

# Updated: Despite rebates, industry says hydro still too costly



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Bob Delaney, parliamentary assistant to the minister of energy, speaks at Enwin on Rhodes Drive to discuss the recently released Fair Hydro Plan, on March 16, 2017. *NICK BRANCACCIO / WINDSOR STAR*

Blame Essex County's sticky humid climate, and not just high hydro rates, for local greenhouse growers

fleeing Ontario for more southerly climates like Ohio, the province's parliamentary assistant to the minister of energy told reporters Thursday.

Bob Delaney (L — Mississauga-Streetsville) said he had met earlier in the day with local greenhouse growers and "they said part of what caused them to move were the high levels of humidity."

Asked to clarify, Delaney added that "electricity costs are (also) a factor."

Delaney and other government members, including Premier Kathleen Wynne, have been fanning out across the province to trumpet their new Fair Hydro Plan. It was implemented, after withering public complaints over skyrocketing electricity prices, to give average Ontario household and small-business customers a 25 per cent break on their hydro bills by the summer.

In introducing Delaney at a media event hosted by Enwin Utilities, CEO Helga Reidel made a point of explaining that only 20 per cent of a Windsor household's monthly bill relates to the local utility's operations and costs.

Reidel said almost half of the more than 122,000 queries handled last year by Enwin Utilities' call centre dealt with anger and fear over customers' high monthly hydro bills. More than 2,000 of Enwin's nearly 76,000 customers had to be provided some form of payment plan in 2016 to assist them with those costs, she added.

Participants at the earlier business session were surprised to learn Delaney was explaining humidity as a cause for local industry investing across the border.

"That's a misunderstanding," said Jim DiMenna, president and CEO of Red Sun Farms. "Humidity, that's not a deal breaker — the cost of energy is a deal breaker," he told the Star. Ohio is as humid as Essex County, he added.

Matt Marchand, president and CEO of the Windsor-Essex Regional Chamber of Commerce, said local business and industry is still waiting for answers from the province about what, if any, relief they can expect on their hydro bills. He said there's still been "no clarity" provided, for example, on whether greenhouse operations would be eligible for the rate relief currently being touted for Ontarians.

"We need help — this is scary for us," said DiMenna.

Marchand estimates that hydro bills in Ontario have gone up at least 350 per cent over the past 10 to 15 years for business and industry.

Standing in front of some Enwin Utilities trucks and speaking before an audience of Enwin employees, Delaney said high electricity costs are due to two key reasons:

- The need to invest more than \$50 billion in generation, transmission and distribution improvements after “decades of under-investment” by governments of all stripes.
- Elimination of Ontario’s coal-generated electricity and a switch to cleaner, renewable power.

Delaney said the \$50-billion deficit remains, but that the 25 per cent rebate is paid for in part by extending the repayment period for the hydro debt.

“The immediate relief is obviously welcome,” said Tecumseh Mayor Gary McNamara, who attended the announcement. “The last three or four years, all we’ve seen are increases, increases, increases,” he added.

Delaney said residential and small-business hydro consumers will start seeing the savings when their air-conditioning bills get delivered in the summer. As part of the plan, he added, rate increases from the province would be held to the rate of inflation over the next four years.

High power prices aside, Essex Powerlines CEO Ray Tracey advised Delaney that investment opportunities were being threatened due to the length of time it’s taking to increase the power supply to Kingsville and Leamington.

“We need to move at a faster pace, if we don’t, they (industrial customers) move,” he said.

Delaney said Ontario’s economy will benefit with a power grid that’s more reliable than that found in parts of the United States suffering occasional brownouts and blackouts because similar infrastructure upgrade investments aren’t being made.

But Marchand said Ontario businesses are making decisions to move now. “Once we lose an investment, it’s gone — we have to deal with the reality now,” he said.

Delaney said he “heard a lot about agricultural potential in Essex County” on his trip. Referring to the area’s opposition-party representation, but insisting

he wasn't being partisan, he said it was "the kind of feedback we have not been getting the last few years from this area."

Delaney wasn't able to answer some questions:

- Enwin bills have a separate line advising customers how much they're saving through a recently enacted eight per cent provincial rebate. Asked why there's no separate line for the new carbon tax the province began charging in January, Delaney said the Ontario Energy Board doesn't make that a requirement.
- Asked why the next Sunshine List (publishing the names of all Ontario civil servants earning over \$100,000) won't include Ontario Hydro employees (always the largest number with the highest-paid executives), Delaney said that's a question for the finance ministry.

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