Afternoon Energy Media Summary - May 29, 2017

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Good Afternoon,

Here is a roundup of the day's news:

- * Ontario regaining status as economic engine for Canada – *CBC News*
- * Broad support shares Krmpotich's vision for the Sault – *Sault Online (Media Release)*
- * News from the Park – Northern Ontario Focus, FAO Report – *Wawa-News.com(OpEd)*
- * Hydro One Ltd (H) Receives "Neutral" Rating from CSFB – *The Stock Observer*
- * 'Sign of the times' as Hydro One Brampton rebrands – *Digital Journal / Marketwired*

May 29, 2017
Today in Twitter

· @CAPE_Doctors - New report on high price of re-investing in nuclear energy in Ontario. Ontario Clean Air Alliance cleanairalliance.org/climate #nuclear @ocaa

· @921RockTimmins - Minister @GlennThibeault talks "Fair Hydro Act" 921rock.ca/2017/05/29/ene…

· @TheEnergyRT - Looking forward to @GlennThibeault , Minister of Energy, Ontario and others joining us tomorrow! energyroundtable.net/toronto-2/

· @TREBCommercial - Ontario energy and water reporting and benchmarking. bit.ly/2qSlxzC #TREBCommercial

· @ONenergy - #DYK in some parts of Ontario renewable #NaturalGas is created from #greenbin waste? #LearnAboutCompostingDay @ONenvironment

· @DclareDiane - Ontario energy sector in shambles thanks to McGuinty-Wynne duo paper.li/GalileoMovemen…

· @sunlorrie - 'For decades to come, McGuinty and Wynne will be a case study in political science ... but for the wrong reasons' torontosun.com/2017/05/27/ont…

· @AlexpiersonAMP - @GlennThibeault argues his party has a Hydro plan, AND it's working. Bahahahahahahahahah #fantasy

- @WindConcernsONT - Wind power: wasted. Again. The shocking waste of money in April. #OnPoli @ GlennThibeault @brownbarrie @Peter_Tabuns … tenergyperspectivesblog.wordpress.com/2017/05/28/wha…

- @perryhoff - 'Sign of the times' as Hydro One Brampton rebrands lnkd.in/dm43Paw

- @WERCofC - Join us TOMORROW for our Distinguished Speaker Luncheon featuring Hydro One: A New Era for Hydro One! windsorchamber.org/event/calendar… #YQG

- @HydroOne - ENERGY STAR certified appliances are great for energy performance. Saving energy saves you money & reduces your impact on the environment.

- @KarenPtbo - @Kathleen_Wynne bribing Ontario voters with their own money. Beware voters, rate-cut will ultimately cost you $21B! thestar.com/news/queenspar…

- @fitzpatrick_m - Ontario NDP Leader @AndreaHorwath announces her party will vote against Wynne's hydro bill

- @OntarioPCParty - @brownbarrie asks Wynne if her unfair hydro scheme is worth burdening Ontario with $93 billion of debt to pay off on their hydro bills

- @MrDarcyNo1 - SOLD hydro for $14.6 million but PAID $160 million to generate it Ontario needs math lessons

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Ontario regaining status as economic engine for Canada
Mike Crawley
CBC News
May 29, 2017

Ontario's economy is surging after years of lagging behind the oil-producing provinces.

Don't believe it? There's plenty of evidence.

Canada's big banks are forecasting that Ontario will lead the country in economic growth this year or be within a hair of the top of the pack. Unemployment sits at its lowest level in 16 years. And that economic success is being felt across a range of sectors, including manufacturing, real estate, finance and technology.

Ontario jobless rate hits lowest since 2001
Ontario's economy grew at double national average in 2016
Corporate profits in Ontario are up significantly. You can tell by the province's corporate tax revenue, which jumped a whopping 16.8 per cent last year, and 19.6 per cent in 2015.

Ontario businesses surveyed by the Bank of Canada say sales are up and they're looking to invest in new equipment and hire additional staff.

