Fw: Evening Media Scan: Hydro Rate Reduction Plan - March 26, 2017

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Great LTE from "Mike Johnson"

From: Law, Sally (CAB) <Sally.Law@ontario.ca>
Sent: Sunday, March 26, 2017 9:00 PM
To: @OPO-Media Relations and Issues Management; Bevan, Andrew (OPO); McEachern, Gillian (OPO); Donelson, Philip (OPO); Bossin, Bryan (OPO); Tomney, Genevieve (OPO); @CAB-Trans CO; Baker, Carys (ENERGY); Berry, James (ENERGY); Bodrug, Andrew (ENERGY); Campbell, David (ENERGY); Coker, Meaghan (ENERGY); Den Heijer, Kevin (ENERGY); DeWolfe, Julie (ENERGY); Esdaile, Trevor (ENERGY); Festeryga, Katherine (ENERGY); Foster, David (ENERGY); Iqbal, Muhammad (ENERGY); McGrath, Jessica (ENERGY); Moseley-Williams, Kate (ENERGY); Nekolaichuk, Colin (ENERGY); Olsheski, Mark (ENERGY); Ramasra, Raynier (ENERGY); Ruttan, Craig (ENERGY); Singh, Alysha (ENERGY); Teliszewsky, Andrew (ENERGY); Thompson, Rachel (ENERGY); Tresise, Landon (ENERGY); Tretiakov, Ilia (ENERGY); Walman, Evan (ENERGY)
Cc: Sumi, Craig (CAB); Di Giovanni, Robert (CAB); Law, Sally (CAB); Stinson, Jeffrey (CAB); Nutter, George (ENERGY); Halford, Gavin (ENERGY); Electronic Media
Subject: Evening Media Scan: Hydro Rate Reduction Plan - March 26, 2017

Sunday (Evening) Media Scan: March 26, 2017

MEDIA SCAN: HYDRO RATE REDUCTION PLAN

March 26, 2017

Click links below to view article:

TV Transcripts)(6 PM

NONE

Online Coverage

CTV News Polling shows hydro was No. 1 concern in Ontario long before relief announced appears in: CP24 and Northumberland News)

Allison Jones, The Canadian Press
Published Sunday, March 26, 2017 7:59PM EDT

http://www.ctvnews.ca/politics/polling-shows-hydro-was-no-1-concern-in-ontario-long-before-relief-announced-1.3341825

TORONTO — Ontario's government learned from its own polling that the rising cost of hydro was people's top concern 10 months before the Liberals publicly acknowledged it and announced an eight-per-cent reduction on electricity bills.

The government-commissioned polling from 2013 to 2016 — examined by The Canadian Press — tells a tale of increasing distress about hydro rates over months, even years before across-the-board relief was introduced.

Monthly tracking shows that in December 2013, the cost of electricity became the worst-ranked issue based on performance, with 70 per cent of respondents saying the government was on the wrong track.

Specific questions on electricity appear in July 2014 and again in March 2015, when polling found most people had done something in the past year to make their homes more energy efficient, and a majority supported the often-maligned time-of-use pricing.

Then in November 2015, electricity — and the privatization of Hydro One — surged to become a top issue of concern in the province, with 13 per cent of respondents saying it should be the government's top priority, over perennial concerns such as health, jobs, the economy and education.

In just one month, the percentage of respondents who rated the government's performance on controlling electricity prices as poor jumped from 38 per cent in October to 47 per cent in November.

By January 2016, jobs, the economy and health took over as areas of greater concern for the next few months, but the Gandalf Group polling told the government that controlling electricity prices was among its main perceived weaknesses and communications should focus on it.

Government responses to opposition questions about rising hydro bills over much of the 2013 to 2016 time frame focused on defending the cost of hydro as the result of building a clean and reliable system, while highlighting measures the government had already taken to lower consumer costs, such as a low-income support program and removing the debt retirement charge.

It wasn't until a Sept. 1 byelection loss that the government's tune changed.

"We heard at the door that hydro rates are increasingly challenging for people," Premier Kathleen Wynne said in a statement that night. "I understand, as do my ministers, that the government needs to focus on helping people with their everyday expenses."

The inclusion of the eight-per-cent rebate in the government's throne speech less than two weeks later suggests the plan was already well developed by Sept. 1. But the premier has acknowledged she should have acted sooner, a spokeswoman said.

"In saying that, we have been making changes to reduce costs in the electricity system over the past number of years," Jenn Beaudry said in a statement.

