



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**

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Matt Marchand  
President & Chief Executive Officer  
**Windsor-Essex Regional Chamber  
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Martha Dennis  
General Manager  
**Woodstock District Chamber  
of Commerce**

#### About the Ontario Chamber of Commerce

The Ontario Chamber of Commerce (OCC) is an independent, non-partisan business network. Our mission is to support economic growth in Ontario by advocating for pro-business policies and defending business priorities at Queen's Park.

For more than a century, the OCC has been providing our members with practical supports, advantageous network opportunities, and access to innovative insight and analysis. We represent local chambers of commerce and boards of trade from communities across Ontario.

Through this network we are the voice of 60,000 members that range from small businesses to major corporations and industry associations. Together, our members employ approximately two million people and produce nearly 17 percent of Ontario's GDP. The OCC is Ontario's business advocate.