

- ~ **30%-150%** higher electricity costs from new power generation
- ~ **30%** increase in administration costs for the electricity system in 1 year
- ~ **10.6%** increase in delivery costs in 2009-2010 (20%-25% in some areas)
- ~ **13.3% additional** increase in delivery costs in 2011
- ~ **33%-60%** increase in electricity during normal waking hours/week when smart meters come into effect
- ~ **8%** increase on bills when the HST is introduced next year
- ~ **5+**% increase for natural gas support payments
- ~ **5%** increase for conservation programs

**These costs are indicative, not exhaustive.**

- ~ **\$45** billion for new/refurbished resources
- ~ **\$10.2** billion for conservation demand management programs
- ~ **\$9+** billion for new/upgraded transmission infrastructure
- ~ **\$20** billion stranded debt
- ~ **\$2.3** billion for smart meters; **\$1.6** billion for the “smart grid”
- ~ **\$18 - \$46** billion cost to consumers as a result of the Green Energy Act - Plus resulting job losses

In addition, homeowners will be impacted by the higher rates paid by industry, business, and the farming community as well as the sector supported by taxpayers such as hospitals, schools, municipal and government offices and agencies.

We were promised lower prices resulting from greater competition in the electricity market.

We were told there would be less risk for Ontario consumers. Instead we have escalating rates that will impact every sector in the province and ultimately Ontario’s economic viability!

The promises of green energy jobs are highly overstated & will do little to offset the rising number of quality jobs lost from higher energy rates.

For more information view the expanded versions available on our website.



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**ADVOCATES FOR:**

- Cleaner Air
- Affordable Energy Rates
- Energy Supply Reliability
- Responsible Management of Energy Resources
- Preserving Economic Sustainability

# THE RISING COST OF POWER IN ONTARIO

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## RESIDENTIAL PERSPECTIVE

Major changes in the Ontario electricity sector during the past few years have caused price increases that are just now being felt. More recent changes will cause even greater cost hikes over the next few years. They include:

**THE GREEN ENERGY ACT**

**SMART METERS**

**PRIVATE POWER GENERATION CONTRACTS**

**HARMONIZED SALES TAX**

**COAL CLOSURE (REPLACEMENT WITH NATURAL GAS GENERATION)**

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- ~ HIGHER COST ~
  - ~ DECREASED RELIABILITY ~
  - ~ QUESTIONABLE ENVIRONMENTAL GAINS ~

## DID YOU KNOW?

- ~ The electricity you use represents less than ½ of the charges on your monthly bill?
- ~ On Nov. 1 you will pay 5.8 ¢/kWh for most electricity you use, 4% higher than last year and 17% higher since restructuring began in 2005.
- ~ These rates will rise to 8.0 - 9.3 ¢/kWh for waking weekday hours; 4.4 ¢/kWh nights & weekends when smart meters (Time of Use Pricing) comes into effect.
- ~ These rates change every 6 months, based on the actual costs paid to power producers.
- ~ 80% of generating resources are to be refurbished or replaced at 30% - 150% higher cost. Additional costs = \$25 Million/month just for the new resources installed in the past 2 years.
- ~ Price for new power - Wind @ 13.5 - 19¢/kWh; Solar @ 44.3 - 80.2¢/kWh (Compared to existing Coal @ 4.8 ¢/kWh; Hydro @ 3.3 - 4.8 ¢/kWh; Nuclear 4.95-6.3 ¢/kWh)
- ~ Natural gas-fired generation @ 10.0+ ¢/kWh is being installed to replace coal and to backup intermittent wind and solar power. “Support payments” to natural gas generators will cost \$775 million/year – adding 5% cost + higher electricity rates. Placement of natural gas-fired power in the GTA is neither economically nor environmentally prudent.
- ~ Government contracts with private power producers and set rates for renewable power guarantee a high rate of return at the ratepayers’ expense. Consumers are currently paying double the market price for power in order to pay what is owed.
- ~ Conservation/Demand Management (CDM) programs – i.e. Refrigerator Roundup, retrofit rebates, Peaksaver, Canadian Tire Gift Cards, etc are funded by ratepayers to the tune of \$10.2 Billion with overlap of programs and uncertain results.
- ~ Transmission and Delivery Costs (the 40% portion of your bill) will rise 25% over the next 2 years, some areas higher.
- ~ The Green Energy Act (GEA) is estimated to cost this province \$18 - \$46 BILLION over a 15 year period, plus job losses resulting from higher energy costs to industry, manufacturing and business.
- ~ Studies (U.S., Germany, Spain) indicate that jobs created in the renewable energy sector are essentially expensive, non-productive adding cost to consumers not benefit to the economy. The economies of these countries have suffered as a result of much higher energy costs, and erosion of industrial base as a result. A Spanish study suggests 2.2 jobs lost for each “green” job added.
- ~ New agencies will be created to facilitate the GEA, in addition to the \$3.5 billion/year spent on administration.
- ~ Revenue from all electricity bills in Ontario is \$13 Billion/year. The capital costs for new/refurbished power generation is expected to cost \$45.5 billion over 20 years, \$3 Billion/year. This requires an additional 25% more revenue each year.

