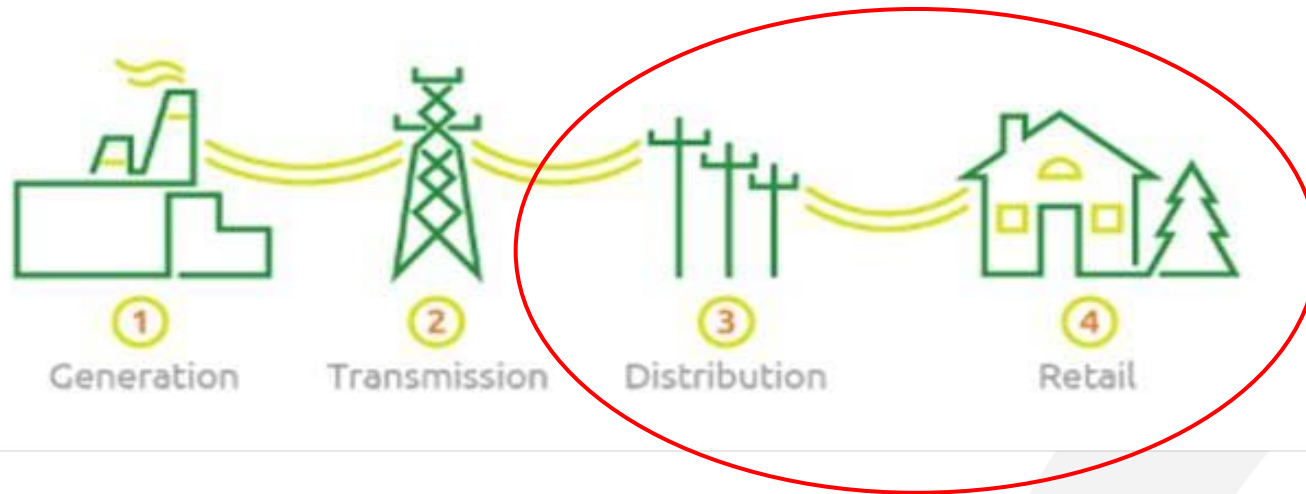
- **The OEB is Ontario's independent energy regulator.** We work to ensure a sustainable, reliable energy sector that helps consumers get value from their natural gas and electricity services – for today and tomorrow.



Ontario's Fair Hydro Plan

- The *Fair Hydro Act, 2017* came into effect on June 1, 2017.
- This Act, together with proposed new regulations, will enable the government to move forward with initiatives that it has stated will:
 - Lower electricity bills by 25% on average for all residential customers and hundreds of small business and farms
 - Hold increases to the rate of inflation for four years
 - Provide additional electricity bill relief for:
 - residential customers in rural and remote areas
 - on-reserve First Nations residential customers
 - Fund electricity-related programs such as OESP through taxes

Reviewing Distribution Rates



Commodity



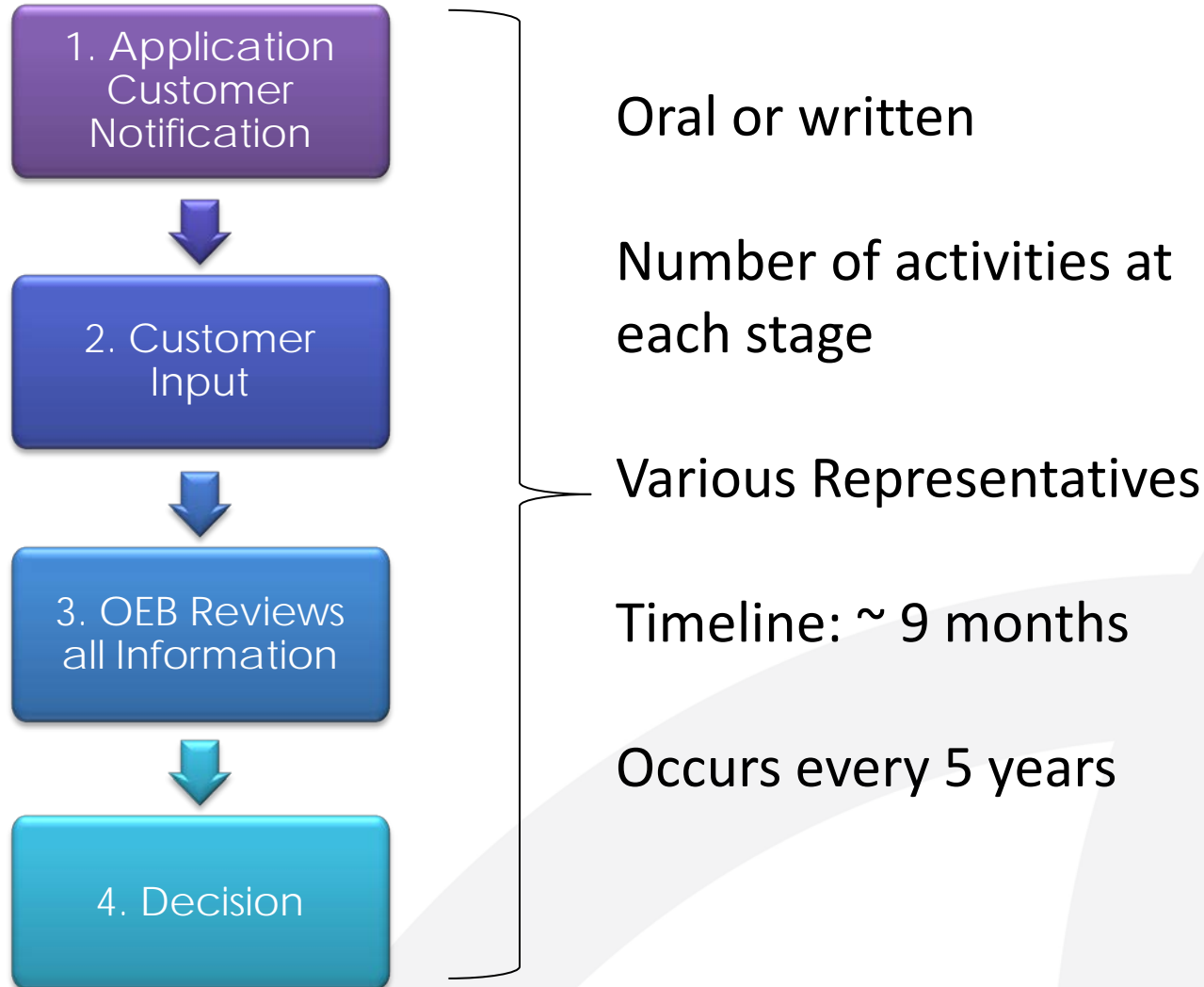
Delivery

Delivering Value – Ensuring Reliability

The OEB's job is to align various objectives to ensure reliability



Be Heard in the OEB's Process



Be Heard in the OEB's Process



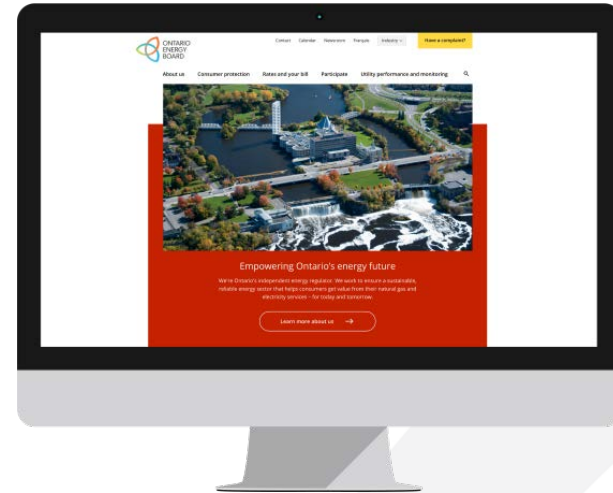
What Can You Do?

