

RE: South Asian Outlet - Media Request

From: "McPhail, Blane (OPO)" <blane.mcphail@ontario.ca>
To: "Ali, Alicia (OPO)" <alicia.ali2@ontario.ca>, "@OPO-Media Relations and Issues Management" <opo-mediarelationsandissuesmgmt@msgov.gov.on.ca>
Cc: "Berry, James (ENERGY)" <james.berry5@ontario.ca>
Date: Fri, 13 Apr 2018 12:06:35 -0400

Thanks Alicia. Given who is this coming from, I'm not sure we want to attack the Fraser Institute as directly as we would if it came from a spokesperson or Energy. Tweaked the opening couple paragraphs to reflect that. This is all stuff the P has said previously btw. Let me know if you're comfortable.

From: Ali, Alicia (OPO)
Sent: April-13-18 11:17 AM
To: McPhail, Blane (OPO); @OPO-Media Relations and Issues Management
Cc: Berry, James (ENERGY)
Subject: RE: South Asian Outlet - Media Request

For sure!

Re-framed below.

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We've made the investments necessary to ensure Ontario families are benefitting from clean, reliable energy. As families and businesses across Ontario remember, we inherited an electricity system that had been badly neglected under the previous Conservative government. Back then, brown outs, black outs, and smog days put our economy and our people at risk.

We took that dirty, unreliable electricity system and we made it clean. We eliminated coal – the source of those smog days - saving us over \$4 billion in health care expenses and even saving lives. In fact, last year's Toronto Vital Signs report shows premature deaths and hospitalizations as a result of air pollution have dropped by 23% and 41% respectively since 2004. Thanks to our leadership, over 95% of electricity in Ontario is now emissions-free, helping ensure there were no smog days last year either. This action has also turned us into a climate change leader, helping attract new green industries and create over new 42,000 jobs.

A policy decision that improves quality of life is not a bad policy decision. When Ontarians can't reach their full health potential, there is a cost to our economic productivity. While other jurisdictions are still burning dirty coal for two-thirds of their power, we have achieved competitive rates while undertaking the largest climate change initiative in North America.

Over the last several years, people told us these necessary investments have pushed prices up too much, too quickly. They also told us that life was becoming unaffordable, and they were being forced to choose between paying their electricity bills and putting food on the table for their families. For a province as prosperous as Ontario, that's completely unacceptable. That's exactly why we introduced the Fair Hydro Plan. With our new plan, bills are 25 per cent lower on average for families and small businesses. The latest data shows that people in Ontario are now paying less for the price of electricity

than similar jurisdictions in the United States and Canada.

The overwhelming consensus is clear – from climate and health experts both in government and in independent organizations – that the closure of coal plants in Ontario has resulted in significant reductions in air pollution and improved the lives of Ontarians. Moving forward, our Fair Hydro Plans combined with our Long-Term Energy Plan lays out a path for predictable, affordable electricity prices with no sudden jumps. That's real relief Ontario families can depend on and it's all part of our plan to invest in care and create more opportunity for everyone.

From: McPhail, Blane (OPO)
Sent: April 13, 2018 10:45 AM
To: Ali, Alicia (OPO); @OPO-Media Relations and Issues Management
Cc: Berry, James (ENERGY)
Subject: RE: South Asian Outlet - Media Request

Thanks Alicia. This looks good though can we re-org a bit so that we lead with the phasing out of coal? In this instance, think it's more effective countering with that before transitioning into what we've done to make electricity more affordable after we made it more clean.

From: Ali, Alicia (OPO)
Sent: April-13-18 10:33 AM
To: @OPO-Media Relations and Issues Management
Cc: Berry, James (ENERGY)
Subject: South Asian Outlet - Media Request

Hi everyone,

A South Asian News Outlet called Midweek has reached out. They are planning to publish the Fraser Institute NR in their weekly issue, but are looking for a response from the Premier. Both the Fraser NR and statement from government will appear side by side in the paper.

This outlet is extremely friendly, they publish many of our NRs and they want to make sure they are giving readers both sides of the issue.

