

# Unaffordable electricity coming to AVISTA in Washington, Idaho, Montana, Oregon, Alaska - April 20 2018

I read with interest Sterling Burnett's article entitled...CCW #283: Climate Policies Are Creating an Energy Crisis <https://www.heartland.org/about-us/who-we-are/h-sterling-burnett>

because this crisis is about to invade our local utility company, Avista Corp. Avista provides electric and gas in five states has agreed to be acquired by HydroOne of Ontario. Ontario's electric in the 1990s was like ours, about 3 to 4 cents per kilowatt hour, but not today.

There was an alert several years ago that Ontario's energy prices were skyrocketing to highest in North America but no one was listening. The reason is the Green Energy Act in Ontario passed in 2009 because their Parliament was terrified of carbon dioxide. Ontario's first step was to close all coal plants, the most advanced and efficient in North America, then they built 237 wind farms (but many, many thousands of 400-ft tall bird-chopping wind turbines), signed up Korean (mostly Samsung) wind and solar providers with 20-year sweetheart deals, almost unconditioned, then wasted on conservation. But the wind comes the wrong time of year or wrong time of day with turbines on all shores of 4 Great Lakes, so most wind energy must be dumped into nearby Provinces or New York at 2% of its cost. Round 2 of the Green Energy Act brings cap and trade that started last year. Cap and trade of carbon dioxide credits, a program rejected by the US Senate due to unaffordable cost, and a new carbon tax is now forcing Ontario and Canadian companies to buy US utilities, especially those with green energy facilities, as Avista's 1039 MW of hydroelectricity to meet cap and trade mandates that accelerate through 2050, with this single item cost estimated at more than \$3200 per month per household. The cross-border horse race to gobble up US companies totals \$88 billion since 2016, including purchase of Avista for \$6.7B, in acquisitions so far, but the Ontario Green Energy demands may be insatiable, unstoppable. Forbes. com article in 2017 identified at least 10 other possible acquisition targets.

This is a crisis for all of the United States, soon to suffer Ontario's fate, if not reversed, but is entirely unnecessary, self-inflicted pain in haste in a panic to blindly and without proof of concept to change to unaffordable and unusable and unreliable and unproven renewable energy and especially for customers of the current Avista because the old Avista customers will be paying electricity rates now paid by Ontarians using newly-priced power provided by Hydro One. The price of electricity of HydroOne's Ontario price rose from 29.9 cents in 2015 to 36 cents per kwhr in 2016 while Avista's is 6.8 to 7.8 cents (see chart; red=\$/kwhr; black&gray=electricity cost index). Compare electric to Canada's CPI on the chart. The 36 cent rate continued until the uproar from customers became so load in 2016 that the Energy Ministry began a rebate program to reduce the per kwhr cost to about 27 cents per kwhr, a rate still higher than anywhere in the United States. The money borrowed for the rebate program will soon come due, along with other costs forgone temporarily and will certainly increase the cost more had the rebate not been established and prices will again skyrocket, perhaps doubling again.

Customers in Ontario are already in ENERGY POVERTY. These true stories may be coming to the US. The fate of customers of Avista once they become a part of HydroOne will track identically with the folks in Ontario. In Ontario, 60,000 households have been disconnected because they couldn't pay electric. Monthly bills for a house trailer in Timmons Ont. cost Joanna's family \$800 per month. Parents weigh feeding the kids against paying electricity. Electric bills take 50% of a month's take home pay. Seniors in Moosonee, Ont. can't afford electricity, inflicted with energy poverty says United Way's exec. director. More than 239,000 HydroOne customers can no longer pay, their unpaid bills now in arrears of their electric bills so may soon become disconnects, with some disconnected coming as winter approached. This number approaches 10% of Northern Ontario's population, most rural, beyond reach of natural gas pipelines that reduce cost for space heating for homes nearer Toronto.

Complaints about cost go unanswered. Others have gone off the grid in Ontario forced to cook on barbeques and provide power from personal generators. Grocers, like Dinelle's Grocery in Echo Bay, Ont. says its Mayor, can no longer afford electricity for refrigeration and so no longer provide frozen or refrigerated goods. Hydro One's outages are 24% more frequent and 30% longer. Their distribution system is the worst condition in all of Canada's. Distribution of power is their major business line.