Changes she cited that were enacted before that eight-per-cent rebate include removing the debt retirement charge, reducing feed-in-tariff prices, renegotiating a green energy deal with Samsung, deferring new nuclear construction and delaying the start of other nuclear refurbishment, all of which saves the system billions.

While Wynne's eight-per-cent rebate was welcomed — almost 90 per cent of respondents in October supported it — it didn't resonate quite as widely as the government likely hoped. Still only 36 per cent said the government was doing a good job of controlling electricity prices.

"Of utmost importance to Ontarians for government's attention is electricity costs," the polling research said.

"And, evaluations of the government's performance at controlling electricity prices are worsening. Those who report being more familiar with government's recent eight-per-cent reduction of electricity prices are also more likely to evaluate the government poorly on this issue. Essentially, the solution is not proportionate to the perceived magnitude of the problem."

Fast-forward to March 2017 and the premier announced a further 17-per-cent average reduction on bills, holding increases to the rate of inflation for four years, cuts to delivery charges for some rural customers, eliminating the delivery charge for on-reserve First Nations customers, expanding a low-income support program and establishing a new home energy efficiency improvement fund.

Angus Reid polling conducted after that announcement found that Wynne's popularity continued to plummet to record lows, but 62 per cent of respondents said the reduction in hydro bills would be an important factor in deciding how they'll vote in next year's election.

The polling was conducted until October 2015 by Pollara, and from then on by the Gandalf Group.

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TORONTO SUN ONTARIO'S STUDENTS ARE FINANCIALLY ILLITERATE

By: Sue-Ann Levy, Toronto Sun
Updated: Sunday, March 26, 2017 06:12 PM EDT

http://www.torontosun.com/2017/03/26/ontarios-students-are-financially-illiterate

If you were Premier Kathleen Wynne, would you want Ontario students to know too much about how you're running this province's fiscal fortunes into the ground?

Would you want them to be aware that your 25% cut in hydro rates — done in a desperate effort to hang onto power in 2018 — will mortgage their futures?

Would you want students to understand that when it comes to your government's talk of “net zero,” you're not offsetting the cost of the lucrative contracts given to their teachers with any cuts.

For sure not. You'd want to ensure school kids are as financially illiterate as you and most of your caucus appear to be.

That appears to have happened.

Tricia Barry, executive director of Money School Canada and a former banker, says despite promises by the provincial education ministry in 2011 to “integrate” money management into the Grade 4-12 curriculum, students know little more about money than they did five years ago.

She was so upset with the Liberal's “broken promises” — what she cheekily calls financial literacy gate — she produced a discussion paper last November showing how little is being done.

In it she observes that the curriculum contains precious little content related to “core money management concepts” or vocabulary and that teachers are not accountable for lesson delivery. Teachers also haven't had the proper professional development to teach money concepts with only $5 per teacher invested by the government.

“This translates to a haphazard, inconsistent financial literacy education for elementary students in Ontario,” she writes.

She feels financial literacy is more important than the controversial sex-ed curriculum

“Financial literacy to me is a critical life skill,” she says.

By the time Ontario’s school kids reach Grade 8, she says they should have an understanding of the concepts of income, expenses and interest. But they don’t.

By the time they graduate from Grade 12, Barry says they should have a solid understanding of saving, smart spending, budgeting, borrowing and credit cards.

Again, other than in rare exceptions (such as in a business class) very little of that is being taught, certainly not as a mandatory program, she says.

PC MPP Vic Fedelli recognized financial literacy was so lacking in the school system, he introduced a private member’s bill — the Financial Literacy for Students Act, 2016 — that would make a Grade 10 course in money management mandatory for Ontario students to graduate.

“That’s how important we think it (financial literacy) is,” says Fedelli, the PC finance critic.

After the bill made it through first reading last November, he says the Liberals promised to come out with their own program. Because of that, he took the bill off the table.

But what Liberal Education Minister Mitzie Hunter came up with last week was a series of pilot projects at 29 high schools to lead towards redesigning a Grade 10 career studies course to include financial literacy lessons.

That new improved course won’t be in place until the fall of 2018.

According to education ministry spokesman Heather Irwin, teachers participating in the pilots will cover four modules: Digital literacy, career life planning, financial literacy and entrepreneurship.

Under financial literacy, students will investigate such issues as deciding where they’ll pursue post-secondary study and how they would get the money to accomplish this, Irwin says. (Sounds really touchy-feely to me.)

She adds that $142,000 has been budgeted to support the 29 pilots (or about $5,000 per pilot.)

Fedelli says he’s “disappointed” that what Hunter introduced doesn’t have “the teeth” of the PC bill.

“It looks like another box (for the Liberals) to tick before the (2018) election,” he says.

