

# RESPONSE TO PETITION



EXECUTIVE COUNCIL

Petition tabled by Mr. Ningark on February 21, 1995

Response by the Honourable Nellie Cournoyea  
Minister Responsible for the NWT Power Corporation

## TALOYOAK PROTEST OVER PROPOSED POWER RATE INCREASE

To make the price of electricity fair to all customers, and reflect the actual costs of delivering the service in 54 locations, the NWT Power Corporation is engaged in an extensive review of costs and rates as directed by the NWT Public Utilities Board..

This is required because much of the Corporation's current rates were inherited from the old Northern Canada Power Commission and they do not reflect the cost of providing power on a community basis.

Depending on the option selected, various communities and customer groups would see prices go up or down over a period of time. The Corporation is favouring an option which would set rates for each individual community based on the true cost of delivering the service. Public opinion so far has indicated that regional, or subsidized pricing, is not an acceptable approach.

Currently the community of Taloyoak pays 82% of the costs of providing its power. Within the community, various customer classes pay the following percentages of the cost of providing them with power:

- non-government domestic 20%
- government domestic 87%
- commercial non-government 62%
- commercial government 96%
- street lights .5%

In order to increase the rates of the various classes so that they recover the full cost of providing power, the service rates need to increase by 80%, 13%, 38%, 4%, and 195% respectively.

The Corporation's proposal covering the period April 1, 1995, to March 31, 1996, and April 1, 1996, to March 31, 1997, is to increase non-government domestic and commercial rates and street lights by 10% each year. These increases will still leave the rates well below the cost of providing the service.

Power users in Taloyoak and everywhere else can often do much to reduce consumption in their own homes and businesses. This will help reduce their power bill. They can also have their concerns heard by contacting the NWT Public Utilities Board.