The Parliament in Canada despite it owns only a part of HydroOne promises to control all of HydroOne's boards, of its subsidiaries, its regulation, and its rate setting, says MPP Daiene Vernile of Kitchener Center, Ont. on YouTube. They will own it all once Avista is sold. What's there to stop them? The Utility Commissions will be neutered. Ontario's Green Energy Act will reign. But since HydroOne is quasi-private it can ignore FOIA requests, audits by Ontario regulators, and watchdog inquiries, the source of these reports. Laws in Canada are quite unequal to US laws. The only positive aspect is the new US tax law may convince Canadians to become US companies to lower taxes.

People have been complacent and trusting of electric supply too long. Only a few sound the warnings. The HydroOne invasion must be stopped before the Trojan Horse invades our electric grid. Once Avista is captured, HydroOne will identify others to pick off, to feed a renewable power supply hunger, Douglas County, Chelan County PUDs, cheapest in US at 2.3 cents/kwhr, Kootenai, Northern Lights, Inland P&L, Modern, Vera....

There are other problems with Ontario's electric bills never experienced or anticipated in the U.S. It's called the *global adjustment factor*, an arbitrary cost added due to the cost of the sweetheart deals to Korean generators of 400% for wind to 1,000% for solar PV above otherwise available competitive, procurable prices for electricity, unlimited access to the electric grid, no limit on producing electricity, needed or otherwise, dismantling coal plants, mismanagement by Ontario's Energy Ministry, and conservation efforts. *The global adjustment triples the cost on electric bills over the cost of electric use.* If the cost, for example is 27 cents, the total bill is tripled after the global adjustment is added to 27 cents X 3=81 cents per kwhr. That's 10.3 times higher than Avista's rate, so your Avista monthly \$100 electric bill could grow to \$810 per month. No one really knows what the future brings, however. The rebate program may eventually add another \$70,000 to each household's electric bill.

Furthermore, the Sierra Club is forcing Avista to close its #3&4 coal-electric plants in Montana, a source of 1/3<sup>rd</sup> of Avista customer's supply of electricity. The Sierra Club has already succeeded to force Avista's #1&2 coal-electric plants to close at the same site. These actions jeopardize a once-reliable electric supply and lacking of any benefit. Why should the Sierra Club located on the east coast force such changes when they don't pay our electric bills or need that supply? Coal, like nuclear plants provide the greatest security of any energy supply. An Obama era Dept. of Energy official, apparently not an Obama fan, said that coal and nuclear plants are unmatched in their ability to generate reliable electricity under all circumstances, but these plants are being retired at an alarming rate due to Obama-era punitive regulations, low cost natural gas and mandates for unproven renewables. Renewable systems have proven themselves unable to provide electricity when their systems are stressed, or as in Washington which relies on other power sources—hydroelectric—which seamlessly and invisibly provides full time backup when the wind turbines take their many one-week and two-week-long rest breaks.

Most of these stories are published at Energy Probe International, Consumer Policy Institute in Toronto or stopthesethings.com or YouTube. This is a region issue that I have followed since August and have presented to audiences several times, recorded on YouTube, written to Commissions in 3 states, a town hall last week, with another town hall coming next week. I have done all possible by one person. I can present more town hall meetings or your office. I am available to tell what's coming. I have a comprehensive list of references if you are interested. I can send. Democrats won't listen to my

story, nor will the local newspaper. They think renewable energy is great, the answer, but those installations already show their failings, as already proven by the Wind turbine system experience in Washington as I have testified before Sen Judith Warnick's Committee on Trade and Environment. The truth I speak of is now the mainstream experience proven in Ontario.

One thing is certain if the HydroOne deal is complete. Avista's CEO Scott Morris's payoff is nearly \$10 million. I can only conclude that he welcomes a nightmare upon us.

All Avista customers need your help. **Testify against and to oppose HydroOne.** Help get the word out. Here is the web address for Washington Utilities and Transportation Commission. **Write to them to object to HydroOne acquiring Avista** – <https://www.utc.wa.gov/contactUs/Pages/EnergyStaffContacts.aspx>  
 David Boleneus Geologist, LG LHG Spokane WA tel. 509-468-9062

**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...**

