AFTERNOON MEDIA SCAN: CAP AND TRADE

January 3, 2017

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CFTO: *WEB POLL RESULTS ON CARBON PRICING (2017.01.03)*
Source: CFTO
Jan 3, 2017 12: 44 PM (15)

Anchor: Yesterday on the web poll, we were asking you if you're in favour of carbon pricing, this because of the jump in the price of gasoline at the pumps; 88% said no.

***MCTV –** GAS PRICES UP WITH CAP-AND-TRADE PLAN TO FIGHT GREENHOUSE GASES (2017.01.03)*

Source: MCTV
Jan 2, 2017 11: 36 PM (6)

Sean: The new year is upon us and so are higher gas line prices. The prices jumped late last week and up around 116 per litre in Sudbury. That's up 10-cents from mid December. There's a number of factors including weaker Canadian dollar and anticipation of the OPEC production cut backs and 5 percent is new climate change put in by the Wynne government. Drivers across the northeast are feeling the impact of the provincial government's cap and trade program. As Joey Slattery reports some are saying the gas hike is forcing them to cut back on vehicle use.

Reporter: Although the rise in fuel prices was expected this college student says the reality of its impact didn't set in until he hit the pumps on Sunday.

Ryan Turgeon, unhappy with gas prices: When I went to gas up, I did notice. I was shocked. With gas as much as it is, it's a pinch on the pocket when you don't have much to begin with.

Reporter: When it comes to efforts of protecting the environment he says he understands the importance but isn't found of the soaring prices.

Ryan Turgeon: I just don't know why all of a sudden we have to have a jump right now as much as it is. Why wasn't this done more gradual over time? It's so much all at once a lot easier to swallow and all of a sudden kind of a big thing.

Reporter: Most people we spoke with share his feelings and one man says the hike in North Bay was easier to handle when compared to his home further north.

Mike Carpenter, from Attawapiskat: I'm from Attawapiskat and the gas price right now up there is I believe around $1.60, $1.80 a litre so price increase here doesn't really bother me that much.

Reporter: with prices expecting to keep rising, he expects to be making better use of public transit.

Ryan Turgeon: I may take the bus a bit more. I'm a student at the college and I take it to go there and back and I drive around town. Now with gas the price it is, I may take the bus around town a bit more.

Reporter: Others I spoke to off camera says the prizes pricing with affect the driving as well as recreational fun and one says it will be fewer and shorter trips this winter. Joey Slattery CTV news North Bay.

Transcript captured directly from source. Some typographical errors or omissions are to be expected.

***CKCO** – NEW PROVINCIAL CAP-AND-TRADE POLICY BLAMED FOR GAS PRICE INCREASE (2017.01.03)*

Source: CKCO
Jan 3, 2017 12: 08 PM (8)

Anchor: Well we knew it was coming but that doesn't make it any easier for motorists pulling up to the pumps. The Ontario government's new cap-and-trade policy is getting the blame for the 4-cent price hike.

Unidentified 1: The cap-and-trade is really a carbon tax and what it does is taxes refiners, anybody who produces and in the process of producing whatever product they're emitting Co2 which is carbon-dioxide.

Unidentified 2: I don't think that's fair. You know what I mean? Especially compared to the States and you know how much they're paying Conversion per gallon which is like when you to the conversion to litres, I mean it is pretty overwhelming what we have to deal with here.

Anchor: The Ministry of Energy points to third party economic experts who say cap-and-trade is cost-effective and best at reducing emissions when compared directly to a carbon tax. Oil and gas analysts say this could be just the beginning. If the federal government brings in a carbon tax the price could jump even more.

Transcript captured directly from source. Some typographical errors or omissions are to be expected.

***CJOH:** Cap and Trade policy causing price hike at gas pumps (2017.01.03)*
Source: CJOH
Jan 3, 2017 12: 12 PM (15)

Anchor: We knew it was coming but that doesn’t make it any easier for motorists pulling up to the pumps. The Ontario government's new cap and trade policy is getting the blame for the 4 cent price hike that drivers face to start the new year. CTV’s Annie Bergeron Oliver has more.

