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Don't undermine electricity conservation:

A draft report by the Ontario Energy Board wrongly recommends flat fees for electricity delivery, no matter how much electricity homeowners use.

Whether it's social engineering or a money-saving strategy, the Ontario government has spent years prodding homeowners to conserve the electricity they use. It's been a surprisingly successful effort.

But, as the Star's John Spears [reported this week](#), a new draft policy proposal from the Ontario Energy Board recommends a fixed monthly fee for all energy delivery – no matter how much electricity is actually used.

For a board that is supposed to represent the needs of consumers, that's a counterintuitive position. As its [website](#) says, the board is supposed to regulate Ontario's energy sector "in the public interest." In this case, though, apparently not.

Since the board's report contains proposals that are sympathetic to the needs of local utilities and not the energy-conserving consumer, it must find a new approach. The fixed-rate option should not be so quickly embraced.

As Spears reports, the proposal, contained in a draft report that was quietly passed around this spring, has created an uproar among advocacy groups.

They argue that such a change would increase the bills of those who work hard to conserve energy, while charging less to big users. "It's Robin Hood in reverse," says the Green Energy Coalition.

If adopted, the coalition warns, the proposals will "cause small customers (often with lower incomes) to subsidize large customers with higher peak demands." That's not right.

Nor is it good for the environment. There's a reason for the government's conservation push. Lower demand lessens the need for gas and nuclear energy plants. That, ultimately, produces less emissions and worrisome nuclear waste. Indeed, between 2005 and 2013, Ontario families and businesses reduced demand by an estimated 8.6 terawatt hours of electricity, enough to power a city the size of Mississauga.

To be clear, the proposals in question deal only with the portion of the bill that goes to local utilities, roughly 25 per cent of the total. Customers also pay for each kilowatt hour of energy used along with charges for Hydro One's transmission wires, debt retirement and administrative fees.

The report says most residential customers will see a fee increase of \$5 a month or less. But Hydro One, the province's biggest utility, doesn't agree. It says only 20 per cent of its customers would see an increase that low, while more than half would face higher fees.

Other utilities have argued that conservation programs decrease their revenue but don't diminish the cost of maintaining their network of wires poles and transformers. They say charging customers the fixed rate will deal with the regular maintenance costs. Fair enough.

But, when advocating on behalf of the utilities, there's no sign that the board followed its mandate and considered the consumer rights. And as Jack Gibbons of the [Ontario Clean Air Alliance](#) notes, the new proposals aren't necessary: "The utilities have been able to operate and be financially healthy for 100 years without a 100 per cent guaranteed revenue stream." That's a telling point.

It may be getting pressure from local utilities, but the board's current proposal — which has no clear timeline — doesn't help the conservation-minded consumer.

If fixed utility rates provide no incentive to turn out the lights when leaving a room, then Ontario's effort to reduce electricity use will be shortchanged.

The energy board, which represents consumers, must take its mandate seriously. Conservation should be rewarded.