- OEB wants to hear from you. We encourage you to:
 - Ask questions
 - Provide comments (via post or email)
 - Attend or listen in on the hearings
 - Follow the proceedings
- Your voice helps the OEB do our job:

*Ensuring utilities deliver value by focusing on
what matters most to you*

Your Voice Matters – Thank You

Visit our
website



416-314-2455
Toll Free 1-877-632-2727



www.oeb.ca



Twitter: @OntEnergyBoard



**Ontario Energy Board, 2300 Yonge Street,
Suite 2701, Toronto, Ontario M4P 1E4**



June/July 2017

Ontario Energy Board

SCHEDULE B

HYDRO ONE NETWORKS PRESENTATION

HYDRO ONE DISTRIBUTION RATE APPLICATION

EB-2017-0049

JUNE 15 – JULY 13, 2017

A woman with long brown hair tied back, wearing a plaid shirt and jeans, sits on a light-colored sofa. She is holding an open book and reading to a young girl with pigtails, who is also wearing jeans and holding a stuffed animal. They are both smiling. The background is a white brick wall with several small framed pictures. A floor lamp with a white shade is on the right, and a small table with a clock and books is next to it. A small lamp is on the left.

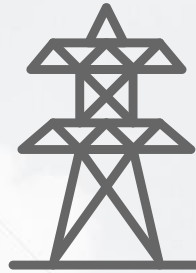
HYDRO ONE

2018-2022 Distribution Rate Application Overview

HYDRO ONE AT A GLANCE



640,000 KM²
SERVICE TERRITORY



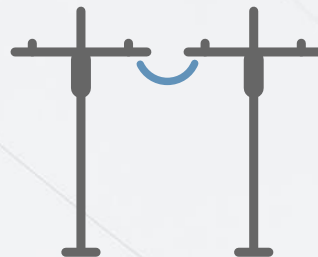
30,000 KM OF HIGH-VOLTAGE
TRANSMISSION LINES



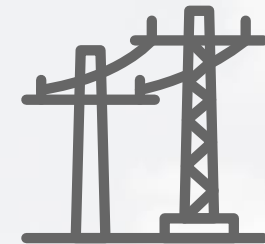
306
TRANSMISSION STATIONS



1.3 MILLION RESIDENTIAL
AND BUSINESS CUSTOMERS
ACROSS ONTARIO



123,000 KM OF
LOCAL DISTRIBUTION
LINES



1.6 MILLION
DISTRIBUTION
POLES

HOW THE SYSTEM WORKS

ONTARIO POWER GENERATION AND PRIVATE GENERATION COMPANIES

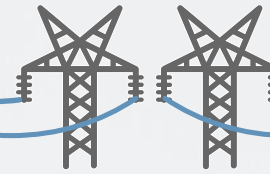


Generation

HYDRO ONE TRANSMISSION



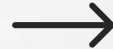
Transformer Station



Transmission Lines



Transformer Station



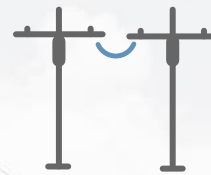
HYDRO ONE DISTRIBUTION



**Home
Wiring**



**Pole-Mounted
Transformer**



**Distribution
Lines**



Distribution Station





Service address:

CUSTOMER NAME

CUSTOMER NAME 2

ADDRESS FIELD, ADDRESS NOTES

Your account number:

123456123456

Page 2 of 2

How we calculated your charges

Balance forward

Amount of your last bill

\$207.42

Amount we received on January 15, 2017 - thank you

\$207.42 CR

Balance forward

\$ 0.00

Your electricity charges

Your service type is Residential - Medium Density

Electricity used this billing period

We read your meter J0000000 on December 3, 2016

002701.0000

We read your meter on January 3, 2017

– 001951.0000

Difference in meter readings

000750.0000

Metered usage in kilowatt-hours (750.0000 x 1) = 750.0000 kWh

Electricity: On-Peak: 135.0000 kWh@18.0000 ¢

\$24.00

Mid-Peak: 128.0000 kWh@13.2000 ¢

\$17.00

Off-Peak: 488.0000 kWh@8.7000 ¢

\$42.00

Delivery

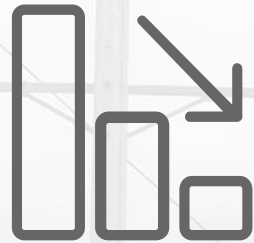
\$68.00

Regulatory Charges

\$6.00

FAIR HYDRO PLAN SAVINGS

ONTARIO AVERAGE



25%

estimated total bill reduction
for all residential and small
business customers

OUR CUSTOMER



Hydro One customers will
receive a

31%

decrease on average

FAIR HYDRO PLAN

Your bill

\$177
Jan 1, 2017
(Before Fair Hydro Plan)

\$122
July 1, 2017

\$124
Jan 1, 2018

FAIR HYDRO PLAN

Jan 2017 (Before Fair Hydro Plan)		Estimated Fair Hydro Plan Savings (As of July 1, 2017)
Time-of-Use Commodity	\$83	-\$22
Delivery	\$68	-\$16
Regulatory	\$6	-\$2
Taxes	\$20	-\$15
TOTAL	\$177	-\$55 = \$122

HYDRO ONE DISTRIBUTION APPLICATION 2018

Distribution changes
+\$2.79

Cancelled out by Fair Hydro Plan
-\$2.79

Flow through transmission costs not covered by
FHP
+\$1.95

Your bill: \$124

*If the OEB approves Hydro One's 2018-2022 Distribution Rate Application

*All numbers are illustrative estimates

*Typical medium density Hydro One customer using 750kWh per month

WHY WE HAVE TO INVEST



RELIABILITY

- Our infrastructure is aging.
- Our plan aims to maintain overall reliability at current levels.



EMERGENCY RESTORATION

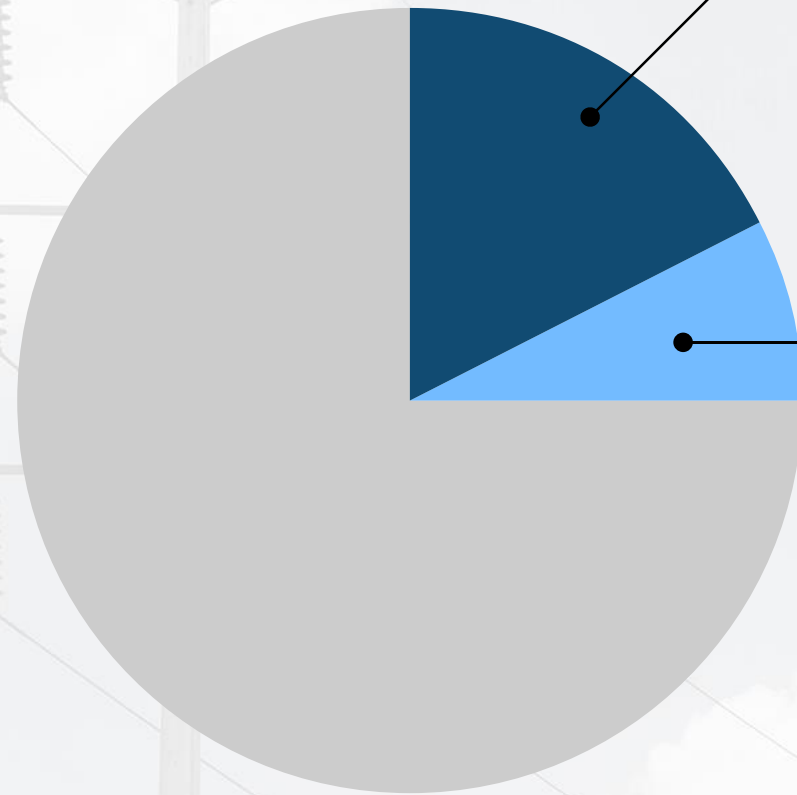
- Reducing spending increases the risk of outages.



