

LETTER TO THE EDITOR

Karen Howlett's October 1st article "Energy firms guaranteed revenue in sweetheart deals with Ontario" is not only inaccurate, it demonstrates a serious misunderstanding about how Ontario's energy system functions. The Globe has compounded the problem by repeating its mistakes in the October 3rd article "Opposition to compel McGuinty, Ministers to testify in power plant probe".

The energy contracts she writes about are capacity contracts. The real story is that they are standard operating procedure in the energy industry not just in Ontario, but around the world. To put it simply, signing a capacity contract is the way electricity planners and operators everywhere ensure that they have enough power to keep the lights on when demand rises and falls every day.

They aren't sneaky, sweetheart deals as the story suggests. In fact, capacity contracts are a matter of public record. The idea that these are cushy contracts is just plain wrong, considering companies had to compete in an open RFP process to get them.

We found it particularly interesting that the Globe suggested the process has been "shrouded in secrecy" when the template contracts are publicly available on the Ontario Power Authority website.

Ontario's energy companies are world-leading organizations that provide essential services to Ontarians in a highly politicized environment. It's unfortunate when misinformation, like what we saw in these articles, makes their job even more difficult.

A bit of homework would have resulted in better information for your readers.

Elise Herzig, President and CEO, Ontario Energy Association