

Diane Holt

From: David Boleneus <boleneus@gmail.com>
Sent: Thursday, April 26, 2018 5:08 PM
To: ccargill@washingtonpolicy.org; ROBCHASE; Zapotocky Family; Stevens County Assembly; Rene Holaday; Rich Loudenback; Jeff Tyler; Ben Wyborne; Dye, Rep. Mary; Matt.shea@leg.wa.gov; matt.manweller@leg.wa.gov; records@utc.wa.gov; Huey, Lorilyn (UTC); beckyk@spokesman.com; nadine@kxly.com; Diane Holt
Subject: FACT SHEET -- WHY STOP HYDRO ONE AND ONTARIO'S CONTROL OF AVISTA
Attachments: FACT SHEET WHY STOP HYDRO ONE AND ONTARIO CONTROL OF AVISTA.pdf

CASE NO: AVU-E-17-09 and AVU-B-17-05

Re: AVU-E-17-09 - AVISTA in Idaho UTC-- JOINT APPLICATION WITH HYDRO ONE LIMITED FOR APPROVAL OF PROPOSED MERGER AGREEMENT

To those concerned:

I have boiled down the list of complaints on this subject to a manageable length from my articles, Ppts., videos, talks and those of countless others while tracking historically, so impacts can be discussed and forecast. Much history is closely related to but came before HydroOne appeared at Avista's door so brief comments address.

I have just about "run out of gas" as we are getting little if any traction on this issue. This still resembles a Trojan Horse issue to me and wonder why Avista customers must be guinea pigs to this outfit that is so widely mistrusted in Ontario. Credibility in and from Ontario are a huge concern. The Ministry's Fair Hydro Plan, Round 1, Round 2, Cap-and-Trade stand out seemingly joins Avista to Ontario by the MPP's statement where UTC actions may be neutered. Now we have the Canadian utility's horse race to acquire US utilities with greatest dispatch for their green assets to avoid indulgence-paying.

This seems a nightmare but coming to our front door. Does anyone care, understand? We should all be puzzled as to why a few customers, not the principals, and not supposed informed reporters, must do all the research on this issue that should be the responsibility of important public announcements, disclosures, a Due Diligence or by Avista or Utility Commissions. HydroOne's privatizing immunizes, frees it from this responsibility. I believe these are serious questions: but can anyone answer my ramblings because it is obvious that a great deal of information remains undisclosed on this issue that I have only space to hint in the attachment?

This issue is not closed. It cannot be closed until what I request in this letter and actions reviewed in the attachment is/are resolved.

See attached PDF. Note bolded font items (p.2) and illustration (p. 3)

As far as I can see none of these items were addressed in any WUTC-Avista hearing, so any and all are welcome to broadcast, distribute.

It might be useful for the breakfast on Saturday or Friday or future Town Halls.

Use as you wish. WUTC hearings are coming next week in Othello and Colfax and sometime in Idaho, Montana.

Forward and Foreward

Regards to all

--

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FACT SHEET -- WHY STOP HYDRO ONE AND ONTARIO'S CONTROL OF AVISTA¹

Pre-2000 Ontario:

- Boasts the most advanced and efficient fleet of coal-fired electric generating fleet on continent.
- Ontario electric costs 1-2-3 cents per kwhr.
- Maurice Strong, Canadian, high school dropout...
 - Dreams up global warming idea, as CEO of Ontario Hydro, UN insider, Chairman of UN's Climate Summit in Rio de Janeiro to convince gov'ts. of climate change, end use of fossil fuels, claims climate catastrophe to facilitate global governance by UN; receives \$1 M kickback in Saddam Hussein's "Oil for Food" scandal; assists N. Korea's nuclear ambitions; Ontarians label him "Father of America's Destruction".
 - began re-organizing in 1990s; HydroOne created in 2002.
 - Creates Chicago Climate Exchange mentoring Barack Obama, Al Gore, a market for world to pay carbon indulgences; Barack Obama: "*under my plan electricity rates will necessarily skyrocket*".