PRODUCTIVITY

- Not investing in productivity improvements means higher costs that put upward pressure on rates.

AGING POLES



280,000 poles at or beyond expected service life as of 2017

120,000 poles will reach expected service life within the next five years

1.6 Million Poles

WHAT GOES INTO

DEVELOPING OUR
DISTRIBUTION PLAN

BUILDING OUR PLAN

WE TALKED TO 20,000
CUSTOMERS:



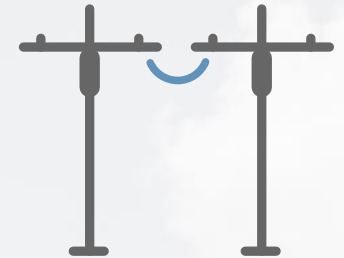
SURVEYS



FOCUS GROUPS
& WORKSHOPS



KEEP COSTS
LOW

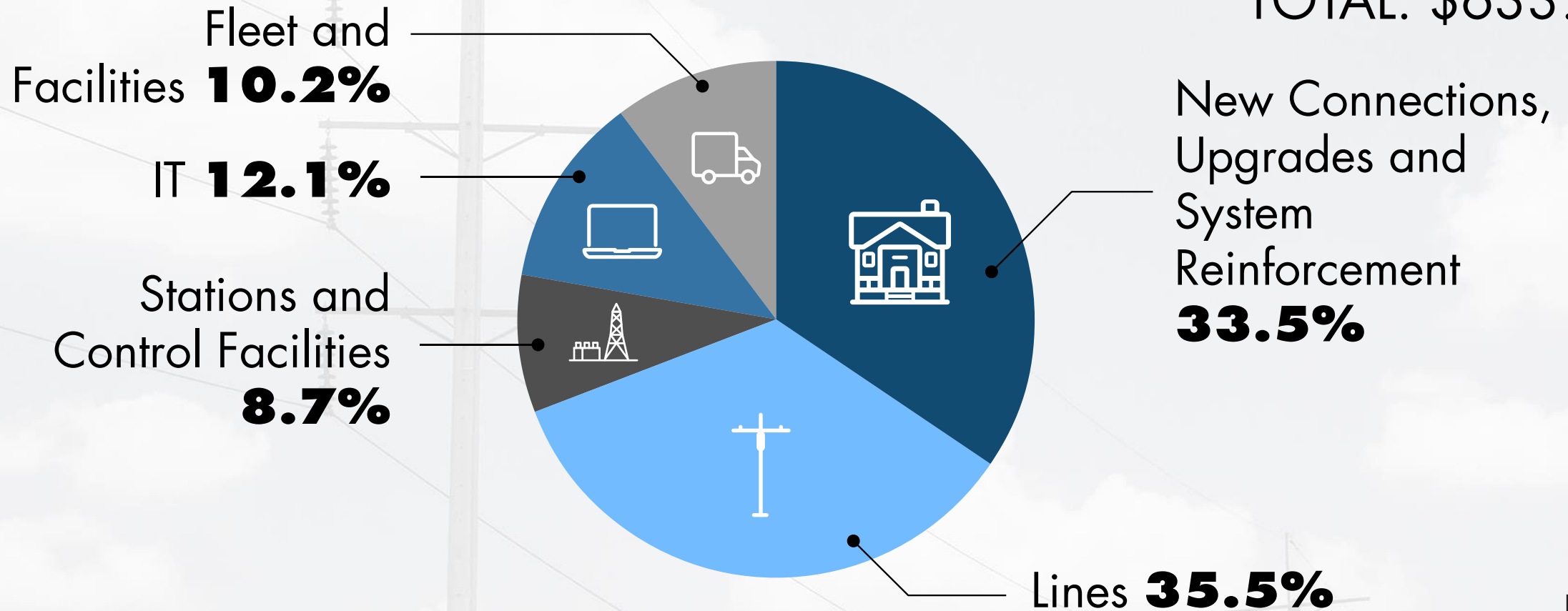


MAINTAIN
RELIABLE SERVICE
& CAPACITY

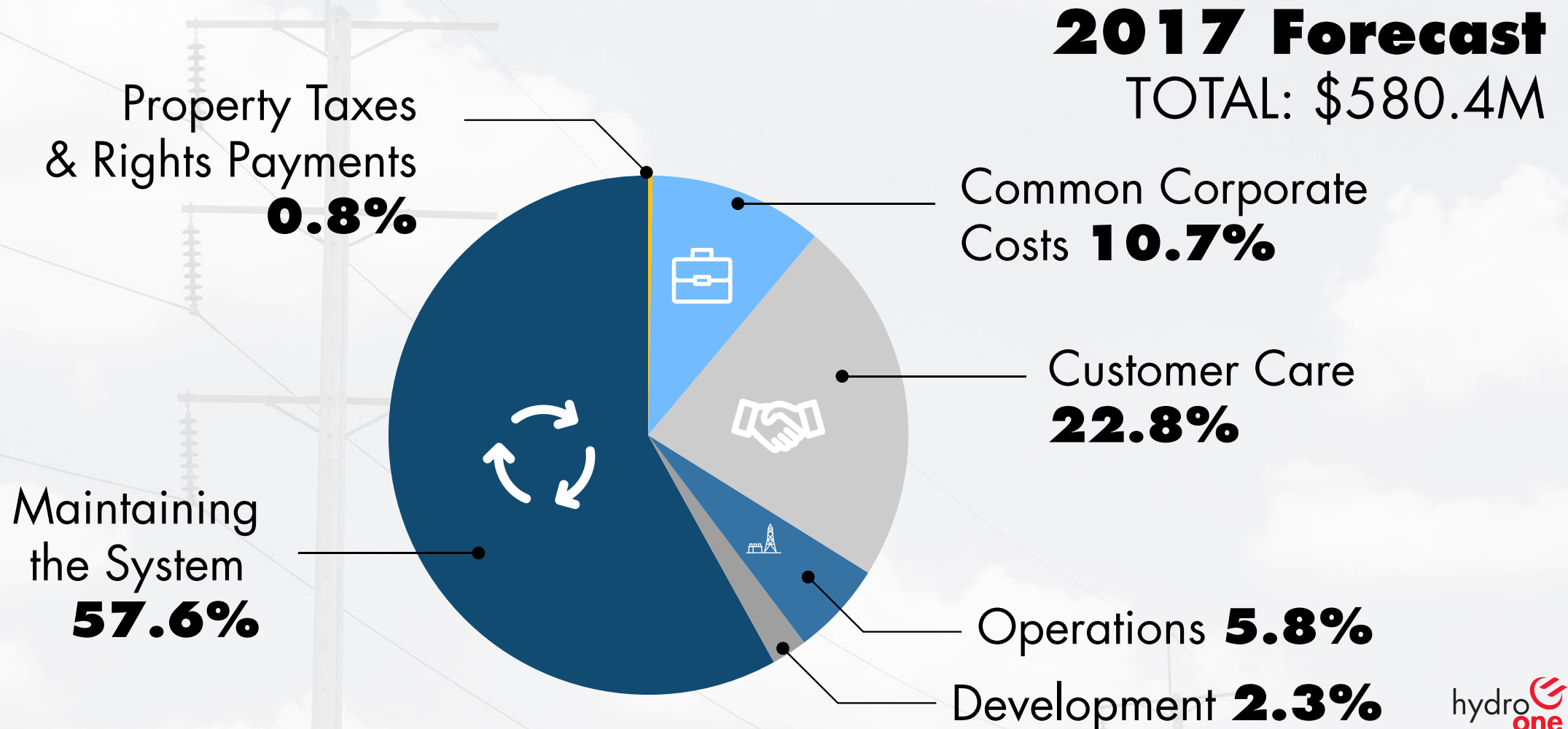
CAPITAL INVESTMENT IN DISTRIBUTION

2017 Forecast

TOTAL: \$633.6M



OPERATIONS AND MAINTENANCE INVESTMENTS IN DISTRIBUTION



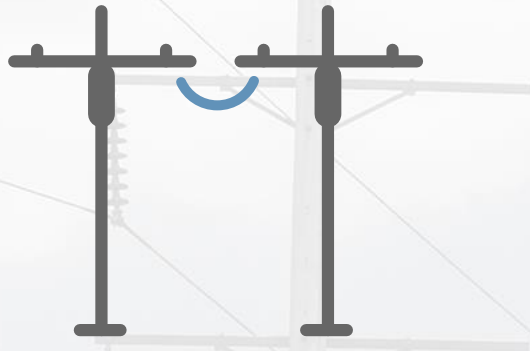
SO WHAT DOES OUR PLAN LOOK LIKE?

HYDRO ONE WILL...

- Direct spending to the infrastructure that needs it the most
- Improve efficiency
- Build in productivity savings of more than \$380 million over five years

KEY **CAPITAL** PROGRAMS IN OUR PLAN

Serving over 1.3 million customers



POLE REPLACEMENTS

REPLACING 72,151 POLES IN POOR
CONDITION FROM 2018-2022

\$579M



STATION REFURBISHMENT

REFURBISHING AN AVERAGE OF 15
PER YEAR BETWEEN 2018-2022

\$148M

KEY **OPERATIONS** AND **MAINTENANCE**

Serving over 1.3 million customers



FORESTRY

MAINTAINING 12,750 KM OF
RIGHTS-OF-WAY IN 2018

\$150M IN 2018



TROUBLE CALLS

42,645 CALLS EXPECTED
ANNUALLY

\$78M IN 2018

PART OF A TOTAL INVESTMENT OF

\$633.9M

in capital investment to expand, upgrade and renew the Distribution System in 2018

\$584.8M

to maintain and operate the Distribution System in 2018

MEASURING OUR PROGRESS

WE WILL MEASURE HOW WELL WE



FOCUS ON
OUR
CUSTOMERS



OPERATE
EFFECTIVELY



RESPOND TO
PUBLIC POLICY



PERFORM
FINANCIALLY



THANK YOU.

FOR MORE INFORMATION

Please call our Customer Communications
Centre at 1-888-664-9376

We would be happy
to hear from you.

SCHEDULE C
COMMUNITY MEETING CUSTOMER PRESENTATIONS
HYDRO ONE DISTRIBUTION RATE APPLICATION
EB-2017-0049
JUNE 15 – JULY 13, 2017

- A) Gail Batten, Napanee**
- B) Brian Doyle, Rockland**
- C) Sarah Warry-Poljanski, Ancaster**
- D) Art Meredith, Bracebridge**
- E) Norm Miller, Bracebridge**
- F) Bob Young, Bracebridge**

I am not an activist. I have never spoken out before but the current crisis regarding hydro in our province has motivated me to come forward.

Ontarians have experienced Hydro costs escalations over 300% in the past 10 years. Crippling delivery costs and distribution fees are by far the largest concern. The energy file is complex and while the average consumer does not understand formula used to calculate the delivery and distribution fees it does not mean they cannot grasp that the formulas are designed to increase bills. They do not approve or believe it is fair to the consumer.

Hydro One has a captive customer base. A monopoly. Hydro One customers have no option to shop elsewhere for the same product. At the end of the day we have no choice but to pay, or be disconnected.

We have seen the OEB approve Hydro One applications

We have watched as the OEB appears to rubber-stamp those applications to the point where the cost of delivery and distribution have out-stripped the cost of the product they deliver. The duplication and waste is passed onto ratepayers many of whom cannot afford the costs that are ultimately loaded onto their hydro bills.

As families across this province have struggled with the harsh realities of energy poverty we listen to those in Queen's Park speak about practicing conservation through time of use or investing energy renovations for our homes. Many of these families have done these and have seen no difference on their hydro bills

Families in rural Ontario have been hardest hit with Hydro One increases and subsequent delivery charges, and find little comfort when they hear of less smog days in Toronto.

