

Hydro remains a pressing issue heading into 2018

By Nate Smelle

Ever since Premier Kathleen Wynne and the Ontario Liberals decided to sell Hydro One, people across the province have been struggling to keep their lights on. Finally caving to the loudening public opposition, the government announced last spring that they would be reducing residential hydro bills by an average of 25 per cent.

Since these rate reductions came into effect this past summer, North Hastings Community Trust's program co-ordinator Jane Kali said she has yet to see a decrease in the number of people in need of assistance to pay their hydro bills. Acting as the administrative agency for the Low-income Energy Assistance Program in North Hastings, she said NHCT has received just as many applications as they had last year at this time.

‘Our numbers are pretty much the same for assistance, so that means that people in our community are still having a hard time paying their hydro bills,’ said Kali. ‘That is because all the other costs of living are high and no one's income is really increasing...

What has changed is our delivery costs... They also put a moratorium on disconnection in the winter which is also a big win.’

Working on the issue locally, Kali said she has come to know several people who choose to live without hydro.

It's a health and safety issue,’ she said. ‘They can't turn on their water; they don't have lights; and they may not be able to cook at home.’

‘There's still a number of people in our community who are going without – unnecessarily sometimes because they are intimidated by the system, and sometimes because people just cannot get ahead with their bills, even with that payment plan.’

PC energy critic MPP Todd Smith said he believes the current government is taking the wrong approach to addressing the issue.

Pointing out that 85 per cent of people in Ontario are opposed to the sale of Hydro One, he said Wynne's Liberals have ignored the fact that Ontarians want to keep electricity in public hands. Admitting that the original plan to privatize Hydro One came from Ontario's former PC premier Mike Harris, he said the Tories backed away from idea under Harris's successor, PC premier Ernie Eves.

According to Smith, the Financial Accountability Officer at Queen's Park, and the Auditor General have said that the government's plan to borrow in the ballpark of \$24 billion to offset the cost of lowering electricity rates is going to cost taxpayers an additional \$21 billion in interest. He said this will only create more problems down the road for electricity customers throughout the province, because they will eventually need to pay for the new interest that is accumulating.

‘They haven't really solved the problem that exists,’ he said.

‘What they've done is instead of going in and reducing costs from the system and reducing the cost of electricity, the current government has decided they are just going to borrow billions of dollars to get through the next three years. Then, after that, the price of electricity is going to explode to record highs. So, they haven't really fixed the underlying problem that exists in Ontario and that is the actual costs of generating electricity.’

Smith said if the Conservatives get ahold of the energy file after the 2018 provincial election, the first thing they would do is scrap the Green Energy Act. They would also consider using the dividends collected through the 40 per cent of shares Ontarians still own in Hydro One to lower the rates for electricity customers, he said. Smith said he believes putting Hydro One entirely back in public hands would be unrealistic, because it would cost too much to buy the shares back. Instead of investing in renewable energy, he would rather see the province rely more on its ‘nuclear fleet.’ He said he has faith in the current management team at Ontario Power Generation, because they now understand how important the \$12.8 billion refurbishment of the Darlington Nuclear plant underway is for the nuclear industry.

‘They built every contingency into our plan to try and ensure that it comes in on time and on budget,’ he said.

Acknowledging that Hydro One's CEO earns an annual income of \$4.61 million – 10 times more than his counterparts in the other provinces – Smith said another item they would look at is reducing executive compensation.

Dianne Eastman of Gnomes for Social Justice in North Hastings would also like to see executive salaries reined in. She sees allowing a CEO to earn such a high salary, while families throughout the province are struggling to keep the lights on, as morally indefensible.

‘A lot of people don't realize that there is a symbolic force to paying somebody too much like that,’ said Eastman. ‘It's like a slap in the face... to all working people that can never aspire to that kind of wealth. It is just like when they said, ‘let them eat cake’ during the French Revolution. What they are really saying is, I'm sorry you only earn \$1,200 a month on ODSP, or \$721 on Ontario Works, but I need more than \$4.61 million a year.’

When it comes to solving this type of inequity in terms of electricity, she said the PCs under Patrick Brown think they can address

the issue by shifting away from solar and wind power. Unlike Smith, both Eastman and Kali say renewable energy plays a key role in establishing an affordable energy supply for people in Ontario. By casting blame on renewable resources like solar and wind power, Eastman said the PCs are putting up a smokescreen to distract Ontarians from what she said is the real source of the problem ? privatization and over-reliance on nuclear power.

Rather than moving away from renewable energy resources, Kali also said the government should be embracing them. She sees this transition as being part of a paradigm shift that is happening globally with people taking back control of their communities and how resources are used.