Post-2000 Ontario: (Green Energy Act, "Round 1")

- Ontario politicians are terrified of Carbon Dioxide, so what do they do? Pass the Green Energy Act, 2009; codifies Maurice Strong's dream of global warming.
- Shuttle all coal plants, make huge expenditures for nuclear, yet convert to renewables while ignorant of cost.
- Electricity cost rising faster than anywhere in North America; off-peak rates, the cheapest rates, rose 149%-155% in 10 years about 8 times faster than the 17.8% rise in inflation; rates rose 25% just from 2015-2016.
- Sign 20-year energy deals that costs 400% more for wind and 1,000% more for solar, or \$37 billion above market-priced electricity and \$137 billion to 2032; Green Energy Act Round 1 total cost \$172 B.
- Guarantees renewables access to electric grid, pay \$135/mwhr, to produce electricity without limit.
- Build 237 wind farms (tens of thousands of wind turbines) on all shores of 4 Great Lakes bordering Ontario.
- 2017: So much electricity, dumping to New York, Quebec at 2% of cost; 98% paid by outraged Ontarians, by demonstrations.



Cost of "Green" is Energy Poverty in Ontario

- Joanna (Timmons, Ont.) expecting a new baby: It costs \$800 per month for electricity in her trailer home.
- 58,000 households disconnected due to high cost of electricity; disconnects grew 19% in 3 years.
- Disconnects by HydroOne continue just before Christmas as winter sets in.
- Rural Ontarians go "off-grid", using backyard generators, cook on BBQs.
- Dinelle's Grocery in Echo Bay shuts all refrigerated food section, coolers, freezers, as electricity costs too much to operate compressors; must close 2/3rds of store.
- Parents must choose: feed kids or pay electric bill.
- "Electric bill takes one-half of my monthly take-home pay".
- Mayor Lynn Watson (Echo Bay Ont.): "Seniors can't afford electricity; rates are killing small business".
- Dorothy Wynne (Moosonee, Ont.): "I need to count pennies to pay electric. We don't eat meat, fruits, turn off all the lights, for money to pay for electricity"; Customer: "my electric bill is \$880/mo even using only 3 rooms.
- United Way Exec. Dir. Francesca Dobbin: "*Disconnects are totally a crisis; HydroOne bills forcing families to abandon homes as electric is larger than mortgage; we had 3,000 cases of E. coli some years ago and that was a crisis, while Energy Minister says 58,000 disconnects are not a crisis*".
- 392,963 Ontarians in "electric arrears" with debt growing 40%; cannot afford to pay electric charges (2016).
- *Global adjustment charge* is 70% of electric bills (a convenient method to hide the real costs of Ontario's sweetheart renewable deals, closing coal plants); energy use & other fees 30% of bills.
- Ontarians overpaid \$37 billion in electric charges.

Why Not Hydro One:

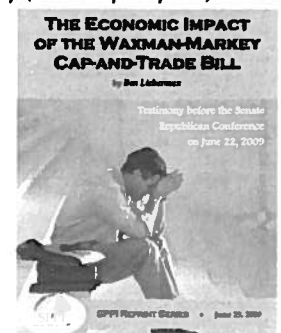
- Hydro One's electric in Ontario (2015) is 29.9 cents/ kwhr; 36 cents per kwhr (2016), 460% higher than Avista, 1500% higher than Douglas County or Chelan County PUDs 2.39 c/ kwhr, but is increasing rates \$289 more (2019).
- Hydro One's outages are 24% more frequent and 30% longer; charges more for systems in decline, is unresponsive to 10,000 customer complaints about high cost, is gaming the Energy Board to get more money, is inefficient with no incentive to become productive, its capital budgets are not benchmarked, and with cost overruns built into budgets.
- Its \$2.25 billion conservation effort is a waste of money (Fraser Institute), reducing CO2 only 0.0003%.