Just as a segment of our population chooses to live in the urban centers there are those of us who prefer to live in rural Ontario. More and more families are coming to realize that they might not be able to afford to live in rural Ontario anymore. There is an exodus starting of families not only moving to urban centers, but out of the province.

When electricity costs match or exceed your mortgage, something is wrong. When businesses close their doors and manufacturers are moving, something is wrong. When children go to bed hungry because parent had to pay the hydro bill, something is wrong. It is easy to assume that these things apply to only the poorest in our province I am here to tell you that is not the case. Many suffering do not qualify for any programs to help them cope.

We are told that the system has been rebuilt is reliable and clean but from the outage report and the dire predictions of a failing system by Hydro one that would seem to not be the case. It would appear the money invested by the current government did not extend to us the consumer.

Included in the evidence is a survey conducted by hydro one it says that customers would accept a 1% increase but what is not included in that document is the question that was asked. Was it asked straight forward manner or was it asked in a way that would elicit the response they wanted.

I would suggest that the document is self serving and should be viewed as such by the OEB. When Hydro One asks for increases replacement or repairs as it does on every application who is tracking requests?

Hydro One seems to accept the process of applying to the OEB for rate increases as a given, and the consumer is held captive with out any choice but to pay. The OEB needs to do a better job of tracking the requests, and comparing them to previous applications and make sure that those same requests are not duplicated.

The Ontario Energy Board is the mediator that reviews the requests put forward by Hydro One. Rural consumers are in crisis, we have reached the breaking point. We cannot afford anymore increases. I do not know how to make that any clearer.

I would suggest the OEB make Hydro One accountable. You are the last line between rural ratepayers being able to afford their homes, and having to make heartbreaking choices. There comes a time when the answer just needs to be 'no'. I would suggest now is that time.

Electricity is no longer a luxury, it should not be priced as one.

Gail Batten
7145 County Rd
Napane, Ont
K7R 3K6
613-530-6914

June 20, 2017

Ontario Energy Board
2300 Yonge Street
Toronto, Ontario
M4P 1E4

Dear Sirs: Re: EB – 2017 – 0049

I am writing to you in my capacity as President of Doyle Salewski Inc., Licensed Insolvency Trustee, representing approximately 1,500 bankrupts who are currently undischarged and whose financial interests are assigned to us under the Bankruptcy and Insolvency Act. These bankrupts are clients of Ontario Hydro and Ottawa Hydro. I am also representing my personal interests and those of my spouse as clients of Ontario Hydro.

Attached to this letter/email is a copy of my resume which includes my experience as a senior partner of one of Canada's largest accounting firms and as a forensic investigator.

The following points are among the many I wish to raise:

1. That our overall Hydro rates in Ontario are amongst the highest in North America, if not the highest.
2. My personal rate at my house in Florida is \$.10 less per kilowatt hour than my residence in Ottawa.
3. That the press and many of the articles I have reviewed over the last number of years indicate management error, political interference and poor judgment (among other things), which have led to the high rates paid by the residents of Ontario today.
4. That the average Ontario ratepayer pays approximately \$100 a month more than the average Canadian in all the other provinces according to at least one article that I have reviewed.
5. That as a Licensed Insolvency Trustee performing assessments on insolvent residents of our province. I have seen the effects of these high costs on the lifestyles and living conditions on our citizens and, particularly, our seniors.

