

COMMITTEE OF THE WHOLE – OCTOBER 22, 2001

ONTARIO POWER GENERATION RATE INCREASE

Recommendation

Regional Councillor Michael Di Biase recommends:

That the attached resolution from the Municipality of Chatham-Kent be endorsed with the following amendments:

“Be it also resolved that the Province review the amount of the Ontario Hydro debt originally assigned to Hydro One as one of Ontario Hydro’s successor companies and consider the option of assigning an additional amount of the now stranded debt to Hydro One, thereby reducing the need for a general increase in the cost of power across the Province.”

And that a copy of the amended resolution be sent to the Honourable Michael Harris, Premier of Ontario, the Honourable Jim Flaherty, Minister of Finance, the Honourable Jim Wilson, Minister of Energy Science and Technology and Gregory Sorbara, MPP, Vaughan-King-Aurora.

Purpose

To support the resolution of the Municipality of Chatham-Kent and recognize the impact that this increase in the cost of power has on the economy.

Background - Analysis and Options

See attached Resolution.

Conclusion

Given the current economic trend, the Provincial Government should review the increase in the cost of power and consider other options.

Attachment

Resolution from the Municipality of Chatham-Kent

Respectfully submitted,

Regional Councillor Michael Di Biase

**RESOLUTION NUMBER 002-01
Municipality of Chatham-Kent**

ONTARIO POWER GENERATION RATE INCREASE

WHEREAS The Municipality of Chatham-Kent recognizes economic development as a priority issue for the continued growth and viability of this community;

AND WHEREAS Ontario industry has historically enjoyed the competitive advantage of an abundant supply of inexpensive power;

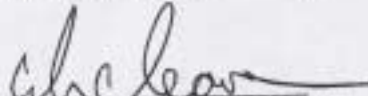
AND WHEREAS the Ministry of Energy, Science and Technology has approved a 0.7 cent per kilowatt-hour increase in energy costs to all Ontario energy providers to service the stranded debt of the former Ontario Hydro which was then passed on local business and residential customers;

AND WHEREAS the price hike will result in an approximate 10% increase in energy costs, this represents a significant rise in the operational costs of local businesses;

AND WHEREAS business and industry have requested assistance and relief from the said price increase;

NOW THEREFORE the Council of The Corporation of The Municipality of Chatham-Kent resolves to ask the Ontario Ministry of Energy Science & Technology to consider the economic implications of this drastic increase in order to pay down the debt left stranded by Ontario Hydro. Council also resolves to forward this Resolution to all members of the Association of the Municipalities of Ontario with a population of more than 50,000.

Enacted and passed this 27th day of August, 2001.


Acting Mayor, Councillor Weaver


Clerk - Brian W. Knott