Reporter: Filling up in 2017 means digging deeper into your pockets.

Unidentified: It’s about 1.15. Not happy at all. I don't understand why they keep jumping up this much.

Unidentified: It's very expensive already.

Reporter: Since the new year gas prices in Ottawa have increased an average of 6¢ a litre from 1.04 to 1.10, an upward trend that is a direct result of Ontario’s new cap and trade program.

Dan McTeague, Petroleum Analyst: The cap and trade is really a carbon tax and what it does is it taxes refiners, anybody who produces and in the process of producing whatever product, they're emitting CO2 which is carbon dioxide.

Reporter: That new charge aimed at curbing carbon emissions is now being passed on to consumers by the refineries and distributors who supply gas stations.

Unidentified: I don't like it but I think it’s for a good reason -- the environment. So that’s my bottom line. I don’t like it, but I pinch my nose and pay it.

Reporter: But it's not just the price at the pump that's going to go up. Experts suggest that consumers will also see a spike in the price of diesel fuel and natural gas. The Ontario Energy Board says your next gas bill will be anywhere from $4 to $13 higher, depending on your provider. Added costs the opposition says are enough to pull the plug on the program.

Patrick Brown, Ontario PC Leader: I'd replace it with a model more similar to B.C. or Manitoba, which is a revenue-neutral carbon price and whatever is collected is given back to the people.

Reporter: For people at the pumps the price is a pain that's necessary to get from A to B.

Unidentified: We have to pay because we have to run the car, you know.

Reporter: Annie Bergeron Oliver, CTV News.

CBC NEWS: BUSINESS IMPACT FROM CAP AND TRADE A MATTER OF WAIT AND SEE (2017.01.03)

http://www.cbc.ca/news/canada/sudbury/cap-and-trade-impact-northern-ontario-1.3908593

CBC.CA News
Tue Jan 3 2017, 5:30am ET
Section: Sudbury
Byline: CBC News

While many businesses are waiting to see what carbon pricing will mean to their bottom line, others are already adapting to Ontario's new cap and trade system.

Sharon Flinn, co-owner of Lockerby Taxi in Sudbury, is hoping to avoid a spike in fuel costs, which already account for 55 per cent of her budget.

So, she is switching her fleet of 44 taxi cabs over to compressed natural gas, which emits only water vapour and she says costs a third of the price of gasoline, especially now that it's going up 4.3 cents a litre thanks to cap and trade.

"Serious dent in the bottom line of our business and a serious dent in any business that's dependent on transportation," says Flinn.

Currently three taxis have been converted to burning compressed gas at a cost of about $4,000 per vehicle and she's also installed a new pump at their south end headquarters.

Flinn is hoping that pump might bring in some extra revenue with no service stations in northern Ontario serving compressed gas cars and trucks and she's also hoping she might get some cap and trade credits she can sell to companies who can't meet their targets.

Cap and trade took effect Jan. 1, but many big polluters in the north won't have to pay for their carbon emissions for a few years.

That includes Essar Steel in Sault Ste. Marie, the largest carbon emitter in the north and third largest in the province.

Company spokesperson Brenda Stenta says because steel has been deemed an "energy-intensive, export-reliant" industry, the government has given Essar three years worth of free allowances, meaning it won't have to buy credits until 2020.

But she says it will be difficult to cut back on carbon since most emissions come from the chemical reaction when steel is made.

"So until such time as there's breakthrough technology in the industry, we're severely limited in how many reductions we can achieve," says Stenta, noting that the steel mill has decreased its emissions by 18 per cent since 1993.

There are about 15 large emitters in the northeast with over 25,000 tonnes of carbon dioxide who fall under the new cap and trade regulations.

To see the map on mobile click here

The Carmeuse lime plant near Blind River also has three years of allowances before cap and trade eats into its profits.

The company's environmental lawyer, Joe Freudenberg, says cutting their carbon output will be tough since the process of turning limestone into powdered lime with kilns involves the creation of carbon gas.

"Inherently the chemical reaction includes the emissions of carbon dioxide. That's something we simply cannot change," says Freudenberg, whose company's Blind River operation employs about 28 people.

