

## High Hydro Costs Crushing My Small Business

To: Hon. Glenn Thibeault, Minister of Energy

From: \_\_\_\_\_  
Business Name

\_\_\_\_\_  
Signature

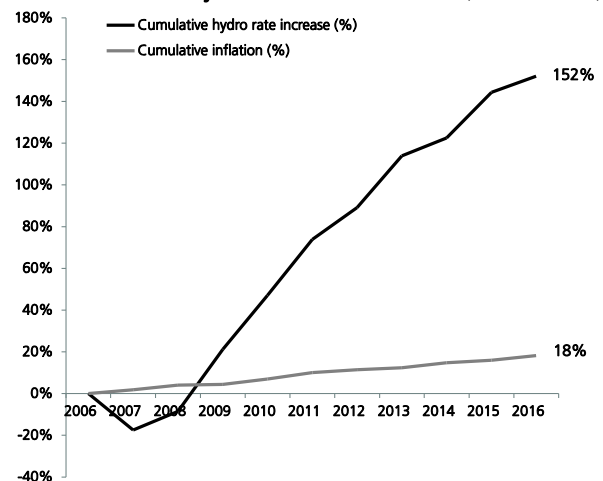
Please return to CFIB at [msont@cfib.ca](mailto:msont@cfib.ca), or 416-222-4337 (fax).

Dear Minister:

Ontario's hydro rates are out of control! My hydro bill has increased to the point where I find it impossible to cope, much less compete. And after my work day is done, I get hit yet again with rising hydro rates on my residential bill.

Ontario's total energy costs are already among the highest in the country. If our government continues to let hydro rates increase, **I'll be forced to cut positions and work hours, reduce investments in my own business, and slow down future hiring.**

Ontario Hydro Rates vs. Inflation (2006-2016)



**The recently-announced 8% HST rebate will provide some relief, but my hydro bill is still too high! I urge the government to act on the following solutions:**

- Review salaries and benefits (including pensions) and cap executive compensation** in all public sector energy jobs.
- Eliminate time-of-use (Smart Meter) rates for small business** and implement a lower cost rate system on the first 3,000 kilowatt hours (kWh) of energy used per month.
- Eliminate the Conservation Tax known as the "Global Adjustment"**, which accounted for 77% of hydro usage fees in 2015.
- Accelerate the elimination of the Debt Retirement Charge** on commercial hydro bills.
- Direct the Ontario Energy Board to reject any future rate increases.**

**I call on you to show leadership and act before I am forced to permanently turn off my lights. I can't work in the dark!**

## Costly Global Adjustment raises hydro usage rates through the roof!

The Global Adjustment is hidden in your hydro bill and changes every month. It includes the difference between the actual market price for energy and the money owed to energy providers under their fixed, expensive and lengthy contracts (sometimes 20-40 years in duration) with the Ontario government.

**The Global Adjustment has cost Ontarians \$37 billion since 2006, and will cost another \$133 billion to 2032.**

### Real Cost of Hydro Usage\*

<b>Market Price for Ontario Energy</b>	<b>1.20 cents/kWh</b>
<b>Global Adjustment</b>	<b>10.14 cents/kWh</b>
<b>YOU ARE PAYING</b>	<b>11.35 cents/kWh</b> (rounded figure)

\*Year-to-date average as of June 2016

## High salaries and pensions in the energy sector drive up hydro rates!

### Highest Paid Public Sector Employees in Ontario Energy Sector in 2015

Name	Salary
<b>Thomas Mitchell</b> CEO Designate, Ontario Power Generation	<b>\$1,595,310</b>
<b>Glenn Jager</b> Nuclear President & Chief, Ontario Power Generation	<b>\$797,895</b>
<b>Jeffery Lyash</b> President & CEO, Ontario Power Generation	<b>\$789,960</b>
<b>Michael Allen</b> VP Refurbishment Execution, Ontario Power Generation	<b>\$701,060</b>
<b>Bruce Campbell</b> President & CEO, Independent Electricity System Operator	<b>\$622,277</b>
<b>Dietmar E. Reiner</b> SVP, Nuclear Projects, Ontario Power Generation	<b>\$571,986</b>
<b>Mike Martelli</b> SVP, Hydro Thermal Operations, Ontario Power Generation	<b>\$569,348</b>
<b>Bruce Boland</b> SVP, Commercial Operations & Environment, Ontario Power Generation	<b>\$565,728</b>
<b>Christopher Ginther</b> SVP, Law, General Counsel and Chief Ethics Officer, Ontario Power Generation	<b>\$555,880</b>
<b>Paul Pasquet</b> SVP, Ontario Power Generation	<b>\$517,165</b>

Source: 2016 Ontario "Sunshine List"

"Pension costs are reflected in the price that Hydro One, Independent Electricity System Operator and Ontario Power Generation charge for their services."

—A review conducted by pension expert Jim Leech, 2014

"The vast majority of provincial hydro employees contribute less than a quarter of the cost of their defined benefit pensions. Four Crown corporations – and by extension hydro ratepayers – pay the rest of the freight, and are on the hook for any shortfalls."

—The Globe and Mail, Aug. 5, 2014

"For every \$1 Ontario Power Generation (OPG) employees put into their own pension fund, the OPG (through our electricity bills) chips in \$5."

—Toronto Sun, Aug. 10, 2014

## On the record...

"Whatever we do, we are going to control prices. We are going to make sure that the regulatory regimes that will protect people in this province stay in place." —Premier Kathleen Wynne, Mar. 10, 2015



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