

Media Event: Scrums after LTEP Announcement

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MEDIA EVENT: SCRUMS AFTER LTEP ANNOUNCEMENT

October 26, 2017

Location:

Macdonald Block, Queen's Park.

Speakers:

MPP Todd Smith, MPP Peter Tabuns, Green Party Leader Mike Schreiner, Francesca Dobbryn, United Way of Bruce Grey.

Media Attendance:

Print – 12

TV – 7

Radio – 2

Media Outlets:

Jones – CP; Benzie – Star; Selley – Post; Zochodne – Post; Giovanetti – Globe; Artuso – Sun; Smith Cross – QP Briefing; Hains – QP Briefing; Smith – QP Today; Boisvert - CBC Online; Lamoureux - Radio Canada TV; Brule - Radio Canada/CJBC; Cooper – Newstalk 1010; Carter – Global; Bliss - CTV Ontario; Tumelty - City TV; Morissette – TFO; Reid – TVO; Hanley – CTV; St-Onge – Radio-Canada; Edick – Global;

Media Questions:

Questions for MPP Smith:

Q. Carter: We know that the cost of electricity is going to spike after the next election. This document shows that. But, the minister's response was, "This was the way it's always been done," and that is indeed the truth.

He's actually talking about keeping the costs buried at OPG and keeping the [inaudible] electricity sector, I believe is what he meant by that. But, it didn't make any sense to me because the price that you see on your electricity bill in Ontario right now is not the true cost of generating electricity and delivering electricity in Ontario. The minister has to know that, but he continues to play this political game with electricity.

Q. Benzie: So, prices will go up if you guys win the election next year. I mean – that's the – because people have to pay the higher costs. Is that right?

No, actually what we didn't hear today, and what was so disappointing to me, is that the minister said the words: "taking costs out of this system," about 100 times up there, but

nowhere in this document does it reflect anywhere that the government is rolling up its sleeves, getting down to negotiating better deals for the people of Ontario, and removing costs from the system. That's something that a PC government would do, is actually reducing the cost of electricity.

Q. Benzie: So, hydro rates would go down if you guys win the election, but this plan is fantastical because it says hydro rates are – stabilizing? I'm not –

Yeah, I mean the minister said that he wouldn't want to freeze rates. But, essentially, that's what he's doing for a very, very short-term. This is all about getting Kathleen Wynne re-elected next year. They're freezing rates to get us through the next election period because they know how detrimental this whole energy crisis is for Ontario. So, this is all about freezing rates for a short period of time. This is billions, billions of dollars on the backs of electricity customers in Ontario simply as a re-election ploy for Kathleen Wynne and the Liberals.

Q. Bliss: Do you tear this up if you guys are elected and re-write it?

This Long-Term Energy Plan?

Q. Bliss: Yes.

Yeah. There's not much in there, to be honest. I was quite disappointed and quite surprised about the lack of detail about removing costs from the system. You know, one of the things that I was hopeful for is that the government would realize that they're the ones that got us into this mess in the first place. They're the ones that are responsible for driving up the cost of electricity. They're the ones that are responsible for super increases after the next election in our electricity rates and yet they're not doing anything to actually take costs out of the system.

Q. Bliss: [Inaudible] and the Fair Hydro Plan? Would you tear that up?

Well, I think what we would say is that we would keep the Fair Hydro Plan in place until we actually get into a position where we can start to remove costs from the system. We have a plan to do that, but as PCs, we want to get into that office, take a look at the mess the Liberals have made in our electricity sector, and start to remove the costs from the system that will truly be an electricity break for the people of Ontario and our businesses.

Q. Lamoureux: So, how long would you keep the Fair Hydro Plan for?

Yeah – I don't know the answer to that question. It's going to take some time to figure out the landscape. You know, clearly, the government is not interested in doing the heavy lifting to remove costs from the system. He talked about rolling his shirt sleeves up and getting down to sharpening pencils and working out a better deal for Ontario, but he hasn't done that. Why hasn't he done that? You know, he's been the Energy Minister now for well over a year. He's had the opportunity to go in and look at re-negotiating some of these contracts and trying to get a better deal from Ontario. There's nothing in this document that shows that this government is sincere about removing costs from the system.