There is a lot of wait and see when it comes to cap and trade.

And Toronto-based consultant Livio Nichilo, whose firm Internat Energy Solutions helps businesses prepare for the carbon pricing world, says Ontario learned from other cap and trade jurisdictions that it's better to ease into the change.

"Once we have a chance to see what opportunities it brings, then it will be a lot easier to make some predictions in terms of what emission reduction we're going to see, how fast they might come about, price markers in terms of where the market might go," says Nichilo.

"These are all the things for the first year we're definitely going to be keeping an eye on."

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570 NEWS: *GAS PRICES SOAR AS CAP-AND-TRADE PROGRAM KICKS IN* *(2017.01.03)*

http://www.570news.com/2017/01/03/gas-prices-soar-cap-trade-program-kicks/

LOCAL
By NEWS STAFF
Posted Jan 3, 2017 5:42 am EST
File photo. THE CANADIAN PRESS/Jonathan Hayward

If one of your New Year's resolutions is to save money, you may want to consider selling your car.

Gas prices rose by five cents to 116.9 cents a litre at most gas stations on Monday, En-Pro chief petroleum analyst Roger McKnight said, adding that the price is expected to remain the same on Tuesday.

That comes after an extremely short-lived penny drop at most stations Sunday.

The hike can be at least partly attributed to the Ontario government's new cap-and-trade carbon tax, which went into effect on Jan. 1.

McKnight said the Ontario government had estimated an increase of 4.3 cents per litre but added that doesn't factor in the HST, which will be applied at the wholesale level by the oil companies, bringing the increase closer to 4.8 cents a litre.

"That 4.3 [cents] is not actually true, it's actually going to be closer to five [cents] because the Ontario government taxes the tax. They can call it a cap-and-trade all they want, but it's another word for a tax," McKnight told 570 NEWS.

So, a person who drives a mid-size sedan around 20,000 kilometres a year can expected to pay at least $70 extra per year.

One factor that may affect gas prices is whether President-Elect Donald Trump goes through with his promise to ban OPEC oil from the U.S. market.

"He is huffing and puffing a lot and it depends on how much that is a bluff or not. If he goes up against the OPEC cuts and lets loose with the shale oil, OPEC is going to have to back off a bit. Either prices are going to go up, or they're going to go down, or they're going to stay the same," McKnight said.

He said that when shale oil production starts, the crude oil price may peak at US$58 a barrel and then lower to $50.

Meanwhile, gas prices won't be the only thing taking a bite out of Ontarians' wallets.

While the government has removed the eight-per-cent provincial portion of the HST from electricity bills, the cap-and-trade program will add about $6 a month to natural gas bills in the new year. The average home heating bill could also cost extra $5 per month.

When you add it all up, that works out to around $300 for the average consumer: $140 in gas for a two-car household, $84 for Enbridge Gas consumers, and around $74 in indirect costs on goods and services.

Ontario hopes to raise $1.9 billion a year from cap-and-trade and $8 billion by the end of 2020. The province promises to spend the money on programs that reduce emissions and help businesses and consumers adapt to a low-carbon economy.

CHRONICLEJOURNAL.COM: GAS PRICES PUMPED UP (2017.01.03)

http://www.chroniclejournal.com/news/local/gas-prices-pumped-up/article_cbc537f6-d181-11e6-853b-1f19adb3d4da.html

Matt Vis, CJ staff | Posted: Tuesday, January 3, 2017 6:00 am

Cap-and-trade impact felt

Gas prices in Thunder Bay have risen to around 120 cents per litre, up nearly 12 cents from one week ago, following the implementation of the province's new cap-and-trade legislation.

The ringing in of the New Year has come with an added cost at the pumps for Thunder Bay motorists.

Gas prices have skyrocketed in the city as a result of the implementation of Ontario's new cap-and-trade carbon emissions legislation, which took effect Jan. 1.

The prices in Thunder Bay on Monday for regular unleaded gasoline hovered around 120 cents per litre, ranging from 117.9 cents to 123.5 cents. The Ontario average is just less than 111 cents per litre, which has soared nearly five cents since Dec. 28, according to website ontariogasprices.com.