While in a normal court of law, which I frequent quite readily, I would have to defend the above statements. I would rely on the OEB's record of investigation and deliberation to support these points or deny them as the regulator.

Although this rate increase only applies to distribution rates, this fracturing of the creation and delivery of hydroelectric power in this province has only served to diffuse responsibilities and increase costs. The reality is the high and unnecessary power charges to our residents.

In my 40 years of practice in the corporate arena as opposed to our personal insolvency practice, I have been called to determine the viability of corporations and operations as have many of my peers in the insolvency industry. We enact a study reviewing all aspects of an entity's operations and services to determine solutions whether it should continue in whole or part, or be totally structured.

Presently, what appears to be happening in respect of Hydro is that we continue to reward a system with increasing rate increases even though it is broken and yields excessive prices to its captive purchasers. I take the position that truly independent consultants should be appointed who have no ties to political parties who can recommend a proper restructuring for our Hydro system Ontario. This may include an insolvency process which will financially injure many of the stakeholders in the present hydroelectric system. Notwithstanding, the clients of this broken system cannot continue to reward it by paying excessive prices because of its monopoly position.

I speak in respect of millions of Ontario residents and a vast Hydro network. However, I do wish to also speak in respect of one of our clients whose name is David, who I personally assessed a while over a year ago for a bankruptcy. He is a client of Hydro One Networks in Arnprior, Ontario. David is 67 years old and lives on a pension of less than \$1400 per month. He is disabled physically and requires a walker. When I reviewed his monthly income and expense statement I observed that his Hydro amount was \$239 per month. I asked if he was heating with electricity, he replied in the negative.

It is true that David is paying \$100 per month more than other Canadians in other provinces, but \$1,200 a year is a substantial amount given his poverty and living conditions. This is where excessive Hydro rates really hurt our citizens and, particularly, our seniors.

Therefore, I ask that not only should these rate increases be denied, but that an investigative team be assembled of independent consultants with the requisite skills in my chosen field, to assess the ability of the present hydroelectric system and its cost structure and to provide recommendations for its restructuring.

Thank you for your consideration.

Sincerely,

Doyle Salewski Inc.
Licensed Insolvency Trustee



Brian P. Doyle, CPA, CA, CIRP, LIT
President

cc:

: Randy Hillier, MPP

Sarah Warry - Poljanski
June 22, 2017

The CEO of Hydro One makes 4.3 million dollars a year. Almost 4 million more than other Hydro CEOs in other provinces.

The Ontario Electricity Support Program is funded by rate payers. Around 5 bucks a month on a \$300 bill. Most Ontarians don't even qualify. In fact only an estimated 500,000 do. As of last October only 145,000 people were approved and getting the 30-50 dollars.

The Liberals however had spent 9.3 million of that on consultations and 2.4 on ads.

I don't know how much tax payer money is being wasted on inserts & radio ads for the unfair hydro act right now.

Last November, The general manager of emergency services announced the Housing Stability benefit that provides funds to low income residents & those collecting Ow & OPS for utility payments & arrears.

& housing costs had run out.
The fiscal year doesn't end
until March.

It was reported in newspapers
that Seniors had in some
cases resorted to eating
cat food because they had
so little income after paying
housing & hydro costs.

Stores are shutting down. Businesses
that employ our residents
and help put the food on
their tables.

Prices are jumping 15-16 percent
a year.

We went from having cheap reliable
electricity to this failed
pipe dream the Liberals
put forth forward when
McGuinty was in office.
The NDP had no problem
supporting it.

Prices are out of control.

We are asking tonight this rate
increase be denied. If not
we will proceed to apply as
interveners and watch as
more money gets wasted as milking
a year does on cases involving intervenors.

From: **Art Meredith** artmeredith1@gmail.com
Subject: **Re: Presentation at this evening's meeting**
Date: Today at 4:21 PM
To: Sylvia Kovesfalvi Sylvia.Kovesfalvi@oeb.ca

Good afternoon Sylvia. I will try to be brief. First I am opposed to any increases as proposed.. When we had only Ontario Hydro our energy costs were among the least expensive in the country and we had no debt to pay off. Then along came O.P.G. And Hydro One and now we have the highest costs in the country and a huge debt to pay off. We waste money on Green Energy with wind farms and solar panels that we pay too much for and turn around and sell at a loss to our neighbours in other Provinces and the U.S. What is wrong with this picture? The solution! Get rid of everyone in Hydro One from the top down. I understand that the top guy is the highest paid Civil Servant in the Province. Replace him (them) with people who really know how to run a business. Cap all salaries at \$99,000 (they won't make the Sun Shine List). Cancel all existing contracts for Solar and Wind Farms and then our supply and demand problem will be solved. The result, with all the money saved from the above measures rate increases would not be necessary. Respectively submitted, Art Meredith.

Sent from my iPad

On Jul 13, 2017, at 12:00 PM, Sylvia Kovesfalvi <Sylvia.Kovesfalvi@oeb.ca> wrote:

Hi Art –

Thank you for your interest in making a presentation at the OEB Community Meeting this evening.

We look forward to hearing from you.

If at all possible, please bring a hard copy to leave with us as it will become part of the record.

.Or you can email a copy to me.

Look forward to seeing you this evening.

Norm Miller, MPP for Parry Sound-Muskoka
Presentation to the Ontario Energy Board
July 13, 2017

Good evening. Thank you for allowing me to speak today about how Hydro One rate increases are impacting my constituents here in Parry Sound-Muskoka.

Hydro prices are the number one issue I hear about from my constituents. So when I heard that Hydro One had applied for yet another increase to distribution rates, I knew I had to be here today to make sure my constituents' voices were heard.

Of the responses I got to my spring newsletter this year, sixty-nine per cent of people said that increasing electricity costs have had a significant impact on their families. I heard stories about people who are having to choose between paying their hydro bills and buying food. I heard from a senior on a fixed income who can't afford to go to the dentist because they don't have anything left after they pay their hydro bill.

I have also had hundreds of complaints to my constituency offices about increasing electricity costs, the majority that complain about high delivery rates. I have also had recent complaints from constituents that were classified as 'medium density' by Hydro One for years, and suddenly switched to the more expensive 'low density' classification. One constituent was classified as 'medium density' for 13 years, then suddenly changed to low density despite more people living in the neighbourhood.

High delivery costs of electricity has been a growing issue for a number of years, particularly in rural areas like this riding where many people have to heat with electricity. And in Parry Sound-Muskoka income levels are below the provincial average. Some people in rural areas can heat with wood, but many Seniors on fixed incomes heat the most expensive way with electric baseboard heaters.

Finally this year, facing sinking approval ratings, the Wynne government noticed how much trouble Ontarians were having paying their hydro bills. I do not agree with what they have done in creating a new debt and saddling us and our children with the extra interest payments, however I am relieved that the government finally noticed the mess they had created and the stress they were putting on Ontario families.

Since the rising hydro prices impacted businesses as well as families, that stress did not come just in the form of increasing hydro bills but in some cases, lost jobs.

I want to tell you about Northridge Inn and Resort, in Sundridge. Owners David Clemmer and Stéphane Aubin completed an energy audit and spent two-hundred thousand dollars in renovations to conserve energy and limit heat loss. Despite that, their hydro bills last winter were fourteen thousand dollars a month. And that is just opening for weekends.

With hydro bills like that, they can't afford to operate in winter. As a result, they will be closing their doors next winter and will have to lay off forty employees. Sundridge has a population of less than one thousand people so forty lost jobs is going to hit the whole town hard.

