RE: Afternoon Media Summary - July 19, 2017

From: "Campbell, David (ENERGY)" <david.campbell2@ontario.ca>
To: "McPhail, Blane (OPO)" <blane.mcphail@ontario.ca>
Cc: "Berry, James (ENERGY)" <james.berry5@ontario.ca>, "Forgione, Andrew (OPO)" <andrew.forgione@ontario.ca>, "Killorn, Bill (OPO)" <bill.killorn@ontario.ca>
Date: Wed, 19 Jul 2017 15:11:26 -0400

Yep, we'll start gathering some materials

From: McPhail, Blane (OPO)
Sent: July 19, 2017 3:06 PM
To: Campbell, David (ENERGY)
Cc: Berry, James (ENERGY); Forgione, Andrew (OPO); Killorn, Bill (OPO)
Subject: RE: Afternoon Media Summary - July 19, 2017

Kk good catch.

We should dig up the most recent Hydro Quebec comparison. Might even be worth flagging for him (with a reminder that bills are now 25% lower) if the numbers look decent.

Adding a couple others too

From: Campbell, David (ENERGY)
Sent: July-19-17 3:03 PM
To: McPhail, Blane (OPO)
Subject: FW: Afternoon Media Summary - July 19, 2017

FYI bottom piece

From: Garand, Joseph (ENERGY)
Sent: July 19, 2017 3:01 PM
Subject: Afternoon Media Summary - July 19, 2017

Good Afternoon,

Here is a roundup of the day's news:

Kelly McParland: Another wheel flies off Ontario's green energy bus, and lands on 340 workers – *National Post*

Brown charges Liberals not addressing North's needs – *Sault Star*

ONTARIO PC LEADER PRIORITIZING NORTHERN ONTARIO IN LEAD UP TO 2018 PROVINCIAL ELECTION – *North Bay Now*

Fraser Institute Media Advisory: Just how high are Ontario's electricity prices? New study coming Thursday, July 20 – *Press Release*

Please see below Today in Twitter for news articles.

July 19, 2017
Today in Twitter

@EngineersMingle - Alectra Energy Solutions and AMP to develop energy storage solutions for Ontario customers… goo.gl/fb/gsbcKb

@cleanenergycan - Do you have a sustainable energy project you want Ontario to know about? Join #GEDO17 Sept. 22-24 gedoon.ca/event-hosts/fa…

@kentmacdonald - Ontario. How not to implement a green energy program.

@cleanenergycan - The @Canadian_Solar 1 #solar farm near Napanee, Ontario, can power more than 1,200 homes and offsets 2,656 tons of carbon every year.

@OntarioFarms - #DYK Ontario has highest electricity rates in North America. #RuralON needs access to affordable energy ontarioruralgrowth.ca #naturalgas

@fullcomment - Kelly McParland: Another wheel flies off Ontario's green energy bus, and lands on 340 workers ow.ly/3U1Q50cUgrM

@chislettshakeup - ""Samsung had no history in renewable energy before they came to Ontario. They came only for the subsidies, and... fb.me/25S24ECb6

@CBCQueensPark - Death of the Ontario Libs' green energy dream? 340 jobs axed at Siemens wind turbine plant

@Agridome - A long uneven history in # Ontario ....Siemens shutdown: green energy, dark future | The London Free Press lfpress.com/2017/07/18/sie…

Kelly McParland: Another wheel flies off Ontario's green energy bus, and lands on 340 workers
Kelly McParland
National Post
July 19, 2017

When former premier Dalton McGuinty visited the new Siemens Canada plant in Tillsonburg in 2011, he brushed aside protesters and boasted that the plant was part of the Liberal alternative energy plan that would "put us at the forefront in North America."

The plant made windmill blades. Windmills were the future. Clean energy was what McGuinty's two-year-old Green Energy Act was all about. It would free the province of old, dirty manufacturing and introduce new, cutting-edge jobs that would make Ontario the envy of the world.

Just six years later the plant is closing. Management says big changes in the wind industry make it no longer viable. The cutting edge plant that was to help lead Ontario into the Valhalla of a clean energy future can't survive in a market that wants bigger blades.

McGuinty has long since faded into retirement. He chose to step down rather than endure further questioning about an earlier energy fiasco. There was no sign of his successor, Kathleen Wynne, outside the factory, Tuesday, as newly-jobless workers sought an explanation for the closure. "There was quite a bit of anger in there because they shut the place down the other night and never really told anybody about it," one complained to The London Free Press. "It was bang, everything was locked down."