The Wynne Liberal government previously estimated their cap-and-trade policy would result in a 4.3 cents per litre increase to gas prices.

Michael Brown was filling his truck late Monday afternoon and said the increase to gas prices combined with the added cost to natural gas bills along with electricity rates that have steadily added up to take their toll.

“People work and they hope to raise income or get raises if they work hard but at the end of the day, you're making less because of the way (the Ontario government is) spreading out taxes,” Brown said.

“You definitely feel the pinch. You're definitely not getting ahead. I'm nervous for what's coming down the pipe for my kids.”

Rod Flint said it's “ridiculous” that the cap-and-trade is driving gas prices even higher and said he and his wife drive less when they go up.

“How high are they going to go before they stop?” Flint asked.

While so far it's been at local gas stations where cap-and-trade has caught people's attention, the new legislation will directly affect other energy costs.

The government forecasted household natural gas bills will go up about $5 per month on average. But Christine Van Geyn, the Ontario director for the Canadian Taxpayers Federation, took issue with those projections.

She argued the government doesn’t actually know how much cap-and-trade is going to affect costs and said they were not “being realistic or genuine” along with a lack of transparency about the actual price.

MYESPANOLANOW.COM: *FEDELI SAYS 2017 BRINGS GOOD AND BAD NEWS (2017.01.03)*

http://www.myespanolanow.com/11171/fedeli-says-2017-brings-good-bad-news/

ROCCO FRANGIONE, STAFF JANUARY 3, 2017

Nipissing Vic Fedeli says although the Wynne Liberals are introducing new taxes and raising other fees, there are a couple of bright spots in 2017. Fedeli says people on social assistance who get child support won't have the two added together anymore. He says when both amounts were combined, it resulted in a claw back. But he says the Liberals are giving this group a break and it helps them get back on their feet. Other positive changes are travel agencies now post the all-in price which means what you see as the vacation price is what you pay. And if you need a tow, you can start paying by credit card. On the negative side the cap and trade system is now in place which includes paying an additional 4.3 cents a litre at the pumps. Fedeli says also going up are hunting, fishing and camping fees. Additionally driving related fees are also rising this year. Fedeli says this area has increased dramatically over the past four years and the Liberal government now takes in an extra $503-million. The Tory finance critic says the bottom line is Premier Kathleen Wynne is making life more expensive for Ontarians in 2017.

SAULTONLINE.COM: SAULT BY-ELECTION UNOFFICIALLY BEGINS… (2017.01.03)

http://saultonline.com/2017/01/sault-by-election-unofficially-begins/

By Lynne Brown - January 3, 20171
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Romano-Brown Meet & Greet

The Ontario Progressive Conservative party faithful were out on Monday, Jan.2, 2017 at the Algoma Water Tower Inn to support party leader, Patrick Brown (MPP Simcoe North) and MPP candidate, (Sault Ste. Marie) Ross Romano. Romano, who is a current Municipal Councillor, Ward 6, was acclaimed in November 2016 as the PC (Ontario) riding association's candidate for Sault Ste. Marie.

With a by-election looming for the provincial seat recently vacated by former MPP (Liberal) David Orazietti, Brown made his 6th trip to the city in a bid to "unleash the potential of northern Ontario."

Romano gifted the PC leader with Soo Greyhound's swag, offering Brown a hockey jersey with the number '18', signifying the year 2018. Ontario's next provincial election will be held in June 2018.

Romano-Brown Meet & GreetPatrick Brown brought with him a few New Year's resolutions that he said will be priorities for the PC party going forward into 2017 and 2018.

Brown stated that he would dismantle 'Cap & Trade'. Ontario's cap and trade programme is designed to help fight climate change, and reward businesses that reduce their greenhouse gas emissions. The Ontario government policy of cap and trade officially came in to effect on January 1st, 2017.

