



August 20, 2015

The Hon. Kathleen Wynne
Premier of the Province of Ontario
Legislative Building
Queen's Park
Toronto ON M7A 1A1

Dear Premier,

The Ontario Chamber of Commerce (OCC) and its network of 160 local chambers of commerce and boards of trade represent 60,000 businesses throughout the province.

On July 8, the OCC released the most widely consulted report in the history of the organization and our membership, *Empowering Ontario: Constraining Costs and Staying Competitive in the Electricity Market*. This report presents five recommendations that, when combined, will make Ontario's electricity system more competitive.

One issue that the report does not directly address is the upcoming sale of a portion of Hydro One. The OCC and its membership recognize that this bold step will allow the provincial government to pay down a portion of its stranded debt and make much needed investments in transportation infrastructure. Unlocking the value of government assets, such as Hydro One, could be a significant financial resource for the province.

While we are cautiously optimistic about the sale, there are details that have yet to be determined. **The Government of Ontario must ensure that any steps taken to pay down the debt do not adversely affect the cost of doing business in the province, including adding to the rising price of electricity.**

The price of electricity in Ontario is set to rise over the next two decades. In the short time since the release of the 2013 Long Term Energy Plan (LTEP), industrial electricity rates have increased by 16 percent, and will increase a further 13 percent over the next five years.

Rising electricity rates have been cited by our membership as a consistent problem that hinders businesses' ability to compete on a level playing field with our North American counterparts. According to OCC survey results, one in twenty businesses will either shut their doors or move to another jurisdiction in the coming years due to these rising rates.

One of the first recommendations in *Empowering Ontario* is to increase the transparency of electricity prices and system cost drivers. The cost of many elements of the electricity system are not disclosed to the public. This lack of transparency has resulted in reduced customer engagement and reduced confidence in the electricity market and its actors. We are concerned that similar issues will be prevalent throughout the partial sale of Hydro One.

As such, we are seeking clarity on how the sale will impact electricity prices moving forward. **The Government of Ontario should provide concrete evidence that electricity prices will not rise as a result of the sale.** Additional transparency and communication around the timelines of the initial public offering (IPO) and what it means for customers in communities across the province are also needed.

Increasing transparency is consistent with the values expressed in your government's 2014 Throne Speech. We commend the government for its commitment to making information easier to find, understand, and use, so that services and policies can be designed to better meet the needs of Ontarians.

As your government moves ahead with the sale, we strongly encourage you to engage with the business community. We are committed to being an active participant in any discussions about the future of Ontario's electricity system.

To get in touch, please contact Karl Baldauf, Vice-President, Policy and Government Relations at karlbaldauf@occ.ca or 647.888.2866.

Sincerely,



Allan O'Dette
President & Chief Executive Officer
Ontario Chamber of Commerce

Below follows the coalition of signatories that endorse our position.

Kathy McKay
Executive Director
Ajax-Pickering Board of Trade

Corey Bilton
President
Arthur & District Chamber of Commerce

Bill Saunders
Chief Executive Officer
Belleville & District Chamber of Commerce

Charlene Nicholson
Chief Executive Officer
Brantford-Brant Chamber of Commerce

Keith Hoey
President & CEO
Burlington Chamber of Commerce

Suzanne Doig
Office Manager, Member Services
Caledon Chamber of Commerce

Jackie Kavanagh
General Manager
Carleton Place & District Chamber of Commerce

G.A. (Gail) Bishop
President & Chief Executive Officer
Chatham-Kent Chamber of Commerce

Arend Kersten
Executive Director
Flamborough Chamber of Commerce

Joe Andrews
Acting Chair
Greater Dufferin Area Chamber of Commerce

Martin Sherris
Chief Executive Officer
Greater Kingston Chamber of Commerce

Mishka Balsom
President & Chief Executive Officer
Greater Niagara Chamber of Commerce

Bob Malcolmson
Chief Executive Officer
& General Manager
**Greater Oshawa Chamber
of Commerce**

Stuart Harrison
President & Chief Executive Officer
**Greater Peterborough Chamber of
Commerce**

Debbi Nicholson
President & Chief Executive Officer
**Greater Sudbury Chamber
of Commerce**

Rosemarie Jung
Chamber Manager
**Haliburton Highlands Chamber
of Commerce**

Kathleen Dills
General Manager
Halton Hills Chamber of Commerce

Gerry Macartney
Chief Executive Officer
London Chamber of Commerce

Sherry Boyce-Found
General Manager
Kawartha Chamber of Commerce

Sandy Martin
Executive Director
Milton Chamber of Commerce

Debra Scott
President & Chief Executive Officer
Newmarket Chamber of Commerce

Kevin Ward
President & Chief Executive Officer
**Northumberland Central Chamber
of Commerce**

John Sawyer
President
Oakville Chamber of Commerce

Peter Reesor
President & Chief Executive Officer
**Owen Sound & District Chamber
of Commerce**

Heather Murch
Manager, Member Services
**Parry Sound Area Chamber
of Commerce**

Bree Nixon
Chamber Manager
**Port Hope & District Chamber
of Commerce**

Michael McLeod
General Manager
**Prince Edward County Chamber
of Tourism and Commerce**

Suzanne Andrews
Manager
**Quinte West Chamber
of Commerce**

Rory Ring
Chief Executive Officer & President
**Sarnia Lambton Chamber
of Commerce**

Shelley Barich
General Manager
**Sault Ste. Marie Chamber
of Commerce**

Garry Lobsinger
General Manager
Stratford Chamber of Commerce

Suzanne Renken
Chief Executive Officer
**Tillsonburg District Chamber
of Commerce**

Kurt Bigeau
President
Timmins Chamber of Commerce

Harry Renaud
Executive Director
**Whitchurch Stouffville Chamber
of Commerce**

Matt Marchand
President & Chief Executive Officer
**Windsor-Essex Regional Chamber
of Commerce**

Martha Dennis
General Manager
**Woodstock District Chamber
of Commerce**

About the Ontario Chamber of Commerce

For more than a century, the Ontario Chamber of Commerce (OCC) has been the independent, non-partisan voice of Ontario business. Our mission is to support economic growth in Ontario by defending business priorities at Queen's Park on behalf of our network's diverse 60,000 members.

From innovative SMEs to established multi-national corporations and industry associations, the OCC is committed to working with our members to improve business competitiveness across all sectors. We represent local chambers of commerce and boards of trade in over 135 communities across Ontario, steering public policy conversations provincially and within local communities. Through our focused programs and services, we enable companies to grow at home and in export markets.

The OCC provides exclusive support, networking opportunities, and access to innovative insight and analysis for our members. Through our export programs, we have approved over 1,300 applications, and companies have reported results of over \$250 million in export sales.

The OCC is Ontario's business advocate.