The Owner of Axiom Speaker company in Dwight, Ian Colquhoun emailed me to ask how companies in rural Ontario were to stay in business with Ontario's high electricity costs. He sent me his June 2016 bill. His total bill was \$3,600. Of that \$2,100 was the delivery charge. His all in cost was .43 cents per KWH. His product, world class speakers are shipped worldwide, and he is trying to keep production and jobs in Parry Sound-Muskoka, but high electricity costs and specifically delivery charges are making that challenging.

It is ironic that we are here discussing this hydro increase now while the Wynne government is busily advertising their so-called Fair Hydro Plan to reduce the cost of hydro.

We know based on a leaked cabinet document and the report of the Financial Accountability Officer that the reduction in hydro costs will be temporary and that the long term costs will be huge. It is evident that this plan, like the cancellation of the gas plants, is more about winning the next election than it is about helping Ontarians.

If the government really wanted to help Ontarians struggling with their hydro bills, they would have addressed the root causes of high electricity prices.

If the government really wanted to help Ontarians they would have stopped signing bad contracts to purchase expensive green power that we don't need. Instead, the day after they announced this so-called Fair Hydro Plan, the government accepted one thousand, one hundred new applications for new wind and solar installations. This while Ontario is spilling water at hydro electric dams.

If the government really wanted to help Ontarians they could have limited the outrageous salaries paid to Hydro One executives. The CEO of Hydro One is paid four point five million dollars per year. By comparison, his counterparts in Quebec and British Columbia earn less than half a million dollars.

Under the watch of this Liberal government Hydro One's distribution rates have increased by sixty per cent between 2005 and 2016 – that is more than three times the rate of inflation. And that is just for the distribution, not for the electricity itself. The price of the electricity has gone up as much as three-hundred per cent depending on the time of day and where the customer is in Ontario.

I ask you, the Ontario Energy Board, to stand up for the families in Parry Sound – Muskoka. Say no to this Hydro One distribution rate increase that will cost families an additional one-hundred and forty-one dollars per year when it is fully implemented.

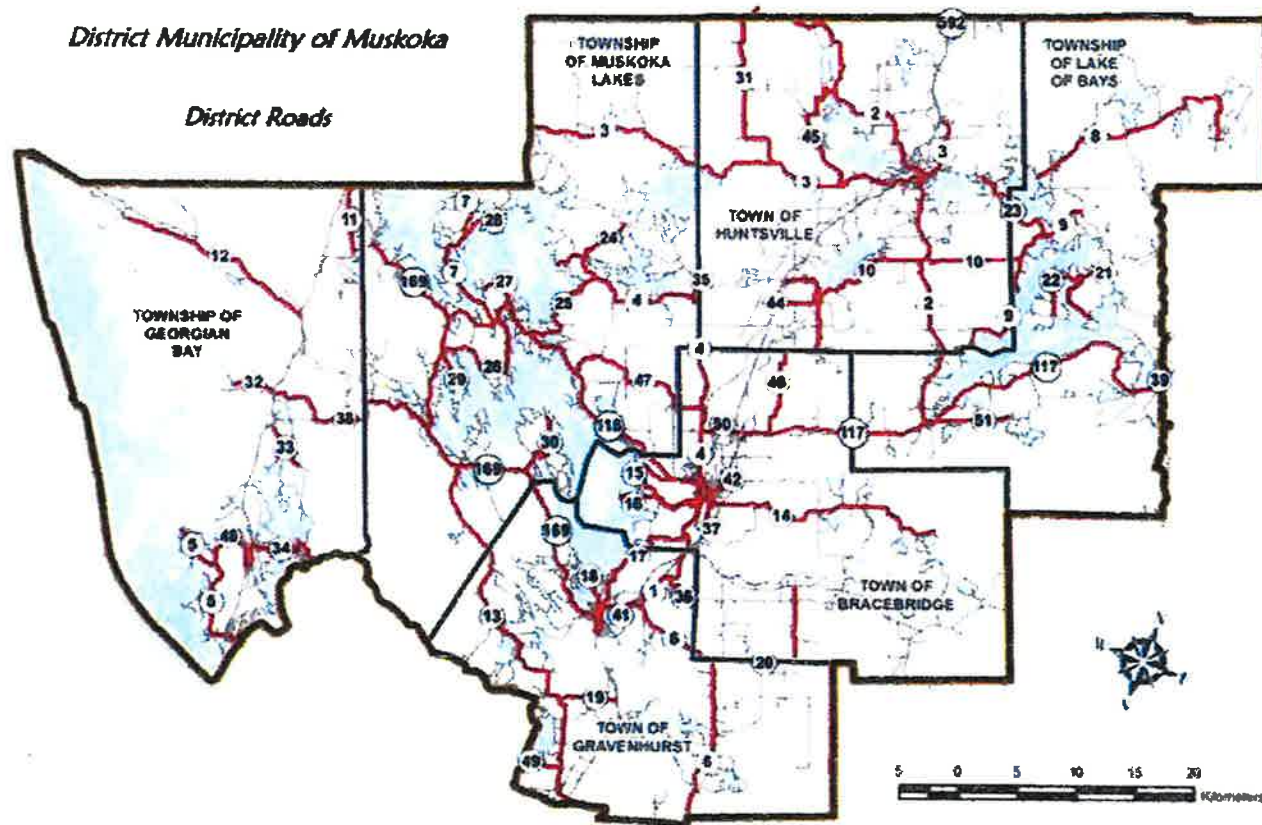
Presentation made at AMO by:
Robert Young, Mayor, Township of Lake of Bays

ELECTRICITY - UNAFFORDABLE

LEADING TO
IMPOSSIBLE DECISIONS

PARLIMENTARY ASSISTANT BOB DELANEY
TUESDAY, JANUARY 31, 2017

The District Municipality of Muskoka (DMM)



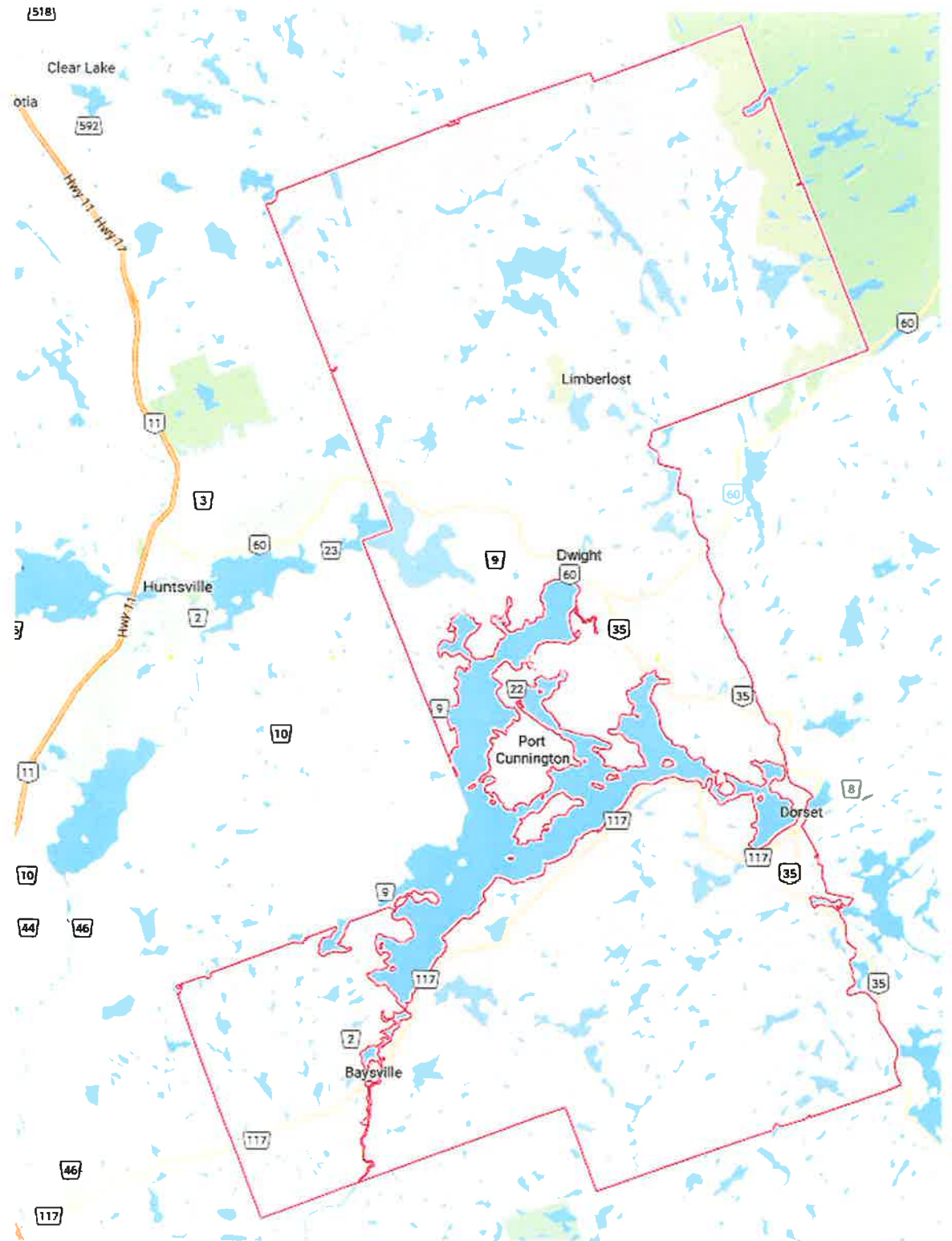
The DMM is an Upper Tier municipality made up of 6 lower-tier municipalities (3 Townships and 3 Towns):