Wynne has been busy attending a meeting of the National Governors Association in the U.S., arguing against radical changes to the NAFTA free trade accord. NAFTA is critical to Ontario, particularly given the flow of manufacturing plants leaving the province over high costs, increasing regulation and expensive electricity. At the same time that the Liberals announced a subsidized cut in power prices, they introduced a carbon tax that negates the savings and adds to the difficulties of small industries trying to keep afloat.

Wynne also plans to impose a $15 minimum wage on employers, as well as a package of new labour laws, despite predictions companies will be forced to cut staff to absorb the higher costs.

Does anyone remember the last time anything positive emerged from Ontario’s electricity industry, battered and bruised from 13 years of Liberal government manhandling? Hydro rates so punitive the Liberals have applied layer on layer of subsidies, borrowing the money or pushing debt onto future generations to do so. An estimated $45 billion extra in future costs so the government can reduce consumer bills now, as it campaigns for re-election. Billions lost selling power at a loss to the U.S., which will now be made easier by approval of a power line under Lake Erie.

Wynne’s government has been steadily retreating from a green energy deal with Samsung, even while proclaiming its continued devotion to McGuinty’s green vision. In 2013, it cut its planned purchase of electricity from Samsung projects by $3.7 billion, more than a third of the original agreement. In return, Samsung cut its planned investment by $2 billion.

In September, the Liberals ended plans for any new projects, admitting the power wasn’t needed. They had little choice after a report by the Independent Electricity System Operator indicated the province had enough power to last a decade. Characteristically, Energy Minister Glenn Thibeault hailed it as evidence of the government’s fiscal prudence, rather than proof of a colossal failure. “By putting our finger on the pause button it allows me to save $3.8 billion for ratepayers, and that’s pretty significant in terms of helping ratepayers right across the province,” he proclaimed.

Siemens Wind Power chief executive David Hickey was careful not to blame the Liberal change in plans for the Tillsonburg closing, but plenty of others were happy to. Companies like Siemens come for the subsidies, and when the subsidies disappear, so do they, said independent industry analyst Tom Adams. Ontario has poured so much into its green energy dream the market is saturated, he said. Hickey said the market is shifting west: Alberta and Saskatchewan are “the key opportunities of the future.”

Liberal energy strategy was always predicated on the belief that politicians could dictate to the market and control the outcome. Despite overwhelming evidence that governments do badly when they try to remove the freedom from free enterprise, Wynne and McGuinty ploughed ahead in their determination to impose their vision on Canada’s biggest province and most important economy. The result has been a catalogue of disasters. The $2 billion smart meter program that proved a bust at reducing demand; the gas plant construction projects halted in mid-campaign to protect a few Liberal seats; the doubling of consumer electricity bills; the army of windmills marching across vast expanses of rural Ontario, defacing the landscape while producing pricey, unneeded power.

In September, the Consumer Policy Institute calculated that Ontario had paid $6.3 billion to ship electricity outside of the province, while Ontario’s auditor general says hydro customers paid $37 billion more than necessary from 2006 to 2014 due to a catchall “adjustment” charge to cover the costs of past boondoggles. Having brought about the disaster, the Liberals have little choice but to insist that some day, down the road sometime, Ontarians will be grateful for the far-sighted policies they maintain will eventually pay off.

Maybe. And maybe Wynne and her energy minister can put their heads together and devise a way to declare the plant closing in Tillsonburg a blessing in disguise. How about this: without jobs, those 340 employees and their families will have to cut back their budgets, use less electricity, keep the car in the garage. Yet another victory for the Wynne Liberals’ far-sighted crusade to reduce energy consumption in Ontario, no matter what the costs to Ontarians.

Brown charges Liberals not addressing North's needs

Elaine Della-Mattia
Sault Star
July 19, 2017

Ontario Progressive Conservative leader Patrick Brown says he has a plan to address the concerns the Chamber of Commerce has been raising in the province.

Those problems, he said in a teleconference with Northern Ontario media Wednesday, include skyrocketing Hydro prices, regulatory red tape for businesses and concerns for labour reforms.

Brown said the organization's that represent business in Northern Ontario cities are raising similar concerns that he says he will address.

Ontario has a massive over generation issue that needs to be changed in order to ensure that needs in the province are in line with consumption, he argued.

The province currently creates 145 terra watt hours of energy and only consumes 137 terra watt hours, he said.

