

DoKURA NEWS

Fall/Winter, 2021

Welcome to the Fall/Winter 2021 newsletter for DoKURA (The District of Kenora Unincorporated Areas Ratepayers Association). Over the past few months the association's directors have been busy tracking several issues that impact the non-municipal areas of the region.

Property Assessments

For the 2022 and 2023 tax years, the assessed values used to calculate the Provincial Land Tax (PLT) will remain unchanged. The government has prioritized stability for property taxpayers and municipalities. The valuation date that was used in 2021 (January 1, 2016) will remain in effect.

In 2021, the PLT rates per \$100,000 of assessed value were \$250 for residential properties and \$300 for commercial and industrial properties. These amounts will not change as the maximum rates outlined in the 2017 PLT Review have been achieved.

Electricity Increases Modest for Now

November 1 brought homeowners semi-annual changes in their monthly bills. The good news for most is there will only be modest changes for the balance of this year. The Ontario Energy Board, which approves rates for delivery and sets the rate for the province's Regulated Price Plan that covers most consumers, left the per kwh rates for both time-of-use and tiered consumption unchanged from the summer.

There was the seasonal flip for when mid-peak and on-peak rates are charged from mid-day to mornings and late afternoons, and the standard summer/winter change in the tiered rate threshold, but this will generally only result in minor changes in total bills.

The Ontario Energy Rebate amount has been reduced, from 18.9% to 17% of the pre-tax subtotal on bills, in line with the program's policy of allowing average home electricity costs to rise with average inflation increases.

Overall, these changes translate into an increase of just over \$3 (Residential) and \$4 (Seasonal) for a monthly bill for 1,000 kwh.

Hydro One bill increases for 1,000 kwh using the OEB bill calculator and Time-of-Use rates

	<u>Oct 2021</u>	<u>Nov 2021</u>
R2	\$159.15	\$162.37
Seasonal	\$211.30	\$215.57

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The big change in rural electricity rates is related to the phase out of Hydro One's seasonal customer class. This has now been set to begin in January 2023, with new, higher monthly fixed distribution rates phased in over a multi-year period at a maximum 10% impact per year. For some, this could mean an 8-10 year phase-in period. For others a much shorter time frame is anticipated.

A rate order for Hydro One's delivery rate increase for 2022 was still pending as of late November. Based on the applied for changes, there should be no change in bills for year-round customers as the province's Distribution Rate Protection (DRP) program remains capped at a maximum \$36.86 for basic monthly distribution charges until July 2022.

For Seasonal customers not covered by the DRP, an applied for \$7 monthly increase in the fixed portion of the basic charge will be offset by a 1.33 cent per kwh reduction in the per kwh portion of the distribution charge. As a result, those using over 550 kwh a month will actually see a modest reduction in total distribution charges in 2022.

Broadband Advocacy - The Year in Review

We have been working on your behalf to determine how every resident in our catchment area will have access to high-speed internet at reasonable installation cost and monthly rates comparable to other jurisdictions. In late 2020, members of the board began to review the current state of internet accessibility. We identified a need to secure government investments to improve service and looked into applying for the Federal Government's Universal Broadband Fund (UBF). Realizing that the requirements were beyond the scope of a non-profit, volunteer run organization, we engaged the Kenora District Services Board (KDSB) and actively supported their application to the Rapid Response Stream of the UBF. As a result, KDSB was able to secure \$4.9 million to connect as many as 3,000 homes across the region to the Starlink satellite service. The funding was announced in June of 2021.

Early in 2021, we canvassed area residents and received anecdotal feedback that supported our belief that the unincorporated area is underserved. As part of the Starlink project the KDSB identified 1,000 households with no access to internet service and another 2,000 with limited or low-speed access. There is no doubt many more. We also made a presentation to the Ontario Ministry of Finance Budget Consultations via Zoom on January 29th, 2021.