Romano-Brown Meet & Greet"Cap & Trade is a 2 billion dollar revenue grab for the Wynne government. Businesses will be less competitive. If it's really about the environment, why is government getting 2 billion dollars out of this?" he queried. "Businesses have to buy green credits. I think our environment is important and I want to protect it. I take climate change seriously, but taking peoples goodwill about wanting to protect the environment translates into a cash grab for the Wynne government. Everything you do will now be more unaffordable."

"Right now we have the highest hydro rates in North America. Surplus contracts are something we can act on. Since 2009, we've given away 6 billion dollars in surplus energy. The windier the day, the more we are giving away." he said. "Why we are purchasing power to give it away, is beyond me. We generate more than we need, and we have a giant surplus. We don't need any new power generation contracts."

Brown further shared, "The Wynne Liberal government continues to sign renewable energy contracts that Ontario does not need. The global adjustment charge, rural delivery charge, debt retirement charges are further examples of the Wynne government nickel and diming Ontarians excessively."

On the subject of education, Brown stated, "We have a skills 'mis-match' in Ontario." Citing an Ontario Chambers of Commerce report, he said "There is 3.7 billion dollars of revenue that we lose because of jobs that are available but cannot be filled. We graduate people for the wrong jobs. Young people are graduating with diplomas that they will never be able to use.”

Romano-Brown Meet & GreetLooking at shifting capacity for college & university graduates, Brown said, “Where there are jobs, we will graduate young people. We have 100,000 plus jobs in the skills trades that can’t be filled. Kathleen Wynne (Ontario Premier) got rid of ‘shop class’. I would bring shop class back and communicate to parents and young people that these are very worthy career goals. Skilled trades are in demand and we aren’t doing anything to adapt to that.”

Brown further stated that technology, engineering, data analytics, A.I. (artificial intelligence), deep programming and coding are specific areas where Ontario is falling behind in graduates. “We need to adapt and evolve our education system to jobs that are offered; to link education to employment.”

“Ontario, for the last 90 years, led Canada in economic development. Today, we are a province that has been ‘credit downgraded’ three times, and Ontario is the most indebted province to the national government than any other province.”

“We are a ‘have not province’. For the first time in our history, we receive equalization payments.” Looking to an upcoming by-election for the provincial riding, Brown stated, “Sault Ste. Marie will be the starting point. A win here would send a powerful message that it’s time for a new course in Ontario.”

Brown stated that the Ontario Progressive conservative party membership is approaching 100,000.

He stated that he was the first conservative leader to walk in a Gay Pride parade.

Brown told saultonline that he is concerned about the lack of action on home care for seniors, and long term care waiting lists.

“Wynne’s approach is short-sighted. They haven’t been building long term care beds. The reality is that hospitals are operating at 20% A.L.C. (alternative level of care). I would invest in long term care. I’m concerned about Ontario’s seniors on fixed incomes who are really hurt by exorbitant hydro bills. I’ll build more long-term care, invest in more home care, and get hydro prices under control.”

SAULTONLINE.COM: *IS CALIFORNIA DOING RIGHT WHEN IT COMES TO ENERGY COSTS? (2017.01.03)*

http://saultonline.com/2017/01/is-california-doing-right-when-it-comes-to-energy-costs/

By Craig Huckerby - January 3, 20170
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Ontario isn't the only place that is being hit with over the top electricity prices, California has the highest power rates in North America.

Many low-income families must decide to buy food or stay cool , similar to Ontario when many families were cut off during the summer and fall because they could no longer afford the price of keeping the lights on.

Ontario may want to take a look at what the state of California is doing to help people manage. The state announced a program to take low-income families off the grid and gives them free solar panels to do it.

As electricity prices soared in the sunshine state, the wealthy were the ones getting off grid, that meant the mid to low income earners are left paying for the power system with higher fees.

The state argues that the wealthy shouldn't be the only ones benefiting from solar panel energy and initiated a program. California will spend about $300 million until 2020 on low-income solar programs, and a few other states like Colorado and New York are investing in similar programs. As well, in August the federal government launched a "solar access for all" initiative to help bring clean power to some of the almost 50 million American households that earn less than $40,000 a year CBC reports

Though Ontario introduced it's green energy polices, it has come with a huge cost that has put the province in a crisis with no end in sight to increasing energy costs both in electricity and the ever growing delivering charges as well with natural gas that now has a cap and trade carbon pricing affixed to your home heating costs, Ontarians are facing bigger bills in the next few years.