He says he’ll see what comes of the pilot projects but may have to bring his bill back.

As far as Barry is concerned, the proof of the lack of money management training are the abundant statistics showing that more than one-third of those ranging in age from 18-29 are burdened with a debt of $10,000 or more.

“They end up in a pickle,” she says. “We can just look at the generation today with huge credit card debt.”

Forget about giving kids an allowance

Tricia Barry is not a fan of giving kids an allowance — even if it is provided in exchange for chores completed.

The executive director of Money School Canada and former banker teaches parents who use her services to engage in “allowing” — as in allowing kids to manage some part of money parents would normally spend on them anyway.

She refers to letting a child manage — say a $30 budget — for movies or other entertainment or for pizza lunches.

She suggests these “low-risk money transfers” be made to kids once a parents engages in a “crystal clear discussion” about what should be done with the money.

If a child takes the money and uses it to buy his or her friend a bucket of chicken instead, that’s his or her “choice” and the “consequences of that will be felt” because there will be no money for the pizza lunch or the movie, she says

“It teaches kids to make trade-offs, to compare prices and teaches them consequences of poor money management,” says Barry, who teaches money skills in schools, libraries and at Children’s Aid societies.

She feels this can be done as early as Grade 3.

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SARNIA THIS WEEKA PLAN FOR FAIRER HYDRO BILLS

By: Mike Johnson
Sunday, March 26, 2017 4:59:08 EDT PM

http://www.sarniathisweek.com/ur/story/1241815

At the beginning of March, the Government of Ontario announced a plan that will lower residential hydro bills by an average of 25 per cent starting this summer. This significant reduction in rates will go to every household in Sarnia-Lambton with no asterisks, loopholes or exceptions. And your bill won’t increase beyond the rate of inflation for at least 4 years.

I don’t have to tell you why this is needed. I’ve heard from people across the Southwest Region who are struggling to deal with bills that have gone up too much and too quickly. Household budgets are stretched. Something needed to be done.

For a long time, Ontario enjoyed one of the best electricity systems in North America. But for decades, governments of all stripes stopped investing in the necessary but often unglamorous updates that would keep our system strong. About 15 years ago, those band-aid fixes caught up with Ontario, and the cost of doing nothing outweighed the costs of making a change. Brownouts, blackouts, and dirty coal plants were a danger to our health, our environment and our economy.

So, we took action. We closed all of Ontario’s coal plants, built new transmission lines and invested in renewable energy. We now have a clean, reliable system that is going to benefit us for decades. But that came at a price. And the terms we set to finance these necessary renovations weren’t fair.

We put the $50 billion cost of this rebuild onto the hydro bills of just one generation. That was a mistake. It meant high bills because you were paying both for past neglect and subsidizing ratepayers who will benefit from these energy assets for years to come. By stretching those costs out over a timeframe that better reflects the lifespan of the assets we’re paying for, we can lower everyone’s bills today and keep them from jumping back up. That’s the fairer way forward.

Andrea Horwath and Patrick Brown are quick to say that this is just another short term solution and that we are only kicking the can to future generations. In reality, where facts do matter, future generations are only helping to pay for their fair share of a stable and reliable electricity system that they themselves will benefit from for years to come – with no more unpredictable blackouts.

We have also been asking ratepayers to pay for things that should really be part of the province’s budget. Our program to help low-income families afford hydro is one example.
One other program I want to highlight is the Rural or Remote Rate Protection program. The RRRP helps subsidize the high cost of delivering electricity to 350,000 rural residential customers. We’re taking the cost of the program off of hydro bills and enhancing it so that now about 800,000 homes will qualify for lower delivery charges.

Hydro is a necessity. But for the people living near Petrolia or Oil Springs, high delivery charges were leading to impossible choices between groceries, rent, or electricity. That’s not right. With this change, everyone in Ontario is going to be paying roughly the same in delivery charges. Again, it comes down to fairness.

As you can imagine, these huge and lasting structural fixes do come with a cost. Thankfully, we can afford it because of Ontario's strengthening economy, which is the fastest growing in Canada. After a decade of deficits, the provincial budget will be balanced this year. Our recovery is on track, but it hasn't been evenly shared by all. Many families we hear from, whether in Sarnia, Colinville or around Reeces Corners tell us they don't feel any better off than they were before the recession. It is why our team is determined to make sure growth in our economy means more opportunity and security for people in your community and all across Ontario. Using the province's growing fiscal strength to give everyone the break they need on their hydro bills is the right thing to do for the province, and the fair thing to do for your family.

Deb Matthews
Deputy Premier of Ontario