

**Electricity Review Process**

Mr Speaker, today I would like to highlight the progress this government has made toward reducing the cost of living in the Northwest Territories. Reducing the cost of living, and in particular energy costs, is a key priority of this Government's strategic plan.

On December 1, 2010 lower electricity rates were implemented in many of our Northwest Territories communities. The electricity rates in the thermal community zone are now approximately 40 cents per kilowatt hour for businesses and 47 cents per kilowatt hour for residents. These rates are far different from the previous rates that ranged from 50 cents up to over \$2 per kilowatt hour. Also effective December 1, 2010 was an increase in the threshold of the Territorial Power Subsidy Program from 700 kilowatt hours per month to 1,000 kilowatt hours per month during the winter. This change was aimed at families. Lower electricity rates and support for families will significantly lower the cost of living and help us to reach this Assembly's goal of creating sustainable, vibrant communities.

Two years ago we embarked on a review of electricity rates, regulations and subsidy programs in the Northwest Territories.

Mr. Speaker, through extensive public consultation we heard about the challenges faced by Northwest Territories families and businesses in small communities. We know these challenges are real and we know that this government wanted to make a real change.

The Public Utilities Board provided the Government of the Northwest Territories with some recommendations to improve the Electricity Rate Policy Guidelines before the rates can be finalized. I am pleased to inform this Assembly that today I have issued these revised Guidelines to the Board. The Public Utilities Board will now undertake a brief process to finalize the electricity rates established on December 1, 2010 and this will be the final technical step in establishing new electricity rates.

This new approach to our electricity system was the result of the collective efforts of many. I would like to thank all of the Members of this Assembly who, through the Standing Committee on Priorities and Planning, have been extensively involved in this effort from the beginning. We had a great deal of discussion and debate, and I feel we can all be proud of the fundamental change that has been brought to the Northwest Territories electricity system.

I would also like to thank the Northwest Territories Power Corporation, Northland Utilities Limited, the Public Utilities Board, the Northwest Territories Association of Communities and all of the community governments that participated in the review.

If anyone has any doubt of the impact this change will bring across the Northwest Territories, I have in my hand a recent electricity bill for the Nahanni Butte General Store. From December 22, 2010 to January 4<sup>th</sup>, 2011 the store used 2,468 kilowatts of electricity, for a total charge, including GST of \$1,156.80. This is a savings of \$4,343.20. Before the change in electricity rates, this bill would have been well over \$5,500. Mr. Speaker, the Government of the Northwest Territories will work with businesses to ensure that reduced costs for business will lead to lower prices for consumers overall.

Going forward, there is still more work to do as we strive for continual improvement within our electricity system. I am confident we will be able to address any challenges that lie ahead as we work together to continue to lower the cost of living for our Northwest Territories residents.

Thank you, Mr. Speaker.