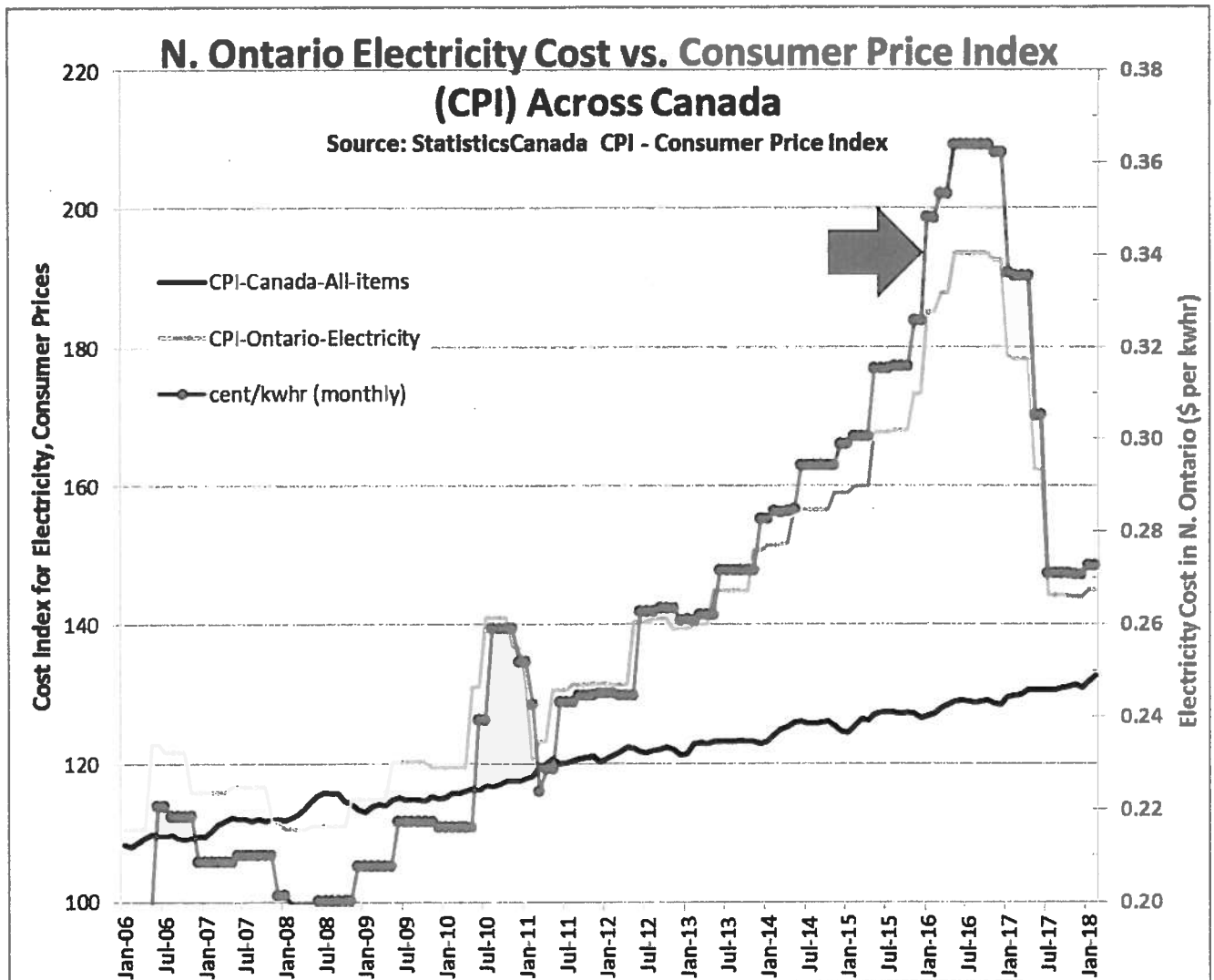
- Their distribution system is in considerable disrepair, least reliable in all of Canada's. Distribution is their business.
- Since 2015 a quasi-private company, shields them from FOIA requests, from investigations by watchdogs to resolve complaints and prevents Auditor General to conduct financial accountability.
- HydroOne run by promise-them-anything governments whose leader are focused on getting re-elected.
- Its Smart meter rollout cost \$2 B, is not working, with benefits unrealized.
- Developers knew—MPP says: “the smoking gun”—that to construct wind turbines in Chatham, 40 mi east of Detroit would contaminate nearby active wells². C-K farmer Marc St. Pierre: “toxic sludge water is only useful for bathing and toilets....there’s no way it’s safe to drink”³.