Q. Reid: Can you give some examples of how you can remove costs from the system?

Yeah, we know – [end audio]

(joined in progress) The proponents, the developers haven't met the obligations of the contract. There was an opportunity for them to sharpen their pencils and work out a better deal for ratepayers in Ontario but the government hasn't done that. I mean I believe there are political reasons for why they haven't done that but that would be the first step is actually going in and renegotiating the contracts that currently exist. And we know— and in one case, we haven't had our eyes many of these contracts because they're not out there for public consumption, but we know we can save hundreds of millions of dollars in each contract by renegotiating.

Q. Reid: Presumably reneging on them early though would costly as well.

Yeah, and we're—there are legal grounds to do that without a cost to the ratepayer. Then you know we would obviously move ahead with those and that's what I mean by hard work. The government seems unwilling to do the hard work that it's going to take to negotiate these contracts. Keep in mind there's 27,000 generators in Ontario right now that have driven up the cost of electricity to record highs and the government just seems unwilling to go back and try renegotiate these contracts and in some cases where the companies haven't met the obligations set out in the contract, there are legal grounds to end those contracts with limited effect on taxpayers, and the long-term impact is hundreds of millions of dollars for each contract.

Q. Smith Cross: [Inaudible] living up to their contracts so you could break them?

Yeah, so well I know first-hand, I'm the MPP for Prince Edward-Hastings and we have a company in Prince Edward, and WPD is the name of that company. This is the same company that had their project cancelled in Collingwood because they sited their turbines too close to the airport in Collingwood. In Prince Edward County's case they've had the contract changed arbitrarily, by the government I assume. It was a 29 turbine project. The Environmental Review Tribunal found that the vast majority of the turbines were on environmentally-sensitive area and shouldn't have gone ahead. The government went in arbitrarily, changed the contract to allow this company to put nine turbines up, instead of 29, in Prince Edward County, in area that is an environmentally-sensitive, an unwilling host community. It doesn't make economic sense to build this project, but the government bent over backwards to allow this project to go ahead. You know it's currently before the courts again, but these are the types of contracts that we know are out there. They haven't met their commercial operation dates. They haven't met other milestone dates. And actually they just haven't been good corporate citizens in working with the community. They've been very adversarial in dealing with the community. And those are the types of contracts that we can go back and look at, and we know there are potentially dozens or hundreds of those contracts that are out there.

Questions for MPP Tabuns:

Q: Bliss: (Joined in progress) Seem like relatively good news.

Well first of all you have to understand this is a completely political document, that was written for the election. This is not a planning document. When you look at even within those terms they are looking at the price of electricity going up to almost \$200 bucks of month and a little over a decade and that's with all of the subsidies that they poured in and all the extra borrowing that's taken place. I wouldn't give this government any credit for this plan. They're going to continue with the privatization. That's how they see this rolling forward. And we know the impact it's had on our bill.

Q: Benzie: So Peter you guys still hell bent on canceling nukes. I mean 53% of the generation. Is that still a policy?

Well what we've said is we would review all of those nuclear plans, all those nuclear contracts to see whether or not in fact they make financial sense because as you're well aware Darlington's price of electricity is going to go from about 6 cents to 16 cents per kilowatt hour. That's a big chunk of that increase. So we would review the whole thing.

Q: Benzie: So where do you get the electricity then if you don't have 53 percent of the generation from nukes. Well it presumably wouldn't shut down all the nukes the day after you win the election.

You know we wouldn't shut down the electricity system after the election. And I should never repeat such questions. But I have. No we will continue to run the electricity system but we would go from the bottom up, assessing what makes sense, what is cost-effective because we know people need to have affordable electricity. We would stop the privatization. We would phase out their Fair Hydro Plan so-called Fair hydro plan because in fact we're going to get stuck with a big debt and big price and reason because of it.

Q: Benzie: Do people have to pay a little more for their electricity? It's artificially low with the 25 per cent rebate.

It is artificially low now. We will bring forward the plan that we put forward can be on electricity prices to contain electricity costs. But in the end, unless we start going at this, the whole structure of our system, you're not going to be able to make electricity affordable. If you don't have privatization, you're not going to be able to make up the price affordable.

Q: Giovanetti: Long term, is this steady as she goes the right way to look at things?

No I think that is hugely problematic. The world is changing around us very rapidly. People are starting to leave the electricity system now. You're well aware of that. I think in fact this is a very rosy picture of what's to come. I think it's going to be a lot more turbulent and I think when they say prices are going to go up to 200 bucks a month I think they are being wildly political. I think it's going to be much tougher than that given what they're proposing to do.

