

Evening Media Scan: Hydro Rate Reduction Plan - May 23, 2018

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Media Scan: Hydro Rate Reduction

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TV Transcripts

City TV: Premier Wynne Will Not Attend A Debate In her Constituency Tonight

Source: City TV
May 23, 2018 6:06 PM (5)

Reporter: I'm in the riding of Don Valley West. This is Kathleen Wynne's riding, but if the polls are correct, she may actually lose her seat in the upcoming election, something that hasn't happened to a sitting premier in 70 years. There's going to be a local candidates' debate here at this arena this evening. Kathleen Wynne will not be here but her opponents will be, including the one who just may beat her. His name is Jon Kieran. He's an energy consultant and has worked at Hydro One as Director of Corporate Development and he's been involved in politics for decades. His very first job was as a speech government for the Bill Davis government 37 years ago.

Jon Kieran, PC Don Valley West Candidate: Let me tell you the first rule of canvassing, never walk on the lawn.

Reporter: Right. Did you learn that the hard way?

Kieran: No. But my first campaign was with David Crombie in 1972.

Reporter: Really?

Kieran: Yeah. I've always been a political person and my models of who I'd like to be politically are Bill Davis and David Crombie.

Reporter: I'm going to grill you on some issues now. You were a Hydro One executive. So let's start with Hydro One. Would you fire the \$6 million man, as Doug Ford says he would do, and would you buy back the Hydro One shares?

Kieran: Firing the CEO is difficult, but Doug is right, it can be done. You have to do it through the board.

Reporter: Is it wise to do it?

Kieran: It is definitely wise to do it and for a couple of reasons. One, what was the first thing that the CEO of Hydro One did after Kathleen Wynne vetted him in the position? Number one his salary went from \$4.5 million to \$6.5 million. Number two; he bought an energy company on the west coast of the United States that owns a coal-fired generating station in Montana that's one of the largest single source emitters in

North America. So when I hear Kathleen congratulating herself about taking us out of coal, I hope people in Ontario realize that, through Hydro One we're back in the coal business in Ontario.

Reporter: Would you buy back the shares the way Andrea Horwath says she would do? Where do you stand on that? Doug has not answered that question.

Kieran: I don't own any shares. I think it's something that we're going to have to consult with the experts. Hi. I'm John Kieran. I just wanted to come by and say hello.

Reporter: One thing that I hear from a lot of people is that – how is your party going to balance the budget? Doug Ford simply says “efficiencies.” How is the budget going to be balanced? What are efficiencies?

Kieran: The Auditor General did a sample three months ago of 14 programs and found \$1 billion easily saved. I look at the \$8 billion or so spent on eHealth, \$2 billion on smart meters, \$4 billion on interest for the so-called Fair Hydro Plan.

Reporter: I also asked Jon Kieran what his first goal would be if he was elected and he said stopping the poisonous relationship between the government and doctors and nurses. And I also asked him about the controversy surrounding PC nominations, how some are on investigation. There are allegations that some were rigged and he said, quote “every party has candidates that make missteps. Perhaps our party is no different than the other two.” Etobicoke Liberal candidate Peter Milczyn will be stepping in for Kathleen Wynne at the debate this evening. Coming up though, we will be joined by the NDP candidate live and you will be able to get to know her.

Online Coverage

Ottawa Citizen: *Deenley: This election won't solve the power bill problem*
ottawacitizen.com
Wed May 23 2018
Section: Columnists

This Ontario election is said to be about change, but neither of the other major parties is promising to change the single worst policy instituted by the Kathleen Wynne government.

Instead, they say they will leave the so-called Fair Hydro Plan in place and double down by reducing power bills even more.

Ontario voters need to wrap their heads around how much this idiocy is going to cost us and the bogus justification for the plan, which artificially reduces our power bills by 25 per cent and borrows money to make up the difference.

Ontario Premier Kathleen Wynne, right, speaks as Ontario Energy Minister Glenn Thibeault looks on during a press conference in Toronto on Thursday, March 2, 2017, to announce the government's hydro relief plan.

Thanks to the auditor general and the financial accountability office, we know the Liberal scheme will cost us \$21 billion in interest over the 10-year life of the power discount. That interest, and the borrowed principal, will be tacked on to future power bills, meaning people in 2028 will be paying for power they used in 2018. The Liberals euphemistically call this the “clean energy adjustment.”

To put that \$21 billion in context, people still talk about the \$1 billion it cost to cancel a couple of gas-fired power plants back in the Dalton McGuinty era. That was chump change in comparison.

The justification, besides political butt-saving, is that the government is spreading the high cost of building a clean, modern power system over a longer period of time. It is likened to stretching out a mortgage.

This is an argument that is incorrect in every respect.

The public hasn't paid the capital cost of the big gas, wind and solar expansion, there isn't a mortgage and we haven't built a modern and efficient system.

There has been a huge expansion of Ontario's generation capacity, but it was built by the private sector, not the government. Between 2004 and 2014, the government agreed to new power contracts that amount to about two-thirds of Ontario's generating capacity, the auditor general says.

Ontario hydro 'smart meter'.