In early May, we participated in the Broadband NOW webinar. The area represented by DoKURA was featured as one of the case studies. The issue of Public Private Partnerships (P3) applicability for broadband expansion was the key topic of discussion.

Following the webinar, we reached out to both Bell and Tbaytel. We have had ongoing discussions with both telcos around opportunities to enhance and improve service.

The Province of Ontario recently announced that the Ontario Connects process will involve "auctioning off" government funding to focus on underserved areas of the province. We are currently advocating on behalf of Kenora District unincorporated residents to ensure this area is recognized as under-served. Service expansion and improvement in this region must be a priority. This has been communicated to our MPP, Greg Rickford and our MP, Eric Melillo.

The Kenora District does not have capacity similar to many rural areas in Ontario, since we do not have large population centres. Our municipalities are smaller and do not have the same capital capability to invest in internet infrastructure. The volume of business, due to low population densities, is not there to draw internet service similar to Southern Ontario. We must work with government to provide support for internet infrastructure. The unincorporated areas may have to seek partnerships with municipalities and First Nation communities to create the business case to move forward. These partnerships would permit us to take advantage of internet infrastructure being put in place by telcos. In addition, we must press on internet service providers with respect to existing infrastructure that is not being maintained. These issues will be our priority for the near term.

Ontario Broadband Strategy

On December 1, the Ministry of Infrastructure announced the next steps in Ontario's nearly \$4 billion plan to connect all Ontario residents to high-speed internet by 2025. Infrastructure Ontario (IO) has posted its Request for Proposal (RFP) document and the next steps for allowing pre-qualified Internet Service Providers (ISPs) to bid on broadband projects. Ontario's plan includes significant provincial funding for internet and cellular connectivity projects as well as measures to expedite deployment of broadband technologies.

Prequalified ISPs will be able to submit plans through a RFP to IO. Subsequently, the ISPs will also bid on predetermined areas for their projects through a "Reverse Auction" to propose project costs (continued...)

Ontario Broadband Strategy (continued from page 1)

and needed provincial funding to connect designated areas. It is anticipated that projects will begin implementation in Spring 2022.

The Ministry will be hosting a webinar in early 2022 on the Statement of Intent and the Guideline. We will review the list of prequalified ISPs and plans to ensure that there are projects within the District of Kenora unincorporated area.

Energy and Climate Change

Canada is clearly intent on reducing Greenhouse Gas (GHG) emissions given the new Trudeau government plans and recent statements made at the Glasgow climate change summit in November 2021.

The effects of government action will impact rural residents more than city dwellers without the dampening effect of transition policies that will likely be more available in densely populated urban communities. Increased demand for electric powered vehicles and a changeover to electric heating will tax the capacity of electricity suppliers such as HydroOne.

Residents of the District of Kenora Unincorporated Areas Ratepayers Association (DoKURA) are already feeling the effect of energy costs with recent gasoline and propane price increases. Further increases are anticipated in 2022 as industrial and consumer demand for energy increase and industry gas and oil exploration struggle in an environment where capital availability and government policy slow production.

U.S. propane prices are forecast to go up by 200%, in some locations, by the end of 2022. While residential propane in 2021 will remain fairly stable in DoKURA territory due to forward buying by suppliers, consumers without fixed price contracts for the season may feel the pinch this winter. It is next year when sticker shock could appear. To some degree this will apply to natural gas users as well.

We see countries such as Holland moving to ground source geothermal heat and other low, or no, GHG effect energy consumption. Use of methane hydrogen on a pilot basis are excellent initiatives in locations where there are densely populated communities in moderate climate zones. This is not the case in rural Canada including DoKURA. We are thinly populated, widely distributed and our choices of energy for heat are few. Propane, electricity and wood are about the extent of home heating alternatives. Natural gas is available in some municipalities.

Geothermal heat is limited on the Canadian Shield. Drilling into bedrock is expensive. If you are lucky enough to live next to a lake, the cost of using lake-based energy will be \$30,000, or more, to move away from fossil fuels. Support programs are not in place.

