

WINDSOR-ESSEX REGIONAL Chamber of Commerce

MEDIA RELEASE

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Windsor-Essex Regional Chamber and the Ontario Chamber of Commerce Call for Transparency on Implications of Hydro One Sale

Windsor, ON – The Windsor-Essex Regional Chamber of Commerce and a coalition of 33 Ontario Chambers of Commerce and Boards of Trade, has called on the Government of Ontario to provide transparent evidence and analysis that electricity prices will not increase as a result of the government's decision to sell off 60 percent of Hydro One.

“Rising electricity prices is a top concern for not just Windsor-Essex business but business across Ontario. It's putting us at a competitive disadvantage,” said Matt Marchand, President & CEO of the Windsor-Essex Regional Chamber of Commerce. “It is important to recognize that electricity represents a significant cost to employers and job creators. As the government moves forward with the sale of Hydro One, it is essential that it works to ensure that business operation in Ontario remains affordable by containing electricity costs.”

The Windsor-Essex Regional Chamber put out its Windsor-Essex Regional Energy Paper in March 2013. One of the key recommendations of the Paper was more transparency. The Paper is available online at www.windsor-essexchamber.org. Rising electricity costs were also addressed at the Windsor-Essex Regional Chamber's First-Ever Policy & Solutions Forum, held May 2014, which featured experts from Eastern Canada speaking and providing ideas. The actual presentations are available at www.windsor-essexchamber.org/event/windsor-essex-policy-forum/.

“The Windsor-Essex Regional Chamber is concerned with the rising cost structure of doing business in Ontario, the rising cost of power, introduction of the pensions, and cap and trade/carbon tax scheduled for approximately 2020. There have also been reports that Mexico, one of our competitors, is dropping the cost of electricity,” Marchand continued.

In a recent report by the OCC, Empowering Ontario, Ontario's chambers of commerce called for increased transparency around electricity and system cost drivers from the provincial government. The partial sale of Hydro One should be subject to a similar level of scrutiny.

In the short time since the release of the 2013 Long Term Energy Plan (LTEP), industrial electricity rates have increased by 16 percent, and will increase a further 13 percent over the next five years. According to a survey conducted by the OCC, one in twenty businesses will either shut their doors or move to another jurisdiction in the

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coming years due to these rising rates. The Government of Ontario needs to make certain that the cumulative burden on business operation in Ontario does not increase due to the partial sale of Hydro One.

“The Ontario Chamber Network is concerned that the sale of Hydro One could adversely affect the cost of doing business in the province by adding to the rising price of electricity,” said Marchand. “As such, we are seeking detailed clarification from the government on how the sale will impact electricity prices.”

Members of the Chamber Network, Boards of Trade and local businesses are joining efforts to highlight the concerns being felt by business owners across varied sectors and regions in Ontario. The Chamber Network looks forward to the provincial government joining these discussions in order to provide some clarity around the future competitiveness of Ontario’s electricity system.

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