FW: [Transcript] Todd Smith on CFRA 580 with Rob Snow - March 1, 2017

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Date:	Wed, 01 Mar 2017 13:34:08 -0500
Attachments:	03 -- March 1, 2017 - Todd Smith on CFRA 580 with Rob Snow.docx (24.78 kB)

Flagging. Blane spotted it and we're working something up. Will share shortly. Smith directly contradicts Brown's plan.

Smith:

- You know, will they be able to renegotiate contracts with these companies?
- If they do, it's going to come at a huge cost to taxpayers and we're going to see electricity rice—prices—continue to rise

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TRANSCRIPT – Todd Smith on CFRA 580 with Rob Snow – March 1, 2017

MPP: Todd Smith

Media: Rob Snow (Newstalk CFRA 580)

[START TRANSCRIPT]

Snow: Welcome to the program Todd Smith, he's a Progressive Conservative MPP, Prince Edwards—Hastings. He is the energy critic. He is the critic for hydro bills. So if Question Period starts, Todd, I'll have to cut you off and you'll probably run into the legislature anyways.

Smith:

- *laughter* yeah

Snow: So this works out well for both of us. And thanks for taking the time this morning. Robert Benzie has the story this morning, the bureau chief for Queen's Park—Toronto Star. Premier Kathleen Wynne will slash electricity rates by 25 percent this year. What do you think?

Smith:

- I just got a note, actually, that the Premier's not going to be in Question Period, so

I'm not going to be able to ask her exactly what, what kind of realistic plan they're, they're ready to roll out here

- From I've been able to see from what The Star is reporting this morning, it's very misleading and dishonest
- They're talking about a 25 percent rate reduction
- They're including the 8 percent HST portion that already came off on January 1st
- And what they're really talking about is just shifting from one pocket to the other
- So they're going to move some of the programs off of the electricity customers hydro bill, onto the general tax bill, so are your taxes going to go up as a result of this plan and why has it taken so long to come up with a plan in the first place?

Snow: OK, here's, let me read a little bit here and get your reaction. Sources say the massive reduction, the massive reduction, in rates will come mostly by smoothing out the financing costs of electricity generation contracts over longer periods. So, for example, let's just use wind and solar. This, this report says it will, you know, it also has to do with nuclear reactors, natural gas-fired power plants and wind turbines. But let's use renewable energy, because that's the one that has created so much controversy. 20-year deals to companies like Samsung at rates that are well-above the market rate. It's—the indication seems to be, from reading this news report, that those deals might be extended to, say, 30 years, but at a lower rate. What do you think about that as a, as a plan?

Smith:

- Yeah, I don't know—I didn't get the impression that they were going to be renegotiating these contracts
- That's certainly what needs to be done
- And in the case of many of them that aren't in the ground yet and the government is continuing to proceed with many of these contracts that have received approval, there's probably—and we don't know until we get our hands on the contracts—the ability to get out of these contracts, *inaudible* putting them in the ground
- So the government is just extending the life of these—in some cases, useless—contracts that are providing electricity, when we don't need them, instead of dealing with the main root problem is that they're the reason that electricity prices are rising as quickly as they are
- They're extending the term of the mortgage, but they're not dealing with the root problem here, and that is these contracts in the first place

Snow: The estimate is it could save one-and-a-half-billion-dollars a year—quote from The Star—"ratepayers could soon see a positive impact on the Global Adjustment line of their monthly hydro bill". So, it, you know, the idea is to get that Global Adjustment figure that is causing people so much financial grief down. What do you think about that?

Smith:

- Well, they're, they're not doing it
- They're, they're not able to do it
- And it's a shell game what they're doing, if they're shifting it to general taxes, taxes are going to go up to pay for, for what they're doing here
- It's not a solution to the problem
- It's, it's a Band-Aid to get them through the next election
- It's not actually addressing the problem
- So, you know, what we have seen are electricity prices going up far more than 17 percent per year
- We were just—Patrick Brown and I—were just up in Timmins and Sault Ste. Marie last week
- We were at a long, a long-term care home—a seniors home, a home for the aged,

in Sault Ste. Marie—the electricity bill went up 39 percent last year
- So, you know, they're talking about reducing by 17 percent but they're not actually fixing the problem as to why electricity prices are soaring the way they are
- Hospitals in the Quinte region saw 34 percent increase in their electricity bill over, over 2 years
- So, so these are the kinds of increases that we're seeing, Rob, they're not tackling the issue and are, is this the kind of, is this the kind of government that we think is even capable of doing this?
- The Liberals took 1.3-million-dollars in political donations from these wind and solar companies
- You know, will they be able to renegotiate contracts with these companies?
- If they do, it's going to come at a huge cost to taxpayers and we're going to see electricity rise—prices—continue to rise

Snow: OK, so, look, we have a little more than a year to go until the election.

Smith:
- Mm-hmm

Snow: The NDP plan was out earlier this week—save you 30 percent on your hydro bill, sounds great. Buy back the shares of Hydro One that have been sold to the private sector already.

Smith:
- Right

Snow: This plan—25 percent. How much would a PC government save me on my hydro bill?

Smith:
- You know what, Rob, we've been down this road before where the Liberals and the NDP have teamed up to save us 15 percent on our auto insurance rates—how's that worked out?
- Everybody's auto insurance rates are continuing to rise
- The plans that the NDP and the Liberals have put out, so far, aren't realistic plans
- Our team is working for a realistic plan that's going to reduce hydro rates in Ontario

Snow: OK, all right. Question Period is starting, Todd Smith. I've got to run, you've got to run. Thank you.

Smith:
- Thanks, Rob—take care

[END TRANSCRIPT]