FW: Afternoon Media Scan: Fair Hydro Plan - April 12, 2017

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Afternoon Media Scan: April 12, 2017

MEDIA SCAN: FAIR HYDRO PLAN

April 12, 2017

Click links below to view article:

Online Coverage

Durham Region.com: *Durham households and small businesses sh hydro bills*

By: Barbara Howe

April 12, 2017

http://www.durhamregion.com/news-story/7237268-durham-households-and-small-businesses-should-expect-lower-hydro-bills/

OSHAWA — Ontario Energy Minister Glenn Thibeault dropped by Oshawa Power and Utilities Corporation April 10 to reiterate Ontario's Fair Hydro Plan (OFHP), which he said will lower electricity bills by an average of 25 per cent for all residential consumers in the province.

Many small businesses and farms will also benefit from the initiative with additional relief for people with low incomes and those living in eligible rural communities. Thibeault said the expanded Ontario Electricity Support Program will provide an additional $180 to $276 per year in savings for low-income families.

The minister explained the OFHP, which was announced by the government last month, takes effect this summer and will be "the single-largest electricity rate cut in the province's history."

The initiative comes after customers and ratepayers complained about the high electricity rates which the minister said were caused by the $50-million cost of investments made since 2003 to the generation, transmission and distribution assets needed to ensure the hydro system is clean and reliable.

Thibeault said: "Premier Wynn has been listening to the customers' concerns and frustrations and made a strong commitment."

The key points of the OFHP are:

• Starting this summer, electricity bills will be reduced by 25 per cent on average for households across Ontario. Many small businesses and farms will also benefit from this cut.

• The new rates are guaranteed not to increase more than the rate of inflation for the next four years.

• There will be more help for people who live in rural communities and those with low incomes will see even more reductions to their electricity bills.

The minister said more businesses will be eligible for discounted rates through the Industrial Conservation Initiative program, and his ministry is working with the Ontario Chamber of Commerce (OCC) to get the word out about the new programs, some of which have been available for some time.

“Many of the businesses in communities like Oshawa would qualify for these programs, but they didn’t know that these programs existed,” said Thibeault. “So, we are working with the OCC to ensure they will roll out to all of their members to know about these programs, to help them qualify.”

Thibeault suggested businesses and residents, especially those on low incomes, contact their local utility or ontario.ca/fairhydroplan to find out about the programs.

Canadian Manufacturing: *Facing sky-high electricity bills, Ontario they’ve fallen between the cracks*
By: Allison Jones
April 12, 2017

http://www.canadianmanufacturing.com/manufacturing/facing-sky-high-electricity-bills-ontario-manufacturers-say-theyve-fallen-between-the-cracks-190553/

TORONTO—Thousands of businesses in Ontario that don’t qualify for a 17-per-cent cut to their electricity bills are like the forgotten middle child, a manufacturing group said April 11.

The Liberal government’s announcement last month applies to residential electricity customers and about half a million small businesses and farms on time-of-use pricing. The Industrial Conservation Initiative program for large manufacturers and businesses was also expanded so that more industrial customers would qualify.

But there are thousands of Ontario businesses that are too big for one program and too small for the other, and the government estimates they will only see about two to four per cent off their bills.

Jocelyn Bamford, with the Coalition of Concerned Manufacturers, said the 70 manufacturers the coalition represents don’t feel valued.

“We feel that a lot of manufacturers are the middle child that are completely left out,” she said. “They saw almost nothing in the recent announcements.”

There are currently about 50,000 consumers in that middle group—including industrial, commercial and municipal facilities. The government doesn’t yet know how many of those consumers will qualify for the expanded industrial program, but Energy Minister Glenn Thibeault said it would be “thousands.”

Mark Josephs, the president and CEO of Kisko Freezies, said his company doesn’t qualify for the expanded industrial program—the government disagrees—and that two to four per cent off their hydro bill will not be of much assistance.

“As a business I feel like we are fighting a battle not only against all our competitors, but really against the government itself and, obviously, it’s a battle that we can’t win as a business,” he said.

The two to four per cent comes from the government shifting some programs to support low-income and rural residents off of ratepayers' bills and onto the tax base.

Kisko paid about $277,000 last year for hydro, Josephs said, about $100,000 more than two years earlier, even though he said consumption didn't change that much. In 2015 the actual electricity usage made up 20 per cent of what the company was paying, and last year that was down to 12.5 per cent, he said. Most of the rest went to the global adjustment.

The 17 per cent that is set to come off residential and small business bills this summer comes from part of the global adjustment. Part of it will come off bills for the next 10 years, but will also be deferred to future ratepayers, racking up an estimated $25 billion in interest on that debt.

But the global adjustment on medium and larger businesses' bills stays the same.

Thibeault said he's well aware of the concerns of the "stuck-in-the-middle" companies.

"The two to four per cent, while I know that's modest, there are the Save on Energy (conservation) programs that they can use as well and we're encouraging that," Thibeault said. "But we're going to continue to meet with them and talk with them to make sure that if there are other things we can do we'll look at that."

