

Wynne's Hydro Plan: Kicking the can down the road

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On March 2, the Liberal government announced its plan to reduce your hydro bills.

The need for rate relief and the need for serious action to address the structural problems with the system has been clear as we watch costs escalate.

On March 2, the Premier finally admitted her government's mistake and that their policies are responsible for the 400% increase in hydro rates.

In 2015, there were 567,000 residential electricity customers in energy arrears. The independent officer of the Ontario Legislature, the auditor general, outlined in her 2015 report that Ontarians paid \$37 billion more than necessary from 2006 to 2014.

I have heard many 'hydro horror stories' from families and businesses across Dufferin-Caledon. People are tired of having energy bills where the delivery charge is higher than the electricity they used. People are struggling with their hydro rates. Businesses are closing and seniors are having to choose between food on the table and the keeping the lights on.

However, I have serious concerns about the Liberal's plan to reduce hydro rates. Specifically, the plan does not address the exorbitant subsidies we give to solar and wind projects. The reality is that in order to address skyrocketing hydro rates, the government needs to stop signing more expensive wind and solar contracts. Under the current contracts, wind and solar energy averages 7% of our power generated, yet it makes up 21% of the cost of our electricity. Rather than stopping signing energy contracts we do not need, the government signed more expensive contracts on March 3, the day after their announcement!

The government's plan also doesn't address out of control executive pay. Currently, the CEO of Hydro One has a salary of \$4 million compared to Quebec CEO's salary of \$400,000. Nor, does the government's plan stop the selloff of Hydro One. Rather than addressing the structural problems of bad energy contracts, the government is putting an expensive Band-Aid on the problem.

In fact, the Premier admits that her plan will cost a staggering \$25 billion dollars in new interest payments. So, in summary, according to the Auditor General, Ontarians have over paid for electricity by more than \$37 billion and now we have to pay \$25 billion in interest payments to make up for the government mistakes.

If the government does not stop signing contracts for energy we don't need and cannot afford, they are just kicking the can down the road. Or as one young person said to me 'it seems to me the Premier is bribing you with my money.'