

June 10, 2015

Minister Bob Chiarelli
Ministry of Energy
900 Bay Street, 4th Floor
Hearst Block
Toronto, ON M7A 2E1

Dear Honourable Minister Chiarelli,

With recent talks of wind farms in our region, the North Bay & District Chamber of Commerce is concerned that the government continues to enter into agreements for new contracts for renewable-power, while Ontario is losing large users to other areas in Northern U.S. and Quebec. This doesn't just include our region, but all over Ontario.

While the concept seemed appropriate years ago, there was never a solid business case and in fact there has been absolutely no increase to "Green Energy", rather just a shift from Hydro Electric Generation to Wind/Solar Generation.

Facts also state that for every job created in these high-cost renewable energy projects, there are two- four jobs lost in manufacturing and other sectors in Ontario.

The most recent Auditor General's report directed recommendations to the Ministry, the Independent Electricity System Operator, Hydro One and the Ontario Energy Board. They recommended that business cases be prepared before proceeding with any major projects in the future; that the structure and pricing of the TOU program be re-evaluated; that Hydro One improve its systems for dealing with ratepayer complaints about billing and metering issues; that the impact of the Global Adjustment on electricity bills be transparent to ratepayers, and that the limitations and options surrounding the provincial data centre be reassessed.

The Auditor General recommended that any future major initiative in the electricity sector is implemented cost-effectively and achieves its intended purposes, the Ministry of Energy should:

- conduct cost-benefit analysis or business cases prior to implementing an initiative to assess costs, benefits and risks;
- review the role of the Ontario Energy Board as an independent regulator when ministerial directives that impact electricity rates are issued;
- consider different scenarios or alternatives as part of the planning process to assess possible risks and uncertainties; and
- re-evaluate and update the implementation plan periodically to identify and respond to changing conditions and unforeseen events in the electricity market.



Between 2006 and 2013 the Global Adjustment costs, which businesses bear much of the burden for, are estimated to total \$50 billion. The large renewable green projects take priority on the grid when made, and as such, water is spilled at hydroelectric plants, and steam is vented at nuclear units, all at large costs. Simply put, we produce too much power at times, more than required.

This board questions why the government continues to enter into these renewable energy projects? Our supply is more than adequate; in fact we “sell” surplus to other jurisdictions. We were also made aware of concerns from our Chamber colleagues in Cochrane of their current NUGs contracts not being renewed putting people out of jobs in Northern Ontario (Cochrane Power – 30 positions – shut down May 11, 2015; Kirkland Lake and Iroquois Falls have similar operations for which we are very concerned).

As such the North Bay & District Chamber of Commerce approved a motion strongly recommending that the Province:

- Put a moratorium on any and all new renewable energy contracts immediately, in the province of Ontario;
- Do an appropriate cost/benefit analysis;
- Identify the current risks that energy costs have on current business and those that have relocated out of province;
- Devise a plan to ensure energy costs are competitive for business;
- Recognize that as businesses leave Ontario, the global adjustment still needs to be paid by the remaining businesses and residents of Ontario, yet is already unaffordable for many.

Thank you for your time and we look forward to a positive response.

Sincerely,

**NORTH BAY AND DISTRICT
CHAMBER OF COMMERCE**

Jake Lacourse
President

cc: Northern Ontario Municipalities
Northern Ontario Chambers
Ontario Chamber of Commerce
MPPs – Northeastern Ontario
Ontario Energy Board