The boom is centred on the Greater Toronto Area, forecast this week by the Conference Board of Canada to lead the country's metropolitan areas in 2017 with a 2.6 per cent increase in the gross domestic product. Other parts of the province are doing well too, particularly Windsor, the Ottawa region and the Kitchener-Cambridge-Guelph triangle.

"Through 2019, Ontario households will reap the benefits of a robust business sector," the conference board's latest report says. "With the labour market looking good, healthy consumer spending across all spending categories is expected over the near term."

RBC senior economist Robert Hogue described this province as having "quite a vibrant" economy.

"The Ontario economy has been, I think, quite impressive at adapting, at adjusting, and at continuing to generate jobs," Hogue said in an interview with CBC Toronto last week.

"The Ontario economy has been quite strong over the last couple of years," said Dina Ignjatovic of TD Economics in another interview. "We expect to see another very strong year in 2017."

It's guaranteed the Kathleen Wynne government will point to these trends on Tuesday when it announces its plans to protect vulnerable workers and hike the minimum wage to $15 an hour (as revealed by CBC News this month).

But if you're a typical Ontario worker, you're not necessarily feeling as rosy about your own personal economy as the provincial economic figures would indicate.

That's because wages aren't growing at anywhere near the pace of the gross domestic product (GDP). Statistics Canada figures show the average weekly earnings of Ontarians grew just 1.1 per cent in 2016. That's below inflation so, on average, the typical person took a pay cut last year.

"There's a collision between the psychology of consumer confidence and the reality of the economic numbers," said Nik Nanos, executive chair of Nanos Research. "When people don't feel that real wages are significantly increasing, when they're unsure about their level of job security, it creates a psychological chill on consumer confidence."

Despite that chill, there are signs that Ontarians' consumer confidence is on the upswing. Nanos's polling firm tracks our mood about the economy using the Bloomberg Nanos Canadian Confidence Index and it suggests this province is feeling more upbeat than the rest of the country.

"We saw this trend emerge with the drop in the price of oil," Nanos said in an interview with CBC News.

There remain, of course, economic uncertainties for Ontario.

Export-oriented industries in particular are worried about growing protectionist sentiment in the U.S. and what President Donald Trump will try to do to the North American Free Trade Agreement. They're also vulnerable to any significant jump in the value of the Canadian dollar.

The crazy housing market is making many people worried they'll never be able to afford a home, while recent changes bring doubts about where house prices will go next. Real estate now accounts for a bigger portion of Ontario's GDP — at 13.2 per cent — than manufacturing, at 12.1 per cent.

Businesses complain that hydro prices are making them uncompetitive. And jobs can always go south, as nearly 500 workers in Brockville found out last week.

Yet Ontario has its advantages, including a corporate tax rate (11.5 per cent) that's lower than every other province except B.C., physical proximity to tens of millions of American consumers, and a diversified economy that isn't reliant on one volatile commodity as its lifeline.

Wynne government considers boosting minimum wage to $15
The 2008-09 recession left Ontario battered and bruised. Manufacturing took a hammering. The hangover took a long time to clear. Part-time and contract work is the reality for a new generation of workers and those with full-time jobs struggle to shake off the worry they could be out of work tomorrow.

There is no single economic engine for Canada. But Ontario's economy is, at last, firing on all cylinders, so perhaps this province is ready to reclaim its place as a driving force for the country.

Broad support shares Krmpotich's vision for the Sault
Published Media Release
May 29, 2017

Today, NDP by-election candidate Joe Krmpotich issued the following open letter to Sault families on a shared vision for Sault Ste. Marie:

I'm humbled by the support and endorsements I've had from Saultites who may not have voted NDP in the past. We share a vision to use this week's election to start turning things around for the Sault.

Thank you to people like lifelong community volunteer Peter Vaudry, Joe Hollywood owner Joe Giordano, and seniors advocate Melanie Mahler for your support.

Under the Conservative and Liberal governments, good jobs have been leaving the Sault for years, while the cost of living has been going up. We've all seen young people – our own sons, daughters, nieces and nephews – leave to build their careers, and their families elsewhere.

It's time to revitalize our city and our local economy. It's time for our young people to find opportunities here, and for all of us to have a more affordable life.