Public transportation is scant and our travel distances are long thus we will be hit harder by gasoline prices that are forecast to rise to as much as \$2.00/litre in 2022.

We must be sure that, in the rush of governments to price carbon, push back on fossil fuel exploration and production and move Canada to non-polluting energy sources, rural areas are not priced into poverty.

Governments should reflect on the fact that rural Canada, particularly the DoKURA area, are stewards of carbon sinks with First Nations. Our wood products are much more environmentally appropriate than steel or concrete. Careful forest harvesting takes up carbon as forests grow and diminishes the risk of forest fires. Diesel and gasoline remain the essential input to forest work. Can forest companies manage higher prices and other carbon charges?

Tourism is a "light hand" on natural resources. It generates economic activity with limited impact on the land, water or forests. It is central to DoKURA's economic base. (continued...)

Energy and Climate Change (continued from page 3)

Home heating cost, fuel prices for personal and industrial use and programs to switch to non-fossil fuel use must accommodate and support rural Canadians, too. Action is necessary now because new Federal direction is underway.

This means that DoKURA, local governments and consumers must rally together with a collective approach to ensuring there are policies and programs to ensure rural residents, businesses and public services have access to energy at a fair rate compared to urban areas.

It is our intention to lead the way by ensuring that political leaders are aware of the concerns of rural and remote residents. We will press for transition policies that work. In addition, we will seek partners across Canada to help press our case. We need to reach out to other rural areas across Canada for common cause.

The prospect of change can be measured in months, not years, for fair access to energy in a time of immense shifts in production, sources and price. We must be at the forefront of change. Solutions will vary based on geography but a federal and provincial focus on rural areas is essential to ensure that we are not priced out of existence.

Annual General Meeting

DoKURA conducted its Annual General Meeting (AGM) on September 9, 2021. In addition to the regular business of the board, reports were tabled on recent activities of the Board of Directors including participation on the Kenora District Services Board (KDSB) and the All Nations Health Partners committee, as well as broadband advocacy efforts. Henry Wall also delivered a presentation on the services provided to unincorporated residents by the KDSB.

The DoKURA Board of Directors and Officers for the Sept 2021 – Sept 2022 term are:

Officers

President – Vacant

Past-President – Jack McKenzie (to 2023)

Vice-President – Ed Murray (to 2022)

Treasurer – Irene Kember (to 2023)

Secretary – Barry Baltessen (2022)

Directors at large

Ken Bracken – Lake of the Woods South (to 2022)

Dennis Wallace – Lake of the Woods South (to 2022)

Robert Wares – Lake of the Woods North (to 2023)

Kenora District Service Board TWOMO representatives

Ed Murray – Oxdrift (to Dec 2022)

Barry Baltessen – Lake of the Woods North (to Dec 2022)

Mark Sobchuk – Lac Seul (to Dec 2022)

Bob Stewart – Lake of the Woods South (to Dec 2022)

Details regarding the AGM, which would include our year end financial statement, are available on our [website](#).

Involvement on the Board of Directors

We are looking for additional people to serve on our board. If you are passionate about the needs of residents living in the unincorporated territory within the District of Kenora, this is a great opportunity to learn more about the issues and add your knowledge and expertise to assist with our advocacy efforts. Individuals with expertise in the area of broadband/cell service, electricity rates and service or climate change and its impacts would be especially helpful. There will be an election in 2022 for the four unincorporated area representatives on the KDSB.

Individuals and organizations can also support DoKURA through donations. DoKURA has no membership fee and does not receive funds from the government. Keeping people in unincorporated areas informed of the issues that impact them is a challenge. If you are receiving this newsletter on behalf of a group or organization, please assist us by making a voluntary contribution and/or distribute our newsletter to your members or have them contact us to be added to our email distribution list.

Check out our website at dokura.com

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