

North Bay Taxpayers' Association

June 28, 2017

FOR IMMEDIATE RELEASE

OEB complaint – June 28, 2017

The North Bay Taxpayers' Association has initiated a complaint at the Ontario Energy Board (OEB) concerning the OEB's policy which allows North Bay Hydro (Hydro) and other provincial electricity suppliers to add a return on equity and deemed interest to customers' delivery charges.

This policy results in Hydro customers overpaying for the electricity delivery services provided by Hydro and generates taxable income which is taxed at an effective rate of 36%.

The Board of North Bay Hydro which is comprised of the Mayor and council members have used this policy for over a decade with has resulted in millions of dollars in payments by taxpayers for income taxes. The Mayor and council followed this practice even though it was in complete violation of the shareholder's agreement that has been in effect since Hydro was formed.

The Taxpayers' Association exposed this egregious waste of taxpayers' money and violation of the shareholder's agreement as early as 2010 and also made a presentation to the Chamber of Commerce in 2012. Those presentations and the many that followed were denied and virtually ignored. Recently, an amendment to the North Bay Hydro shareholders' agreement was passed in council which allowed Council to continue to instruct North Bay Hydro to overcharge for the delivery of electricity.

In other words, rather than following their own rules established by previous councils and by the Hydro shareholder's agreement, they changed the rules to continue to force hydro bills ever higher at a cost of millions of dollars to Hydro customers who are exclusively North Bay taxpayers. This lack of transparency is exacerbated by the fact that members of the public and press are banned from Hydro board meetings.

The wording of the OEB complaint can be seen on the North Bay Taxpayers' website:

<http://nbtaxpayers.ca/press-releases/>

Please contact the Mayor and council members and ask them to reverse this costly practice.