“We have this massive overproduction which means we have to give away hydro to the U.S.,” he said.

Bringing production in line with generation will help reduce costs. Ending contracts for the extra unnecessary generation would be paramount, he said.

“It's a travesty that we have green, clean, renewable energy in Northern Ontario and we are spilling the hydro electric generation every day,” Brown told reporters. “We've spilled enough water power last year that we could have powered 500,000 homes just from water power.”

Brown blames the Liberal government for the extended contracts and overproduction.

He argues a PC government will result in a significant reduction in hydro rates by addressing the structural problems instead of borrowing money to develop a quick fix.

Reducing high executive salaries will also have a trickle down effect to bring salaries more in line with the jobs

On the business front, Brown said that businesses are concerned about the Liberal's plan to raise the minimum wage and how that will affect their bottom line.

“Businesses are bewildered that there was no proper notice given, no cost analysis done,” he said.

Brown said he believes in a cost analysis and the minimum wage should come with a proper notice to allow businesses time to adapt.

“What I heard from the Chamber is you're going to have low-income, vulnerable workers lose their jobs,” Brown said, including young workers who may lose shifts.

“We all want to get to a higher minimum wage, but it has to be done at a slower pace,” Brown said. “I'm not willing to lose more Northern Ontario jobs so I certainly share their concerns and will be relaying it at Queen's Park.”

Brown also announced that the Ontario PC caucus retreat will be held in Northern Ontario for the third consecutive year – in Timmins -- on Aug. 24 and 25.

ONTARIO PC LEADER PRIORITIZING NORTHERN ONTARIO IN LEAD UP TO 2018 PROVINCIAL ELECTION

Aaron Mahoney
National Post
July 19, 2017

Ontario PC leader Patrick Brown is setting his sights on improving the lives of people in Northern Ontario. On top of announcing today that the PC caucus meeting will be held on August 24th and 25th in Timmins, Brown also touched on two topics he views as important to residents. Those topics are reigning in hydro costs, and getting the Ring of Fire development going. Brown says the Liberals have been in government for 14 years, but what has that meant for Northern Ontario?

He says quite simply, after 14 years Northern Ontario families, workers and taxpayers work harder, pay more and get less. Brown says his party is committed to making Northern Ontario opportunities a real priority, which he added the Wynne Liberals have failed to do for far too long. He says one of his first actions as Premier, should the PCs win in the 2018 provincial election, will be to take action on the Ring of Fire. Brown views the chromite mining and smelting development project as a tremendous opportunity.

When it comes to hydro, Brown says he wants to curb the over generation of energy to deal with global adjustment, and reign in executive salaries in the hydro industry. Brown says the over generation of power in Ontario has to be dealt with, because it’s leading to massive global adjustment charges that are hurting businesses and families. Brown says not only will he stop proceeding with new energy contracts that have recently been signed by the Liberals, he would also stop the contracts coming out this summer.

He mentioned a business he recently visited in Kakabeka Falls near Thunder Bay that had a hydro bill of $11,000 and $4,500 of it was global adjustment. Brown says global adjustment is where the government is able to hide all the extra costs as a result of the over generation of energy. Brown says the government signing off on the CEO of Hydro One making $4.5-million a year while the CEO of Hydro Quebec is making $400,000 sends the wrong message. He finished by saying when there's an extravagance at the top, it tends to trickle down through an organization where there's not a real value for tax payer and rate payer dollars.

Fraser Institute Media Advisory: Just how high are Ontario's electricity prices? New study coming Thursday, July 20
Press Release
July 19, 2017

TORONTO, ON--(Marketwired - July 19, 2017) - On Thursday, July 20, the Fraser Institute will release a new study on hydro costs in Ontario.
Evaluating Electricity Price Growth in Ontario spotlights how prices for the average Ontario resident have increased in recent years, and how monthly costs in Ontario cities compare to other Canadian jurisdictions.

A news release with additional information will be issued via Marketwired on Thursday, July 20 at 5:00 a.m. (Eastern).

The Fraser Institute is an independent Canadian public policy research and educational organization with offices in Vancouver, Calgary, Toronto, and Montreal and ties to a global network of think-tanks in 87 countries. Its mission is to improve the quality of life for Canadians, their families and future generations by studying, measuring and broadly communicating the effects of government policies, entrepreneurship and choice on their well-being. To protect the Institute's independence, it does not accept grants from governments or contracts for research. Visit www.fraserinstitute.org

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