My recommendation is that this statement come directly from the Premier, but if you think it's more appropriate that this come from Energy, just let me know.

I've prepped a draft statement below, much of the messaging is from Energy, and I pulled a line from another statement too. Let me know of any edits.

Reporter has a 2pm deadline.
Alicia

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Over the last several years, people told us that electricity prices had increased too much, and too quickly. They also told us that life was becoming unaffordable, and they were being forced to choose between paying their electricity bills and putting food on the table for their families. For a province as prosperous as Ontario, that's completely unacceptable. That's exactly why we introduced the Fair Hydro Plan. We took action because the electricity market was making life unaffordable for families. With our new

plan, bills are 25 per cent lower on average for families and small businesses.

The latest data shows that people in Ontario are paying less for the price of electricity than similar jurisdictions in the United States and Canada.

And what the Fraser Institute Report fails to point out is that the closure of coal plants in Ontario has drastically improved air quality and public health. A policy decision that improves quality of life is not a bad policy decision. When Ontarians can't reach their full health potential, there is a cost to our economic productivity.

Because of our decision to phase out coal, there were no smog days last year and we are reducing long-term exposure to poor air quality that created these health risks to begin with. While other jurisdictions are still burning dirty coal for two-thirds of their power, we have achieved competitive rates while undertaking the largest climate change initiative in North America. This also means more than 40,000 manufacturing jobs have been added to the economy, reducing unemployment and giving families more choice to do the things that matter most.

The independent Environmental Commissioner Diane Sax also disagrees with the Fraser Institute Report. Earlier this week she released a report in which she praised our government's early action on eliminating coal, saying: "Taking coal out of the electricity system has dramatically reduced Ontario's greenhouse gas emissions, and has improved air quality and public health".

The overwhelming consensus is clear – from climate and health experts both in government and in independent organizations – that the closure of coal plants in Ontario has resulted in significant reductions in air pollution and improved the lives of Ontarians. Moving forward, our Long-Term Energy Plan lays out a path for predictable, affordable electricity prices with no sudden jumps. That's real relief Ontario families can depend on and it's all part of our plan to invest in care and create more opportunity for everyone.

Fraser Institute News Release: Poor policies largely to blame for Ontario's skyrocketing electricity prices

TORONTO, April 12, 2018 (GLOBE NEWSWIRE) -- Poor energy policy choices—including Ontario's Green Energy Act—have increased electricity prices for residents, cost tens of thousands of manufacturing workers their jobs and produced only minimal health and environmental benefits, finds a new collection of essays released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

"Ontario is a prime example of how not to manage energy policy—extreme government interference in the electricity market has made life more unaffordable for Ontarians and damaged the province's economy," said Kenneth Green, senior director of natural resource studies at the Fraser Institute and a contributing author of [*Understanding Changes in Ontario's Electricity Markets and Their Effects*](#).

Among the policies that have created Ontario's electricity crisis is phasing out coal-power generation, granting wind and solar generators long-term guaranteed contracts above market prices, and the so-called Global Adjustment charge that, in part, actually pays generators not to produce any power.

These policies have hurt Ontario residents and the economy in several ways:

- Residential electricity costs increased 71 per cent between 2008 and 2016, more than double the national average increase of 34 per cent.
- In 2016, Toronto residents paid, on average, \$60 more a month for electricity than the average Canadian.
- Large industrial users in Toronto saw electricity prices jump 46 per cent between 2010 and 2016, while the average increase in electricity costs for the rest of Canada was only 14 percent for large industrial users.
- Ontario's high electricity prices reduced employment in manufacturing by some 75,000 jobs between 2008 and 2015.

And crucially, research has shown the Green Energy Act has not produced the environmental or health benefits, nor the so-called “green jobs” that advocates and the government promised.

“The recent history of electricity in Ontario has been pain without gain for residents and businesses alike,” said Ross McKittrick, Fraser Institute senior fellow and economics professor at the University of Guelph.

“Policymakers need to fully understand the nature of the bad policy decisions and their full effect before they can craft meaningful reforms that will actually lower hydro prices.”

Alicia Ali
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