- Township of Muskoka Lakes
- Township of Lake of Bays
- Township of Georgian Bay
- Town of Huntsville
- Town of Gravenhurst
- Town of Bracebridge

The District Council has 23 Councillors (including the chair), 10 of which represent the Townships and 12 who represent the Towns .

- RURAL
- WOODLANDS
- LAKES
- 3 SMALL VILLAGES:
 - DWIGHT
 - DORSET
 - BAYSVILLE
- POPULATION:
 - PERMANENT – 3,500
 - SEASONAL – 13,000

- RURAL
- WOODLANDS
- LAKES
- 3 SMALL VILLAGES:
 - DWIGHT
 - DORSET
 - BAYSVILLE
- POPULATION:
 - PERMANENT – 3,500
 - SEASONAL – 13,000



ACTUAL ELECTRICITY BILL

	2016	2016	2017
ITEM	JUL. 12 – AUG. 12	Nov. 12 – Dec. 12	Dec. 12 – Jan. 12
Total Energy (kWhr)	1,110	1,540	3,672
On Peak	183	301	571
Mid Peak	197	262	537
Off Peak	724 (65%)	985 (64%)	2,550 (69%)
Cost of Electricity (\$)	\$121.94	\$174.57	\$395.47
Delivery Charge (\$)	\$117.59	\$147.56	\$255.98
Other (\$)	\$39.69	\$53.75	\$106.70
TOTAL for MONTH (\$)	\$279.22	\$375.88	\$758.15

- A 1,750 Sq. Ft. house with no basement or furnace – baseboard + propane stove heat
- Propane cost \$1,000 + per year but includes loft and 24kW generator
- NOTE: cost of power up 38% over 4 years! (\$0.15/kWh → \$0.21/kWh)

And THEREFORE

- Do I HEAT or EAT?
- DO I turn down the thermostat, WAY DOWN?, and then get sick?
- Many local residents do not have CPP or pensions (life of being seasonally self-employed). One month's electricity bill can be devastating.
- The GST rebate while good, is, relatively speaking, insignificant (\$6.10 credit on last bill).

The ASK

- Please make significant changes to the way electricity is priced, especially in rural areas
- Please significantly change:
 - Delivery Charge
 - Actual cost of electricity

HYDRO ONE BILLS FOR
1467 South Portage Road, Huntsville, ON P1H 2J3
(actually on Lake of Bays)

2013	January	February	March	April	May	May-June	July	August	September	October	November	December	YEAR TOTAL	Avg. Monthly
KWhr Used	3906	4,896	3,509	2,820		2,784	1,218	1,189	1,353	1,392	1,600	2,639	27,306	2,276
Prev Year	4216	3,509	3,808	2,490		2,001	1,218	1,254	1,254	1,612	1,891	1,891	25,144	
On Peak	686.69	852	628	548		415	180	183	222	215	208	497	4,635	
Mid Peak	592	795	517	447		460	233	219	203	291	296	428	4,481	
Off Peak	2637.64	3,524	2,358	1,815		1,892	802	790	935	900	1,109	1,722	18,486	
Pwr Cost	\$305.81	\$384.24	\$273.92	\$223.34		\$221.85	\$100.36	\$98.40	\$111.24	\$117.20	\$131.79	\$234.73	\$2,202.88	
Delivery	207.03	\$258.31	\$193.93	\$161.96		\$180.34	\$89.24	\$88.13	\$111.85	\$114.73	\$126.51	\$188.04	\$1,720.07	
Regulatory	24.92	\$31.13	\$22.32	\$17.96		\$16.55	\$7.06	\$6.92	\$8.56	\$8.84	\$10.11	\$16.44	\$170.81	
Debt Retirement	25.1	\$31.42	\$22.46	\$18.02		\$17.74	\$7.79	\$7.64	\$9.52	\$9.84	\$11.29	\$18.53	\$179.35	
subtotal	\$562.86	\$705.10	\$512.63	\$421.28	\$0.00	\$436.48	\$204.45	\$201.09	\$241.17	\$250.61	\$279.70	\$457.74	\$4,273.11	
HST	\$73.17	\$91.66	\$66.64	\$54.77	\$0.00	\$56.74	\$26.58	\$26.14	\$31.35	\$32.58	\$36.36	\$59.51	\$555.50	
TOTAL	\$636.03	\$796.76	\$579.27	\$476.05	\$0.00	\$493.22	\$231.03	\$227.23	\$272.52	\$283.19	\$316.06	\$517.25	\$4,828.61	
Credit	\$53.21	\$53.26	\$54.15	\$47.61		\$49.33	\$23.10	\$22.72	\$27.25	\$28.32	\$31.61	\$51.73	\$442.29	
NET TOTAL	\$582.82	\$743.50	\$525.12	\$428.44	\$0.00	\$443.89	\$207.93	\$204.51	\$245.27	\$254.87	\$284.45	\$465.52	\$4,386.32	
2014	January	February	March	April	May	June	July	August	September	October	November	December	YEAR TOTAL	Avg. Monthly
KWhr Used	4,386	3,683	3,770	3,248	2,656	870	1,122	1140	1,080	980	1,386	2,436	26,757	2,230
Prev Year	3,906	4,896	4,896	3,509	1,526	1,018	1,102	1102	1,353	1,392	1,600	2,639	28,939	
On Peak	694	716	642	625	455	130	168	185.7786	162	157	185	462	4,582	
Mid Peak	602	620	571	513	373	170	191	191.1384	189	203	230	428	4,282	
Off Peak	3,096	2,353	2,544	2,108	1,821	579	779	774.7842	729	617	973	1,534	17,907	
Pwr Cost	\$378.04	\$329.43	\$328.12	\$288.29	\$231.72	\$80.07	\$102.50	\$104.60	\$97.75	\$90.10	\$124.35	\$231.62	\$2,386.59	
Delivery	\$290.68	\$256.44	\$259.77	\$229.49	\$193.18	\$27.04	\$102.59	\$103.47	\$99.10	\$92.98	\$117.62	\$181.47	\$1,953.83	
Regulatory	\$27.11	\$22.81	\$23.22	\$20.09	\$16.45	\$5.63	\$7.31	\$7.41	\$6.97	\$6.33	\$8.89	\$15.34	\$167.56	
Debt Retirement	\$30.74	\$25.83	\$26.29	\$22.72	\$18.54	\$6.16	\$7.97	\$8.06	\$7.56	\$6.83	\$9.72	\$16.97	\$187.39	
subtotal	\$726.57	\$634.51	\$637.40	\$560.59	\$459.89	\$118.90	\$220.37	\$223.54	\$211.38	\$196.24	\$260.58	\$445.40	\$4,695.37	
HST	\$94.45	\$82.49	\$82.86	\$72.88	\$59.79	\$15.46	\$28.65	\$29.06	\$27.48	\$25.51	\$33.88	\$57.90	\$610.40	
TOTAL	\$821.02	\$717.00	\$720.26	\$633.47	\$519.68	\$134.36	\$249.02	\$252.60	\$238.86	\$221.75	\$294.46	\$503.30	\$5,305.77	
Credit	\$56.08	\$58.30	\$57.53	\$58.55	\$51.97	\$20.22	\$24.90	\$25.26	\$23.89	\$22.18	\$29.45	\$50.33	\$478.66	
NET TOTAL	\$764.94	\$658.70	\$662.73	\$574.92	\$467.71	\$114.14	\$224.12	\$227.34	\$214.97	\$199.57	\$265.01	\$452.97	\$4,827.11	