The Pain Accelerates – MPP says Ontario’s Green Energy Act, “Round 2” is Coming Here

- Cap-and-Trade (C&T) of carbon credits begins in earnest, 2016; a “sham” program, as it is only about “trading credits” and no concern for GHG emissions though so rhetorically-claimed by politicians.
- Force reducing GHG emissions by 80% below 1990 levels; acquiring Avista assures HydroOne meets 2020 target.
- Round 2 compels Canadian companies to raid U.S. utility companies seeking “clean power” sources to satisfy C&T.
- Acquisitions total \$88 B+ in two year period, including Avista at \$6.7 B; Ten more U.S. utilities remain as targets.
- HydroOne’s wooden nickel for Avista saves it \$8 B otherwise due to buy carbon credits from Chicago or other C.Exc. and they could now own 13 hydroelectric dams and 374,000 Avista customers to shield their misfortunes.
- **Member of Provincial Parliament (MPP) Daiene Vernile of Kitchener:** Ontario “will sell off 60% of HydroOne IPO, but maintain control” “control HydroOne’s board”, “appoint directors, maintain veto power, nominating authority to its subsidiaries”, “maintain regulatory control”, “set rates”, to “unlock assets to build Ontario’s infrastructure”⁴. Will Ontario set Avista’s rates?—She says so.
- **Energy Ministry (2017) Fair Hydro Plan.** Auditor General: this band-aid mirage of a plan reduces electric rates from 36 to 27 cents/kwhr at expense of future electric customers; it saves \$18.4 B today by borrowing \$21 B but cost could be \$30 B if interest rates rise, but future customers will pay \$11.6 B, an amount entirely unknown for the *save-now-pay-more-later* program⁵ (see illustration of electric rates).
- **HOW Cap-and-Trade damages people, whole economies, whole countries, and whole societies⁶:**
 - C&T forces electric rates higher, estimated to add Round 2 cost of \$3,247 per household in Ontario, not including cost of Canada-wide \$50/tonne tax on carbon dioxide, all of this added to Round 1 costs.
 - C&T costs are invisible, not seen on electric bills, camouflaged in higher costs of all consumer goods.
 - C&T is an illusion, a massive shell game, a massive energy tax in disguise.
 - C&T transfers important economic decisions from private to government, subordinates to Central Planning (i.e. Venezuela, Cuba, N. Korea, China, FSU).
 - C&T is all about artificial scarcity of fuels by government fiat, without considering supply and demand.
 - C&T (“Waxman-Markey C&T bill”) was rejected by U.S. Senate in 2009⁷ would add \$20,000/year per customer in energy costs, cause 1.14 million jobs lost per year, including green jobs, decrease GDP by \$393 B per year, and using EPA’s valuation of statistical life methodology result in 39,300 deaths per year, with larger rates of death in the high risk low income groups.
 - C&T increases energy costs: For each 10% reduction in GHG’s, it disproportionately reduces incomes by 10% for lower quartile earners; a reduction of 80% by 2050 in Ontario or 85% (Pres. Obama’s Clean Power Plan; UN’ Paris Agreement) will surely kill.
 - C&T harms energy security by eroding our ability to produce domestic energy, forcing importing fuels, causes job losses.
 - C&T forces the U.S. to forgo its current highest GDP, highest standard of living, highest life expectancy, increasing incomes, highest technological output, high agricultural out.... due to our large use of fossil fuels, but at what cost?
 - C&T produces no impact on climate, since CO2 is unrelated to temperature or climate.
 - Gov. Inslee wants C&T and Carbon taxes to create a “predictable climate” unaware that 70% of tax is a tax on air; Inslee’s book “Apollo Project” to re-engineer energy sources misrepresents climate with 29 errors in chapter 1.





**ARROW -- THE COST OF ELECTRICITY IN *HYDRO ONE'S*
TERRITORY IN CANADA at 36 cents/kwhr
IF *HYDRO ONE* TAKES OVER ---- THIS IS COMING TO WASHINGTON,
IDAHO, MONTANA, ALASKA, and OREGON**

¹ boleneus@gmail.com A more complete, more widely referenced report is available on request

² <https://www.wind-watch.org/news/2018/04/01/negative-impact-pile-driving-would-have-on-water-wells-in-north-c-k-cited-in-report/>

³ <https://stopthesethings.com/2018/03/29/ontarios-water-wars-wind-turbine-construction-turns-underground-water-to-toxic-sludge>

⁴ <https://www.youtube.com/watch?v=TALKLwaonfi>

⁵ <https://ep.probeinternational.org/2017/10/18/auditor-general-rips-into-the-fair-hydro-plan/>

⁶ <https://www.instituteforenergyresearch.org/studies/cap-and-trade-primer-eight-reasons-why-cap-and-trade-harms-the-economy-and-reduces-jobs/>

⁷ <http://scienceandpublicpolicy.org/commentaries-essays/commentaries/cap-and-trade-economic-impact>

