

# FONOM

The Federation of Northern Ontario Municipalities

March 8, 2015

Mr. Bob Delaney, Parliamentary Assistant  
Ministry of Energy  
4<sup>th</sup> Floor, Hearst Block  
900 Bay Street  
Toronto, Ontario M7A 2E1  
SENT VIA EMAIL:  
bdelaney.mpp@liberal.ola.org

Dear Mr. Delaney,

*Bob!*

On behalf of the Federation of Northern Ontario Municipalities (FONOM), we would like to express our sincere gratitude for meeting with our organization during the Ontario Good Roads Association (OGRA) / Rural Ontario Municipal Association (ROMA) on February 22, 2016.

During the meeting, FONOM expressed concern with the potential negative impacts of the Ontario Electricity Support Program (OESP) on Northern electricity users. The OESP, which came into effect on January 1, 2016, is an ongoing, on-bill rate assistance program for low-income electricity customers that is funded through a provincial charge.

While we recognize the need to provide support to low income individuals and families that are struggling to pay their electricity bills, there is concern that electricity users, particularly industrial users will be negatively impacted. The economy in Northern Ontario is dependent on industries that are heavy users of electricity and therefore, there was cause for concern that the program would offset the benefits received from the Northern Industrial Electricity Rate (NIER) program. At a time when energy prices are soaring and industries are struggling to remain competitive, removing any benefit obtained from the NIER program would only hinder their ability to compete further.

# FONOM

The Federation of Northern Ontario Municipalities

The information that you provided during the meeting in terms of the actual costs to energy users was very helpful. You stated that the NIER program provides rebates of two cents per kilowatt hour while the OESP will amount to 1/10<sup>th</sup> of one cent per kilowatt hour. We trust that this will be an accurate reflection of OESP costs to industries that operate in Northern Ontario.

Once again, thank you for meeting with our organization and we look forward to continuing to future discussions with you and the Ministry of Energy.

Sincerely,



Alan Spacek  
President

cc: Minister of Energy, Hon. Bob Chiarelli