Right wing dishonesty on the rise

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I suggest an LTE here or some kind of response. This is just another example of ridiculous right wing punditry that lacks any coherent principles save for the belief that the Wynne government is a menace out to get them. These are the people who have cried wolf for years about a government that taxes too much and has made electricity too expensive. Now that we are lowering taxes to make electricity more affordable their refusal to acknowledge reality has reached a new level. They characterize this tax cut as costing… taxpayers? The entire argument that we see repeated here and elsewhere is premised on the idea that a tax cut (HST off Hydro) costs taxpayers. They never defend or explain this, except to say that the $1.6B has to come from somewhere. So now they think there is no waste in government? Analogies abound and this can't be allowed to go unchecked. The government is balancing the budget by investing in growth and carefully managing spending. A principled right wing pundit would applaud the fact that it is choosing to use its strengthening fiscal position to give people the tax cut they deserve, and revisiting the procurement plans to keep future cost increases down. They should suggest we go further to starve the beast and let people keep more of their own money. Unfortunately principled right wing pundit has become a contradiction of terms. So they go on saying a tax cut hurts taxpayers and that a government delivering on its commitments to grow the economy, balance the budget responsibly and help people in their everyday lives is in fact a government in panic. I would hate to see what an actual government in panic looks like. Could go on and on but I think you get my point. As you were.

Panic in Wynne's government

(*National Post, Parker Gallant*)

In July, Ontario Energy Minister Glenn Thibeault was pressed by Shirlee Engel of Global TV on the rising cost of electricity bills. "While I'm still not using the word crisis," said Thibeault, "I know it's important. For one family if it's a hundred bucks out of their own pocket that's a crisis for them and I get that."
In September Premier Wynne mentioned the word "hydro" at an international plowing match, and was instantly booed.
Now it appears we have a government in a panic mode trying to deal with a crisis of its own making.
The Throne Speech held promises about getting rid of the provincial portion of the HST on electricity bills. Then on September 13, a press release from Thibeault confirmed the eight per cent reduction lowering bills $130 annually, and announced other actions such as, "Providing eligible rural ratepayers with additional relief, decreasing total electricity bills by an average of $540 a year or $45 each month."
The press release did not detail what constitutes an "eligible" rural

ratepayer; however, if it is just the 329,000 or so who are Hydro One's "low-density" ratepayers the annual cost will be approximately $150 million. The press release went on to say: "Empowering businesses to reduce their bill by up to 34 per cent through the expansion of the Industrial Conservation Initiative" (ICI).

Nei ther the Throne Speech nor the press releases say where the government is getting the money to pay for those initiatives, but removal of the eight per cent provincial portion of the HST will be on the backs of the taxpayers.

The electricity sector in the province is a $20 billion (before HST) business. That means $1.6 billion previously allocated to other ministries will now be unavailable, or the government will need to forgo balancing the budget or raise taxes/fees, etc. to cover off the lost tax revenue.

Thibeault issued another press release in September related to "Empowering businesses to reduce their bill." This one had a "Customer Impact Example": "With more than a thousand new businesses soon eligible for ICI, cost impact across sectors and industries will vary. As an illustrative example of the impact, a plastics manufacturer with an average peak demand of 2 MW that participates in the ICI program could see its electricity price reduced from $154 per MWh to as low as $102 per MWh. This would result in energy cost savings of up to $42,000 per month."

If you do the quick math on the above and assume each of those 1,000 plus businesses save $42,000 a month the reduction may be $500 million but once again, there is no indication where the funds will come from to cover those costs.

The above electricity bill reductions promised by the government total almost $2.2 billion and considerably more than the $1.5 billion in funds allocated to balancing the budget currently in dispute between the Ontario Auditor General and Liz Sandals, Ontario's Treasury Board President.

So exactly how the governing party plans to pull off these bill reductions is not known.

Perhaps to create confusion among voters/taxpayers and inattentive media, Thibeault issued another press release September 27th announcing the "suspension" of its Large Renewal Project II (LRP II) to acquire 1,000 MW of renewable energy, principally in the form of wind, solar and biomass. The press release declared "This decision is expected to save up to $3.8 billion in electricity system costs relative to Ontario's 2013 Long-Term Energy Plan (LTEP) forecast. This would save the typical residential electricity consumer an average of approximately $2.45 per month on their electricity bill, relative to previous forecasts.

It is unclear if Thibeault is suggesting suspending future rate increases will somehow cover off the costs of his promises to reduce Ontarians electricity bills by $2.3 billion.

Parker Gallant is a former bank executive who looked at his electricity bill and didn't like what he saw.

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