Afternoon Energy Media Summary - October 31, 2017

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G ood afternoon,

Here is a roundup of the day's news:

- * Energy Minister out of touch with reality for Northern businesses – *SaultOnline.com*
- * Continue conversation on regional electricity – *The Chronicle Journal*
- Jim McDonell: Improper accounting costs us $4 Billion – The Morrisburg Leader
- * Winter Power Pricing Takes Effect – *Blackburn News*

Please see below **Today in Twitter** for news articles.

Oct. 31, 2017
Today in Twitter

@WindConcernsONT - Minister @GlennThibeault **boasts how many homes powered by wind energy. Too bad they're in New York. Or Michigan.**

@WindConcernsONT - Minister @GlennThibeault will crow about $146 mil for selling extra power. Too bad it COST us $892 mil. @IESO_Tweets

@Windpower_Eng - ITC Lake Erie Connector commends Ontario's 2017 Long-Term Energy Plan

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Energy Minister out of touch with reality for Northern businesses
SaultOnline.com
Oct. 31, 2017

QUEEN'S PARK – Northern PC MPPs Vic Fedeli (Nipissing) and Ross Romano (Sault Ste. Marie) blasted the Energy Minister in Question Period today for a recent suggestion that businesses in Northern Ontario have it rosy when it comes to electricity prices.

Fedeli quoted the Association of Major Power Consumers of Ontario's most recent analysis, which states "Ontario has the highest industrial rates in Canada and one of the highest industrial rates in North America."

"The Minister can ask North Bay's Arclin about how their operation had the highest energy costs of all their North American branches," Fedeli started.

"Actually, Speaker, he can't, because their entire city-block-long factory is now closed. They left Ontario because of skyrocketing hydro."

Romano quoted Frank Dottori of White River Forest Products, who told Pre-Budget consultations last year "most jurisdictions use energy costs to promote economic development, not to kill jobs, which is what we're doing in Ontario."

"Why does this Minister pretend that Northern Ontario rates are competitive? Why do you continue to pretend that wasting $4 billion is a plan, when we all know the truth – that your Liberal hydro disaster is costing us jobs in Northern Ontario?"

Continue conversation on regional electricity

The Chronicle Journal
Oct. 31, 2017

On Oct. 18, the Independent Electricity System Operator (IESO) visited Thunder Bay for a regional electricity forum, which was focused on exploring how electricity can be harnessed to support the growth, resiliency and vibrancy of communities in the Northwest.

Electricity planning and delivery has dramatically changed in recent years as a result of rapid technological advancement, an increasingly engaged consumer, growth in local electricity resources and climate change policies. Communities, including First Nations and Metis, businesses and residents, now have increasing opportunities to take control of their energy use and participate in the sector. Shaping the future of Ontario's electricity system is now a collective effort.

Thank you to the more than 100 participants from a variety of organizations and backgrounds who joined us at the BW Plus Nor'Wester Hotel and Conference Centre. We heard the local perspective from knowledgeable speakers, like Norm Jaehrling, CEO of Pic Mobert First Nation, about the Gitchi Animki hydro project; Iain Angus, councillor for the City of Thunder Bay, on the expected growth in mining, forestry and manufacturing in the Northwest; and Rob Mace, the president and CEO of Thunder Bay Hydro, on new technologies being incorporated into its portfolio, among other expert presenters.

But the value of the forum was more than the presentations we heard - it was also a great opportunity to contribute to discussions, share information and develop a dialogue on how your community can leverage change and innovation in the electricity sector.

Our hope is that this will be a continuing dialogue. Even if you didn't attend the forum, we invite you to continue the conversation with us. We also encourage you to explore, at ieso.ca, the opportunities to participate with the IESO (through regional planning activities, energy-efficiency programs, funding opportunities, engagement, etc.). We want to hear from you. Your input is important to us and will help inform the future of Ontario's electricity sector. We are as close as your email - communityengagement@ieso.ca.

Jim McDonell: Improper accounting costs us $4 Billion

Jim McDonell
The Morrisburg Leader
Oct. 31, 2017

During October, energy continued to dominate the headlines at Queen's Park, with the government's Fair Hydro Plan facing intense and devastating scrutiny. The Auditor-General released a report which she prefaced with the statement that it is her duty to act as a steward of the public interest and to sound alarms when necessary. In the report, the independent officer stated in no uncertain terms that the government was using improper accounting techniques to keep the debt associated with the Fair Hydro Plan off the public books and make Ontario's overall debt, borrowing and deficits look better than they actually are. In a nutshell, the government plans to buy a temporary 25% overall relief on ratepayers' bills by borrowing enough money to cover the extra costs of system upgrades, golden salaries at Hydro One, overpaid green energy, and other expenses that would hit ratepayers before the next election, and instead spread those increases over the next three decades. Depending on interest rates, this will cost us anywhere between $45 and $93 billion in interest payments alone – a bad deal for the ratepayer and taxpayer of any political stripe.

There was a further kicker in the Auditor-General's analysis. The debt arising from the plan, according to the government's arrangements, will be placed in a separate accounting framework that will ensure it does not appear in the official provincial debt figures. According to the Auditor-General, the practice is "wrong", and if the government would use the standard borrowing practices which provide for a lower interest rate, and not this elaborate smoke screen to hide debt from the public, they would save taxpayers $4 billion of extra debt servicing costs. Our energy system is a mess, and it is little wonder with schemes such as this.

New homeowners can look forward to dramatic changes in the provision of new home warranties and the regulation of residential builders. Advocates for reform of the TARION Warranty Corporation have demanded a review of new home warranties in Ontario for years. In 2015, the government asked Justice Cunningham to take a look at TARION. In his report, the Justice highlighted that the role of builder regulator and warranty provider should be split, and that warranties should be sold in a competitive market just as any other insurance product, subject to the same accountability and capital requirements. Other recommendations included independent adjudication of disputes between consumers and the warranty provider and a lighter burden of proof on a consumer wishing to initiate a warranty claim. Under today's rules, a homeowner must prove the cause of a defect in order to make a claim. With the changes in Bill 166, a consumer would only need to show the symptoms of the defect, and it will be up to the warranty provider to assess the facts. Bill 166 takes some of Justice Cunningham's recommendations into account, but much more needs to be done to ensure our greatest and most significant purchase is properly protected.

As we enter the third month of the fall session, we will debate bills on red tape reduction, medical professionals' disclosures, construction payments and more. I will continue advocating for meaningful changes to our province's direction to focus on growth and competitiveness.

Winter Power Pricing Takes Effect
Stephanie Chaves
Blackburn News
Oct. 31, 2017

Winter time-of-use pricing kicks in November 1.

The Ontario Energy Board says while time periods will change, the prices will remain the same.

The cheapest price of 6.5 cents a kW/h will remain in effect from 7 pm to 7 am on weekdays and all day on Saturday and Sunday.

The mid-peak price of 9.5 cents a kW/h will be in effect from 11 am to 5 pm Monday through Friday.

It will cost 13.2 cents a kW/h between the hours of 7 am and 11 am and 5 pm to 7 pm.

According to Bluewater Power's website, the average customer uses 18% on-peak power and about 65% off-peak power.

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