These contracts were not subject to normal rate regulation processes, which enabled the government to offer extremely high prices for that new power.

The public doesn't own those natural gas, wind and solar plants, or any debt attached to them. The power bill reduction is not based on refinancing the cost of an asset, as we are led to believe. The cost we are postponing is for current consumption, not for long-term capital expense.

We are not stretching out a mortgage. The Fair Hydro Plan is more like going to one of those pay-day loan joints to pay a basic utility bill.

But what about that clean, green modern power system? Despite the solar and wind spending binge, they supplied only seven per cent of our power last year. The gas plants are overbuilt but seldom used, supplying only four per cent of power. That's one-seventh of their capacity. It's all ridiculously inefficient.

The vast majority of our power, 89 per cent, was supplied by nuclear and water power, just like it was before the over-hyped green power revolution.

And let's not forget the other part of equation, the power transmission that is the prime purpose of Hydro One. It is also implied that the company is in top-notch shape thanks to that spending we now have to stretch out.

Not quite. The auditor general's last report on Hydro One was in 2015. She noted worsening reliability, increasing costs, more frequent power outages and poor maintenance of assets. Between 2010 and 2014, outages lasted 30 per cent longer and occurred 24 per cent more frequently. The accumulated replacement backlog for assets beyond their expected life was \$4.5 billion.

The power system is a huge mess than the next government will have to tackle, yet all parties argue that today's power costs are unaffordable and promise to solve the problem by making those costs much higher in the future. Have their brains shorted out?

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Sudbury Star Column: Ontario Tories seek weak spot in surging NDP

By: Chris Selley, National Post
Wednesday, May 23, 2018 1:50:47 EDT PM

<http://www.thesudburystar.com/2018/05/23/column-ontario-tories-seek-weak-spot-in-surg-ing-ndp>

Let us peer back through the mists of history to a time called A Few Months Ago. Ontarians were telling pollsters they were sick of Kathleen Wynne and her Liberal government, but they nevertheless seemed tolerant of some of their policies: polls found solid support for the \$15 minimum wage, expanding rent control and cutting hydro bills by 25 per cent.

In this long, long ago time, the Progressive Conservative Party of Ontario was led by a man called Patrick Brown, and he had fashioned a middle-of-the-road platform that seemed tailor-made for this reality: no big cuts, no overturned apple carts, no alarms, no surprises. There was even a carbon tax. Despite mediocre personal polling numbers, Brown seemed ready to ride that platform to victory on June 7.

Much has since occurred. Recent polls suggest Andrea Horwath's New Democrats are gaining on Doug Ford's PCs; an Ipsos poll released Tuesday suggests they're neck and neck. Any number of things could explain this besides policy: as more people better familiarize themselves with Ford, some will be put off. There are astonishing allegations of data theft and mass vote-rigging in multiple PC nomination races, and there's no good answer Ford can give.

The allegations date from the Brown era, as he says. But if true, their effects live on. Most people vote for their party preference, but if you suspect your local candidate might have rigged his nomination using stolen identities, that could plant a hell of a seed of doubt.

It would make sense on policy, too. The NDP actually specifies what Ford will supposedly cut: 36 hospitals, 28,000 nurses, 780 schools and 28,000 teachers, according to a new campaign website dubbed "Can't Afford Ford."

It's the sort of thing many people would call a "lie" if it were coming from the Tories: Ford promises no cuts, only "efficiencies," and without a single job lost. But especially with no PC platform available to consult, that will quite rightly strike people as highly suspicious.

Viewed from a mile up, there's not much difference between the NDP and Liberal platforms. The NDP's thus offers a natural home for the "sick of the Liberals, but not necessarily their policies" vote.

These are still New Democrats, though. As recent events have helpfully underscored, they are a breed apart, with their own unique hangups, bugbears and obsessions that have made it very difficult for certain kinds of voters (I'll raise my hand here) to consider them.

Whereas the Liberals distrust the free market, New Democrats sometimes seem to loathe it. Heading into the long weekend, Horwath reminded us of her plan to regulate gasoline prices — not just to end pre-weekend "gouging" (which is to say prices going up in a period of increased demand), but apparently to set regional prices.

"You get to the next destination and, all of a sudden, the gas is, say, five cents cheaper and you feel like you've been ripped off because you've just paid five cents more 40 kilometres down the highway," Horwath told reporters.

Yeah, see, I don't. Because I know that some things — most things; almost everything! — cost more in certain places at certain times than in others. But this is the sort of non-problem NDP governments set out to solve. This is the party whose federal arm put out an angry press release amidst skyrocketing cauliflower costs that called the easily explicable situation "bizarre."

The Tory war room has introduced us to five interesting characters running for the NDP. They are who you would expect: 9/11 Truthers, boycott-divestment-and-sanctions types, peaceniks who won't wear poppies, an anti-mining zealot.

"Meet the real NDP," a Tuesday press release from the PCs intoned. Frankly, if that's all they could find, I'm kind of impressed with the NDP's vetting process. Ideological parties in particular attract people who passionately believe weird and inconvenient things. Just ask the Ontario Tories about Tanya Granic Allen and Andrew Lawton in London West.

