

## **COMMITTEE OF THE WHOLE – DECEMBER 7, 2010**

### **HYDRO RATES IN THE CITY OF VAUGHAN**

WHEREAS the City of Vaughan is part owner of PowerStream, the second largest municipally-owned electricity distribution system in Ontario;

AND WHEREAS hydro in the Province in Ontario is the fastest rising consumer necessity cost due to the size of renewable energy contracts, transmission infrastructure investments required to handle the renewable energy, the cost and implementation of smart metres, Hydro One acquisitions and the merging of rates;

AND WHEREAS current Hydro costs average 6.5 cents per kWh and the Province of Ontario is signing contracts to supply renewable energy power for as much as 80.2 cents per kWh;

AND WHEREAS increase in Hydro rates has been brought to Council's attention as a major concern by City of Vaughan residents and businesses;

AND WHEREAS other municipalities have adopted similar resolutions;

NOW THEREFORE Councillor Sandra Yeung Racco recommends as follows:

1. That the City of Vaughan request the Premier of Ontario and the Minister of Energy to remove the PST portion on the Hydro HST bill;
2. That the City of Vaughan request that the Premier of Ontario and the Minister of Energy ensure any increase in Hydro rates does not exceed the rate of inflation;
3. That the City of Vaughan request that the Premier of Ontario, the Minister of Energy and the Minister of Environment consult municipalities when drafting waste to energy policies and choosing the location for windmills; and
4. That a copy of this resolution be forwarded to the Premier of Ontario, the Minister of Energy, the Minister of Environment, the two local MPP's for Vaughan, the Association of Municipalities of Ontario (AMO) and the Municipal Taxpayer Advocacy Group.

### **Contribution to Sustainability**

N/A

### **Economic Impact**

N/A

### **Communications Plan**

The resolution will be forwarded as per the recommendation by the Clerks Department.

### **Purpose**

To endorse a motion on hydro rates, as requested by the Municipal Taxpayer Advocacy Group.

### **Background - Analysis and Options**

The Municipal Taxpayer Advocacy Group requested that all municipalities look at a motion they prepared regarding hydro rates in the Province of Ontario. In researching the motion, it was discovered that 17 municipalities in the Province of Ontario have already passed motions in relation to hydro rates, and many more municipalities agreed to look at the motion following the recent municipal election.

The Municipal Taxpayer Advocacy Group was established in October 2010 in order to work with municipal Councils across Canada to adopt best practices in financial management. The current priority project is rising hydro rates and the lack of a national waste to energy program that will eliminate the need for landfills.

In reviewing the motion presented by the Municipal Taxpayer Advocacy Group, it was felt that there is merit in the basis of the motion. As well, many residents and local businesses have brought forward the issue of rising hydro rates, and how these rising costs are having a severe impact on the day-to-day cost of living expenses of these residents and local businesses. Many residents, especially seniors, have voiced that they do not know how they will be able to continue to afford hydro if the costs continue to rise.

#### **Relationship to Vaughan Vision 2020**

A-2 Promote community safety, health and wellness

D-2 Develop internal/external collaborative solutions

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

#### **Regional Implications**

N/A

#### **Conclusion**

In response to rising hydro costs, it is recommended that Council adopt this resolution.

#### **Attachments**

None

#### **Report prepared by:**

Cindy Furfaro-Benning, Council Executive Assistant

Respectfully submitted,

Sandra Yeung Racco  
Councillor, Ward 4 (Thornhill/Concord)