Let's turn things around for the Sault so that we can all live more comfortably – and give our kids the chance to stay and raise their babies here, too.

I've been fighting to protect 3,000 jobs at Algoma since I started there decades years ago – and it's time to take that fight to Queen's Park. It's time for the provincial government to give the Sault our fair share of job-creating investment, and to make life more affordable for families.

I'm proud of the stand the NDP has taken:
* In order to protect Algoma jobs, the NDP and I have committed to funding $4 million over 5 years for Huron Central Railway to bring itself up to new federal safety standards, stay in business and keep delivering Algoma's products to market.

* The NDP has a plan to lower hydro rates by 30 per cent for both residents and businesses and bring Hydro One back into public hands. We'll end policies that hurt the Sault and surrounding area like rural and northern delivery charges, and time-of-use penalties.

* We have a state of the art hospital that's always overcrowded and caregivers are asked to do more with fewer resources. Kathleen Wynne ignores our pleas for help and tells us to be happy with what we have – but we know the Sault deserves better. Hospitals should be funded to inflation and provided with enough resources to meet the needs of northern Ontario. The NDP is committed to that, and I'll fight for every dollar we can get.

* The NDP will extend prescription drug coverage to everyone – regardless of age or income – by creating the first universal Pharmacare program. No one should have to empty their wallet to get the medicine they need

* I'll fight for the Ring of Fire to finally be ignited, and for the smelting plant – and the jobs and the millions of dollars in investment that come with it – to be located here. Kathleen Wynne and the Liberals have done too much damage to the Sault by cutting in our hospital, hiking our hydro bills, eliminating job-creating and job-supporting programs and abandoning our community when we needed investment.

And the Conservatives? They don't talk about their plans because they don't work for the Sault. They'll let the Huron Central line die – along with hundreds of Algoma jobs. And they support a privatized Hydro One, even with its huge electricity bills.

I've been fighting for the Sault all my life, and I envision a future where our kids find opportunity here. I envision a Sault where seniors and retirees can afford a decent lifestyle. And I envision our community growing and prospering again.

On Thursday, join me to start turning things around for us all.

[News from the Park – Northern Ontario Focus, FAO Report]
Wawa-News.com
Michael Mantha
May 29, 2017

Those of you who follow my News from the Park column weekly or tune into the televised proceedings of the Ontario Legislature will know how frequently I raise the issue that we Northerners sometimes feel slighted or forgotten by the government and their policy makers. You know the old line of reminding southerners that life really does exist north of Barrie. I'm sorry to say that sometimes discourages me to realize there is more truth in this concept than I'd like to imagine. Northern MPPs of all stripes have long shared this sentiment. To be fair, however, if people from rural and Northern Ontario were tasked with running our southern metropolises, we would likely make a mess of things as well. Unfortunately, these southern misconceptions can lead to unintentional alienation of Northerners. Sometimes the services we receive do not adequately reflect the needs of the North. However, that being said, I am happy to say that there may now be a reason for us to have some hope.

Recently NDP MPP John Vanthof introduced a motion to strike a committee of Northern MPPs. No matter what party a member is affiliated with, we can all recognize various commonalities. This new non-partisan committee will look at legislation put forward and report back to the government on how it will impact, positively or negatively, on our northern region. Establishing this committee will allow us to bring about a real understanding of the challenges we face and how government policies and legislation will interact. This Northern committee will enable us to provide a genuine reflection of our needs in the north and hopefully improve understanding and cooperation. But, while the motion received unanimous assent of all sitting members, it will be up to the government to follow through and make the concept work.

On another note, the selloff of our Hydro One crown asset continues to take centre stage in the Legislature. Just days ago Stephen LeClair, the Financial Accountability Officer of Ontario (FAO) released his report after investigating what the effects of this government's recent hydro decisions will be. In a nutshell, Kathleen Wynne decided the best way to mask (i.e. not fix) her errors which have already caused astronomical increases to hydro bills for both families and businesses, is to lower the bills by spreading out the cost over an extended period of time. The NDP says this plan will force the next generation to pay for Wynne's disastrous mistakes to the tune of $40 billion. The FAO report just released now confirms that Premier Kathleen Wynne's Hydro borrowing scheme will cause Hydro bills to soar. Further, the FAO assess the cost at $45 billion. And if interest rates go up or the province has a deficit budget during the next 30 years, (which is quite likely) that number could balloon as high as $93 billion. Clearly Wynne's plan is even costlier than feared, and is about saving Liberal seats at the expense of everyone who pays a hydro bill.