Last week, the Ottawa Citizen's David Reevely caught the NDP out in a math error, blowing a \$1.4-billion hole in their platform's costing. The Tories might credibly use it as an example of questionable fiscal probity — but Horwath has admitted the error, the Tories haven't released a platform and Ford is promising to find billions in efficiencies beneath unspecified floorboards at Queen's Park.

And when it comes to regulating gas prices and other populist NDP idiocies, it's easy to imagine lots of Tory supporters nodding in agreement. Ford wants people to pay less for gas too, and he's not exactly an evangelist for laissez-faire capitalism.

"I like having the market dictate," Ford once said of rent control; when the Liberals publicized it, he promised he wouldn't take away anyone's rent control.

The NDP certainly has a ceiling. But whatever that is, at this point it's difficult to see what the Tories might do to halt their rise toward it. Ford and Horwath are pledging to solve many of the same problems. And while they propose doing so in very different ways, I suspect few Ontarians are partisan or ideological enough to see the future of civilization hanging in the balance.

Sudbury St@pulum: How Ontario can get out of its mess

By: David Reevely

Wednesday, May 23, 2018 2:01:09 EDT PM

<http://www.thesudburystar.com/2018/05/23/column-how-ontario-can-get-out-of-its-mess>

Hydro

Ontario's electricity system and what we pay for it has been a dominant issue in provincial politics for decades. In the past 10 years, though the details vary depending on what kind of customer you are, where you live and how much energy you use, average electricity bills have roughly doubled.

The price hikes cover investing in a sturdier transmission grid, replacing relatively cheap coal-fired generating stations with much cleaner natural-gas plants and paying off billions of dollars in debt that governments of all three major parties loaded onto the old Ontario Hydro corporation to keep prices artificially low in the past. But not only those things.

The opposition parties point to the fiasco of the Liberals' green-energy plan, which deliberately overpaid for electricity from new wind and solar farms in an effort to kickstart an industry in manufacturing windmill blades and solar panels here. Auditor general Bonnie Lysyk has found that that increased bills by a collective \$37 billion over eight years. Wind farms in particular are wildly unpopular among their neighbours and green-energy manufacturing hasn't taken off.

The Liberals sold a majority stake in Hydro One, the province's long-distance transmission utility and the delivery company that serves 1.3 million mostly rural and remote customers. That brought in \$9.2 billion for the treasury, and the Liberals say it's made the company better focused on customer service. It also forgoes billions in future revenues and means Hydro One behaves like the private corporation it now is, including hiring a chief executive with a \$6-million pay packet and buying an American power utility in the Pacific Northwest.

The Liberals have borrowed billions of dollars to cut electricity prices 25 per cent starting last year. That will only last four years, after which prices will start rising again and end up higher than they would have been if not for the "Fair Hydro Plan." Kathleen Wynne says this is what the Liberals should have done in the first place — the costs should have been spread out over more years — and it's better late than never.

The Progressive Conservatives would keep the Fair Hydro Plan (undoing it would be difficult at this point) and cut prices further by transferring hundreds of millions of dollars of spending on things such as conservation campaigns off hydro bills and onto tax bills. We'd still pay, just a different way. Doug Ford also promises to fire Mayo "Six-Million-Dollar Man" Schmidt, the Hydro One chief executive.

The New Democrats would also keep the Fair Hydro Plan. They promise to buy back the sold-off chunk of Hydro One and look for other ways to cut electricity prices, including asking the federal government to stop charging sales tax on electricity.

Bayshore Broadcasts First All-Candidate Meeting, Ahead of Election

By: Peter Jackson
Wednesday, May 23, 2018

http://www.bayshorebroadcasting.ca/news_item.php?NewsID=101758

Issues ranging from Hydro One to rural school closures were covered in the first of a series of pre-election all candidates meetings in Huron-Bruce.

The Huron County Federation of Agriculture staged the event for a full house at the Holmesville Community Centre Tuesday night.

Liberal candidate Don Matheson says his party reduced the cost of electricity by 25 per-cent, and mentions the New Democrats voted against programs to help families pay their Hydro bills.

Matheson also talked up the SouthWestern Integrated Fibre Technology Project to bring broadband service to rural areas of Huron-Bruce.

He adds that Queen's Park needs to communicate with farmers more effectively.

Incumbent Progressive Conservative MPP Lisa Thompson repeated her stance on developing the agri-food industry through education.

She also urged municipalities to work with farmers on reducing rural property taxes.

Thompson repeated her pledge that a Tory government would scrap the cap and trade program, adding that Canada produces less than one per-cent of the world's greenhouse gas emissions.

New Democrat hopeful Jan Johnstone says if her party is elected, it would form a stand-alone ministry to deal specifically with mental health issues.

She adds that if elected, the NDP would increase health spending on a province-wide basis, and to each individual hospital.

Johnstone says her party would also revisit the province's education funding formula, and strengthen the moratorium on rural school closures.

Also running in Huron-Bruce are Libertarian candidate Ron Stevens and Alliance candidate Gerrie Huenemoerder.