2015	January	February	March	April	May	June	July	August	September	October	November	December	YEAR TOTAL	Avg. Monthly
KWhr Used	3,465	3,509	4,089	3,168	2,016	1,320	1,155	1,110	986	1,116	1,395	1,792	25,121	2,093
Prev Year	4,257	3,683	3,770	3,248	2,656	870	1,122	1,140	1,170	980	1,386	2,436	26,718	
On Peak	559	669	719	560	371	176	150	176	161	146	161	348	4,196	
Mid Peak	525	517	610	391	301	253	195	201	182	187	267	280	3,909	
Off Peak	2,383	2,328	2,748	2,205	1,334	881	812	739	639	778	925	1,171	16,943	
Pwr Cost	\$321.59	\$331.81	\$381.80	\$292.73	\$190.53	\$129.72	\$112.85	\$111.94	\$99.32	\$108.56	\$142.98	\$193.74	\$2,417.57	
Delivery	\$242.65	\$240.14	\$272.92	\$218.66	\$154.75	\$127.12	\$117.03	\$114.71	\$106.13	\$114.08	\$134.00	\$160.45	\$2,002.64	
Regulatory	\$21.83	\$22.12	\$25.63	\$19.89	\$12.75	\$8.50	\$7.53	\$7.27	\$6.44	\$7.25	\$9.14	\$11.57	\$159.92	
Debt Retirement	\$24.27	\$24.59	\$28.54	\$22.09	\$14.04	\$9.17	\$8.10	\$7.81	\$6.88	\$7.78	\$9.87	\$12.59	\$175.73	
subtotal	\$610.34	\$618.66	\$708.89	\$553.37	\$372.07	\$274.51	\$245.51	\$241.73	\$218.77	\$237.67	\$295.99	\$378.35	\$4,755.86	
HST	\$79.34	\$80.43	\$92.16	\$71.94	\$48.37	\$35.69	\$31.92	\$31.42	\$28.44	\$30.90	\$38.48	\$49.19	\$618.26	
TOTAL	\$689.68	\$699.09	\$801.05	\$625.31	\$420.44	\$310.20	\$277.43	\$273.15	\$247.21	\$268.57	\$334.47	\$427.54	\$5,374.12	
Credit	\$59.68	\$59.69	\$58.95	\$59.44	\$42.04	\$31.03	\$27.74	\$27.32	\$24.72	\$26.86	\$33.45	\$42.75	\$493.67	
NET TOTAL	\$630.00	\$639.40	\$742.10	\$565.87	\$378.40	\$279.17	\$249.69	\$245.83	\$222.49	\$241.71	\$301.02	\$384.79	\$4,880.45	
2016	January	February	March	April	May	June	July	August	September	October	November	December	YEAR TOTAL	Avg. Monthly
KWhr Used	2,772	3,364	3,219	2,706	1,932	1,380	1,155	1,110	1,102	961	1,147	1,540	22,388	1,866
Prev Year	3,465	3,509	4,089	3,168	2,016	1,320	1,155	1,110	986	1,116	1,395	1,792	25,121	
On Peak	429	638	559	452	362	192	146	183	195	139	186	301	3,781	
Mid Peak	363	580	460	399	317	257	203	197	205	164	227	262	3,635	
Off Peak	1,947	2,146	192	1,866	1,256	917	793	724	697	666	742	985	12,931	
Pwr Cost	\$285.77	\$362.61	\$338.57	\$284.94	\$208.95	\$148.23	\$141.99	\$121.94	\$122.86	\$104.74	\$127.89	\$174.57	\$2,423.06	
Delivery	\$221.85	\$258.48	\$256.11	\$223.31	\$172.42	\$134.75	\$119.65	\$117.59	\$117.33	\$108.43	\$121.00	\$147.56	\$1,998.48	
Regulatory	\$17.83	\$22.51	\$21.53	\$18.25	\$13.08	\$9.30	\$7.82	\$7.57	\$7.53	\$6.68	\$7.90	\$10.51	\$150.51	
Debt Retirement	\$15.29	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15.29	
subtotal	\$540.74	\$643.60	\$616.21	\$526.50	\$394.45	\$292.28	\$269.46	\$247.10	\$247.72	\$219.85	\$256.79	\$332.64	\$4,587.34	
HST	\$70.30	\$83.67	\$80.11	\$68.45	\$51.28	\$38.00	\$35.03	\$32.12	\$32.20	\$28.58	\$33.38	\$43.24	\$596.35	
TOTAL	\$611.04	\$727.27	\$696.32	\$594.95	\$445.73	\$330.28	\$304.49	\$279.22	\$279.92	\$248.43	\$290.17	\$375.88	\$5,183.69	
Credit	\$49.36	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$49.36	
NET TOTAL	\$561.68	\$727.27	\$696.32	\$594.95	\$445.73	\$330.28	\$304.49	\$279.22	\$279.92	\$248.43	\$290.17	\$375.88	\$5,134.33	

2017	January	February	March	April	May	June	July	August	September	October	November	December	YEAR TOTAL	Avg. Monthly
KWhr Used	3,672	2,958	2,842	3,286	2,250	1,140								1,346
Prev Year	2,772	3,364	3,219	2,706	1,932	1,380								
On Peak	571	553	519	558	384	133								
Mid Peak	537	497	454	492	367	207								
Off Peak	2,550	1,912	1,875	2,233	1,512	791								
Pwr Cost	\$395.47	\$331.50	\$316.53	\$359.74	\$247.48	\$105.29								
Delivery	\$255.98	\$202.27	\$195.10	\$220.99	\$159.08	\$88.61								
Regulatory	\$24.88	\$22.50	\$21.65	\$24.92	\$17.12	\$7.38								
Debt Retirement	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00								
subtotal	\$676.33	\$556.27	\$533.28	\$605.65	\$423.68	\$201.28	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
HST	\$87.92	\$72.32	\$69.33	\$78.73	\$55.08	\$26.17	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
TOTAL	\$764.25	\$628.59	\$602.61	\$684.38	\$478.76	\$227.45	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Credit	\$6.10	\$44.50	\$42.66	\$48.45	\$33.89	\$16.10								
NET TOTAL	\$758.15	\$584.09	\$559.95	\$635.93	\$444.87	\$211.35	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	

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