The FAO released results of its investigation into the Liberal government's Fair Hydro Plan Wednesday. The report shows in black and white that after four years of hydro bills rising with inflation, they'll jump by 6.8 per cent every year. Ontarians will be on the hook billions of dollars for over 30 years.

The NDP has put forward a comprehensive hydro plan that doesn't rely on borrowing and lowers bills for Ontarians by up to 30%. We will put Hydro One back into public hands and fix our electricity system which has been broken by private power deals signed by this Liberal government and the Conservatives before them. Our hydro plan will bring immediate and sustained long-term relief for people instead of long-term pain and payments.

Hydro One Ltd (H) Receives "Neutral" Rating from CSFB
Brian Himes
The Stock Observer
May 29, 2017

CSFB restated their neutral rating on shares of Hydro One Ltd (TSE:H) in a research report released on Friday morning. CSFB currently has a C$26.00 target price on the stock.

A number of other equities research analysts have also recently issued reports on the stock. Raymond James Financial, Inc. reissued an outperform rating and set a C$25.00 target price on shares of Hydro One in a report on Friday, February 10th. Royal Bank of Canada lowered their target price on shares of Hydro One from C$29.00 to C$28.00 and set an outperform rating on the stock in a report on Friday, May 5th. BMO Capital Markets reissued a market perform rating and set a C$26.00 target price on shares of Hydro One in a report on Wednesday, April 5th. TD Securities reissued a hold rating and set a C$23.00 target price on shares of Hydro One in a report on Friday, May 5th. Finally, CIBC boosted their target price on shares of Hydro One from C$25.00 to C$27.00 in a report on Thursday, February 9th. Six equities research analysts have rated the stock with a hold rating and four have assigned a buy rating to the company's stock. Hydro One presently has an average rating of Hold and an average target price of C$25.95.

['Sign of the times' as Hydro One Brampton rebrands]
Press Release
Marketwired

BRAMPTON, ON--(Marketwired - May 29, 2017) - The replacement of the familiar Hydro One Brampton sign at the 175 Sandalwood Parkway West location with one that now features Alectra Utilities signifies more than just a name change for Brampton's electricity provider. It symbolizes the integration of the utility into the Alectra family of companies, the new municipally-owned entity that serves one million customers in the Greater Toronto and Hamilton Area. Alectra commenced full operations on February 28th of this year.

In addition to replacing the signage at various locations around the community, Alectra, created from the recent consolidation of Hydro One Brampton, Enersource, Horizon Utilities and PowerStream, has been busy rebranding other items including bucket trucks, pickup trucks, cars and trailers.

"Alectra is working hard for the residents and businesses in Brampton by providing best-in-class service in everything that can be done for an electricity customer, whether it's an easy switch to an online bill, staying informed about an outage in the area or converting a business to be more energy-efficient," says Brian Bentz, President and CEO of Alectra Inc. The merged company is now the largest municipally-owned electricity utility in Canada.

The rebranding to Alectra Utilities is yet another step in the full integration of Hydro One Brampton into the Alectra fold.

In the meantime, Brampton electricity customers can continue to make payments as they have done previously and can contact the utility at the same phone numbers as they always have -- 905-840-6300, ext. 7300 for customer care and 1-844-797-7920 for power outages.

About Alectra's Family of Companies

Alectra's family of energy companies distributes electricity to nearly one million customers in Ontario's Greater Golden Horseshoe Area and provides innovative energy solutions to these and thousands more across Ontario. The Alectra family of companies includes Alectra Inc. (Mississauga), Alectra Utilities Corporation (Hamilton) and Alectra Energy Solutions (Vaughan).

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