

Jones not impressed with government's announced plans for electricity rates

By Bill Rea

The Province is promising lower electricity bills for residents, but Dufferin-Caledon MPP Sylvia Jones is maintaining the government of Premier Kathleen Wynne is acting out of desperation.

"She had to do something," Jones observed.

The government announced last Thursday that electricity bills for residential customers will be dropping by an average of 25 per cent, starting this summer.

In a news release, the Province said these measures include the eight per cent rebate announced in January. Wynne announced last Thursday this was achieved by eliminating the Provincial portion of HST from bills.

The government stated electricity rates have been increasing over the years for two key reasons: lack of investment in the system over decades by governments of all stripes, which resulted in the need to spend more than \$50 billion in generation, transmission and distribution infrastructure; and the decision to eliminate Ontario's use of coal in order to produce clean, renewable power have resulted in additional costs.

The government stated the cost of financing these system improvements has been picked up mainly by the ratepayers.

Since the infrastructure improvements are expected to last for several decades, the government has announced it will be adjusting the financing of these capital investments to distribute them over time.

The government has also announced it is sticking to its pledge to have the budget balanced by 2017-18.

"For too long, governments - my own included - have made mistakes in the way we've structured Ontario's electricity system,"

Wynne commented in a statement issued last Thursday. "That has resulted in rates that are unfairly high. It's time to fix those mistakes, in ways that work for today, and for the future."

The premier also said these reductions have been designed to last. Once the rates have fallen, the government will hold increases in line with inflation for at least four years.

Jones said the government acted because it was feeling pressure from all sides, including residents, hospitals, group homes, etc.

"Everyone is being impacted by higher Hydro rates," she declared, adding the measures announced last week are not going to solve the problems.

"I would suggest to you people have seen through the scam," Jones remarked. "They are not pleased future generations are going to pay for it."

Jones charged that Wynne is trying to save herself from both an angry Liberal caucus at Queen's Park and angry voters.

She also pointed out last week's announcement is going to cost \$25 billion over some 30 years.

"Really, she hasn't solved the bottom line," she remarked.

Jones pointed out there is a surplus of electricity in Ontario, so she wondered why the government is signing contracts to have more built, as she called on the government to stop signing contracts people can't afford for electricity they don't need.

She also commented that seven per cent of the electricity generated in Ontario comes from green energy, but that amounts to more than 20 per cent of the cost.

Jones added that the surplus power is either given away, or the government pays other jurisdictions, like American states, to take it.

She added it's unknown if the government can get out of these contracts because they are sealed.

"They won't let us see them," she said

"She hasn't solved the underlying problem of how we got here," she added.