Shalini Sheth, a director of operations at a producer of East Indian snacks and sweets, said the company's monthly electricity bill is around $13,000 and their products retail for about $1.99.

"The margins are not there," she said. "Any time you get any additional cost it really is straight to the bottom line."

Progressive Conservative Todd Smith said the Liberals' hydro plan is hurting job creators.

"The patchwork quilt of programs that we now have in Ontario that the government has set up has too many hydro users falling through the cracks," he said.

New Democrat Peter Tabuns said ignoring manufacturers in the hydro plan is a big hole.

"We need jobs in Ontario," he said. "Having a healthy manufacturing sector is critical to the economic health of Ontario."

The Oshawa Express: *Selling the province's hydro plan*
By: Graeme McNaughton
April 12, 2017

http://oshawaexpress.ca/selling-the-provinces-hydro-plan/

The province's energy minister was in Oshawa, looking to help make the case for the province's new electricity plans.

Glenn Thibeault, flanked by Mayor John Henry and Ivano Labricciosa, the president and CEO of the Oshawa Power and Utilities Corporation (OPUC), was in the city to promote the recently announced plans by the provincial Liberals that will see hydro prices go down by 25 per cent, starting this summer.

"People from right across the province in every community, we've been hearing have had some concerns when it's related to their rates. We've been trying for a very long time to bring forward rate mitigation for ratepayers in the province," he says.

“We’ve been doing that, and we’ve seen some reductions over the last year or so, but they’ve been very targeted in specific and source, and were not necessarily bringing the relief that families were looking for and businesses were looking for.”

Announced in March, the initiative will see $28 billion in project costs refinanced over the next decade, stretching out payments and thereby giving the province enough wiggle room to reduce the cost of power – in this case, an average of 17 per cent.

Another eight per cent in savings came into effect at the start of 2017, when the province announced that it would be getting rid of its portion of the HST from hydro bills.

Also up for discussion during Thibeault’s visit was the prospect of merging the province’s hydro company.

Hydro company mergers is a hot topic of discussion in Oshawa, given the OPUC’s announcement last month that it was backing out of a possible joining of forces with Veridian Corporation and Whitby Hydro.

Thibeault says that while the province won’t be forcing any mergers on hydro companies, it will be making the process easier for those that wish to do so.

“One of the things we are not doing, as the province, is making mergers mandatory. We’re making all mergers within the province voluntary. Now, we’ve put incentives in place to actually help local utilities look at ways that they can merge,” he says.

“There are some incentives to it, but every utility needs to make its own decisions and the government won’t be moving forward with any mandatory requirements for mergers.”

***Nugget.ca** Nipissing woman paying Hydro One $450 of her $80*
NDP
By: Nugget Staff
Wednesday, April 12, 2017

http://www.nugget.ca/2017/04/12/nipissing-woman-paying-hydro-one-450-of-her-800-monthly-income---ndp

NDP Energy critic Peter Tabuns grilled Premier Kathleen Wynne in Question Period Tuesday over the rising cost of hydro , raising the case of Krysta Meecham-Robertson, a Nipissing resident who spends more than half of her $800-per-month income on a $450 hydro bill.

“Premier Wynne hasn’t taken a dime off people’s hydro bills,” said Tabuns, MPP for Toronto-Danforth. “Advertisements paid for with public money don’t put food on the table for people like Krysta.”

Meecham-Robertson already takes advantage of the Ontario Energy Support Program, the Rural Rate Protection Program and is exempt from being charged for debt retirement, Tabuns said, but she still has to choose between paying her hydro bills and buying food.

“Clearly, the premier and her Liberal government aren’t doing enough for people like Krysta,” Tabuns said. “When will the premier stop with the partisan posturing and actually present a detailed plan in this legislature to fix the mess she has helped create in our hydro system?”

The NDP recently released a plan to lower hydro bills up to 30 per cent. The plan reverses the Liberal government’s privatization of hydro assets and offers a number of immediate steps and long-term fixes to the hydro system to keep rates down.

Wynne's Liberal government has announced its own plan to reduce residential hydro bills, the

Fair Hydro Plan, which proposes to give residential consumers an average of a 25 per cent cut on their energy bills – when factoring in the eight per cent reduction implemented Jan. 1 – by refinancing over a longer period a portion of the global adjustment charge.

The plan also includes additional reductions for low-income and rural consumers, as well as savings for many small businesses and farms.

“Our plan will cut bills immediately, and bring an additional $7 billion in dividends to the province by stopping Premier Wynne’s wrong-headed sell-off of Hydro One,” Tabuns said. “That’s money that can be used in schools and hospitals,. Last week, the Wynne Liberals and Conservatives blocked the opportunity to make that bill cut happen quickly. The time for action to help Krysta, and all those paying huge hydro bills, is now.”

TV Transcripts (Noon)

None