

Media Prep Note: Regional Media Roundtable on Ontario's Fair Hydro Plan

Reporter: Various from across the province

Wednesday, March 8, 2017

Time: 4:30pm-4:45pm Briefing // 4:45pm-5:00pm Remarks // 5:00pm-6:00pm Q&A

Location: Your boardroom over a Polycom

Prepared by: Jennifer Beaudry

Premier,

Tomorrow you will do a dial-in regional media roundtable with radio, online, print and TV outlets across the province to discuss Ontario's Fair Hydro Plan. You will deliver remarks off the top of the call and then we will open it up to questions. Jenn will moderate the call and provide a full list of participants before the start.

Outlets have been asked to RSVP to receive the call-in details, but have also been invited to join you in person at Queen's Park – So far, those confirmed are:

Calling-In:

Joel Wittnebel - The Oshawa Express

Mike Aiken - KenoraOnline

Margaret P. Bonikowska-GAZETA - Polish language newspaper in Canada

Joining at QP:

Ray Rivers - Burlington Gazette

The Gallery reporters have been invited to join the call, but have been asked to respect their regional colleagues and let them ask the questions. Several members of the Gallery will be dialling in. French outlets have been invited to participate as well. Ronan will be on hand for the briefing and the call.

Like with the interviews you've done, it will be important to continue to return to the strategic objectives you spoke about on announcement day and continued to draw on for your interviews on Friday.

It will be important not to be boastful, because as you said: Electricity is not a frill it's an essential part of our daily lives; I think we all know that. And everywhere I go, I hear from people worried about the price that they're asked to pay for hydro and the impact that it has on their household budgets.

It will also be important not to take shots at the opposition, to go back to our plan, your motivation and what it means for people.

You'll want try to avoid explanations of our investments and upgrades or get pulled into a policy discussion about our electricity system. And as much as possible, stay away from explaining the reductions we tried to make before the 25 percent (8 percent HST, renegotiating Samsung etc).

Most Ontarians don't know about these investments and don't feel we've done anything for them yet. Instead pivot back to the motivation wherever possible.

And, like you were on Metro Morning, be confident about answering the "you're kicking the can down the road/burdening our children with debt" questions. I have included that section of your transcript below.

1) This is about fairness - For too long, governments, my own included, have made mistakes in the way we've structured Ontario's electricity system. That has resulted in rates that are unfairly high. It's time to fix those mistakes in ways that work for today and for the future. We've created an electricity grid that is second to none. In the past few years, we've invested more than \$50 billion in electricity infrastructure: new dams in the south, new towers in the north, \$13 billion to refurbish nuclear power plants alone, and billions more to ensure new transmission and distribution lines everywhere.

These are enormously important assets that meet the need for cleaner and reliable power everywhere in the province. These are assets that belong to all of the people of Ontario and they'll serve us for many decades to come. But the way we financed those investments was a mistake. We asked one generation, today's generation, to unfairly shoulder the burden of nearly all of those costs. We had to play catch up and we asked today's ratepayers to cover nearly the whole tab.

Think of it in terms of a mortgage. We needed to rebuild the system and so we went to the bank for that money. But the terms that were set weren't fair, particularly the amortization. Instead of paying off the mortgage in 30 years we agreed to a term of 20. That means that we pay things down faster, but the monthly mortgage payments, or in this case your hydro bills, are higher. And it doesn't really make sense since that house, or in this case the electricity system, is an asset that will continue to benefit people for long past that contract term. In effect, this generation has been subsidizing not just those who came before, but those who will come next. And that's not right. And it has been notably unfair on today's hydro users. So we're fixing that. We're refinancing the mortgage and we're setting a new term that stretches over a longer period.

Over time, it will cost a bit more; that's true. And it will take longer to pay off; that's also true. But it is fairer because it doesn't ask this generation of hydro customers alone to pay the freight for everyone who came before and everyone who is going to come after. The burden will now be shared more evenly and more appropriately. So that's the first and the most important fix we're putting in place.

2) What this means for people. For the past couple of months, I've made a point of connecting with people who have written to me about this issue. I've called them up or I've seen them on a visit. I've sat and I've talked and I've listened to what they had to say. People want to know three things. First, they want to know that relief, and by that they mean substantial relief, is on its way. Secondly, they want to know that that relief is going to go to everyone. And third, that the relief will be lasting because it's built on a real change. In other words, that bills won't jump back up in a couple of months or even in a couple of years. So we're going to deliver on all three counts. And that starts by bringing down what people pay on their bills. Last September, I committed to reducing electricity bills by 8 per cent across the board, equivalent to the provincial portion of the HST. But it hasn't been enough. It's made too small a dent in people's bills. And for that reason we're taking more action.

We are tripling the size of the cut we're making to people's hydro bills from 8 per cent to an average of 25 per cent. Electricity rates in Ontario will come down significantly. They're going to stay down and everyone will benefit. And let me emphasize that last point. The cut will go to all households that pay for electricity. There will be no asterisks, no loopholes and no exceptions. Our plan will lower electricity bills by 25 per cent on average for all residential consumers in the province.

And for those living in rural communities or people who are living on low-incomes, the break will be even greater.

3) Structural Change. We are making structural changes. So when I talk about taking costs like the distribution charge or the Ontario Electricity Support Program which is really a social program to help people who are living on low income, taking those off the rate base saying you know it's not up to electricity users to pay for those programs and putting those on the tax base. That's a structural change. Asking people across a couple of generations to pay for upgrades to an electricity system that's going to last for those generations and can be used by those generations, that's a structural change. We are actually making structural changes because we made structural investments. You know we could not just let the electricity system fail so when we came into office in 2003 there was a debate. It needed to be upgraded.

Jenn and Ronan will be accompanying you for the roundtable. As always please let us know if you have any questions. You can reach me at: 647-299-5435.