TAX-NEWS.COM: TAXPAYERS FEDERATION CONDEMNS ONTARIO CARBON PRICE (2017.01.03)

http://www.tax-news.com/news/Taxpayers_Federation_Condemns_Ontario_Carbon_Price____73115.html

By Mike Godfrey, Tax-news.com, Washington
03 January 2017

The Canadian Taxpayers Federation (CTF) has warned that Ontario's cap-and-trade carbon pricing system, which entered into force on January 1, will increase costs for households.

CTF Ontario Director Christine Van Geyn said: "Today life got more expensive for everyone in Ontario. There's no question businesses will pass down their new higher costs to consumers. Keeping your family warm this winter just got more expensive, and so did your commute to work, and your electricity. These aren't luxuries that the Government is now taxing – they're the necessities of life."

The cap limits how many tonnes of greenhouse gas pollution businesses and institutions can emit. It will drop each year to encourage lower emissions. Companies must have enough allowances (also known as permits or credits) to cover their emissions if they exceed the cap. Companies can trade allowances to help them comply or to sell surplus credits.

Facilities and natural gas distributors with emissions of 25,000 tonnes or more of greenhouse gas emissions a year are required by law to participate in the program. The system is also mandatory for fuel suppliers that sell more than 200 liters of fuel a year and electricity importers.

The first auction of allowances will be held in March 2017.

The Government expects the program to generate around CAD1.9bn a year. The money raised will be invested in projects that reduce greenhouse gas pollution.

Van Geyn said that the system will tax "our heat, our commutes, our electricity that many of us are already struggling to afford," and argued that "none of this makes sense."

She added that it is not too late for the Government to reverse course "before the real damage begins."

TAX-NEWS.COM: CTF REVIEWS CANADA'S NEW YEAR TAX CHANGES (2017.01.03)

By Mike Godfrey, Tax-news.com, Washington
03 January 2017

The Canadian Taxpayers Federation (CTF) has released a report on the impact of the federal and provincial tax changes that have now entered into force.

The CTF said that the two main federal measures are changes to Employment Insurance (EI) premiums and the first full-year of the means-tested Canada Child Benefit (CCB). For the last four years, the EI rate has been 1.88 percent for employees and 2.63 percent for employers on insurable wages. From January, EI rates will fall to 1.63 for employees and 2.28 percent for employers. According to the CTF, this payroll tax cut is worth up to CAD132 (USD98) for employees and CAD185 for employers.

Turning to the impact of the CCB, the CTF said that the shift away from the Universal Child Care Benefit (UCCB) means "higher benefits for most families with children and slightly lower income taxes since families paid income tax on the UCCB benefits while the CBB is tax-free." However, the CTF added that because the CCB is means-tested, high-income families will receive lower child benefits in 2017.

On the provincial tax front, Newfoundland and Labrador will see increases to the tax rates for all five tax brackets. "This means a tax increase for almost everyone," the CTF said. A carbon tax was introduced in Alberta on January 1, and Ontario's cap-and trade system commenced on the same date.

Manitoba and Alberta will index their income tax brackets for 2017, with Prince Edward Island and Nova Scotia now the only provinces not to do so. Ontario and New Brunswick do not index their top tax brackets.

The CTF said that Quebecers will see some of the largest tax reductions, with families earning CAD250,000 paying CAD1,409 less in tax due to the abolition of the provincial health tax and changes to EI. It added that, excluding the provincial carbon tax, a two-child, single-income family in Ontario earning CAD60,000 a year will pay CAD122 less in taxes and receive an extra CAD1,824 in CCB payments. A British Columbian couple with no children earning CAD100,000 will see a small tax cut of just CAD25.

CTF Federal Director Aaron Wudrick commented: "High income earners in most provinces will pay more. But for the majority of Canadians, these two changes will mean more money in their pockets."