Q: Lamoureux in French: So it is a political document?

In French: It is a complete political document. The costs will go up and for the people of Ontario. It will be very difficult.

Q: Brule in French: You spoke about the increase in the cost of nuclear power. Can you repeat those increases?

In French: At this time, the plans for the Darlington Nuclear Plant, we now pay about 6 cents per kilowatt hour. In the future, it will be 16 cents per kilowatt hour. That's a big increase, right?

Q: Brule in French: And you have pointed out the increases outlined in the plan. Those are big increases?

In French: Yes, it is a big increase. Almost \$200 a month for the people of Ontario. It is a huge increase.

Questions for GPO Leader Schreiner:

[Joined in progress] I think the reason they're not listing the cost, they don't want to admit that OPG is going to triple the cost for nuclear power in order to finance the rebuilding of Darlington. Outdated technology. It's outrageous that this government is not exploring lower costs alternatives to rebuilding [inaudible].

Q. Lamoureux: Sorry, we missed the beginning. So, what's your take on the Long-Term Energy Plan?

I think it's outrageous that they don't list the cost of electricity in this plan. I think they're afraid to admit the fact that OPG wants to triple the cost of electricity generated from Darlington in order to finance the rebuilding of it. It's outrageous that they're not exploring lower costs alternatives to rebuilding outdated nuclear plants.

Q. Lamoureux: What would be those alternatives?

We can import water power from Quebec at a third of the price of rebuilt nuclear power from Darlington. Even Ontario wind power is lower cost than rebuilt Darlington. Conservation energy efficiency, even in their own document, they show us the lowest-cost solution to our energy challenges. So, why aren't they exploring those? Instead, they're doubling down on outdated technology and they're going to allow OPG to triple the cost of electricity in order to finance the rebuilding of Darlington [inaudible].

Q. Brule: So, is the Long-Term Energy Plan pretty much a status quo plan?

It looks pretty status quo to me. I mean, it's interesting. They talk about a lot of innovation, which is good – storage, net metering, all those kinds of things. They undermine all of it because all the money is going to rebuilding nuclear plants.

Q. Brule: Is it the [inaudible] new technology for the consumer and to apply different technology [inaudible] about [inaudible] side?

I mean, there's obviously going to be opportunities for people to take advantage of some changes and technology. But, what I don't understand is why the government isn't taking advantages and changes to technology to lower costs in the system, which will ultimately lower bills long-term.

Q. Unidentified: Just a quick question, are you going to run in Guelph?

I am, yeah [end audio].

Questions for Francesca Dobbyn:

(Joined in progress) A reduction of about 40 percent in the average careers of people that are coming into our office. Prior to last year the average careers of the rural low density Hydro One customer was about \$4300 this year it's down under a thousand. That's a significant drop. And we have less people coming in for help because they're able to pay those hydro bills.

Q: Carter: I understand and I think those are real world examples of how are changing. But do you have concern about what happens 10 years from now or even four years from now when...

We have concerns you know four hours from now. As things change you know we've got to start talking about the income side of people's lives when they're living in poverty when you've got that basic income we've got the minimum wage increase.

Q: Carter: But the prices will go back up.

The prices will go back up and we will deal with that as it goes along and moves along and I think there are things in this plan that may mitigate that. I don't know, I don't have a crystal ball. I just know what they've done so far is working and I'm going to keep holding their feet to the fire as we go forward and just not let up.

Q: Bliss: So it's OK that this is partially a political document in your eyes.

I really don't care as long as people can keep their hydro connected. I don't care what color tie you're wearing today. That's what matters to me is the people on the ground. They don't care who's arguing about, who's scoring political points, what they want to do is pay their hydro bills and feed their kids.

Q: Lamoureux: And what you're saying is that this 25 percent reduction did help people?

Yes. We have data that shows that the reduction has had an impact on people's bills, especially our rural low density families. We're seeing major drops in the average arrears when they come to us. I mean when we coach people when you first missed that first payment, when you start getting behind call us so we can strategize with you, look at you know have you got your taxes filed to get all those benefits making sure all those other things are in place. And we're seeing people coming in with smaller and smaller bills saying OK now you know I need help now. But they're not coming in with the massive \$1,500 bills where we don't know where to start helping.

N.B.: Comments captured are not verbatim quotes

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