

RE: FYI Media Scan

From: "Sullivan, Bryant (TBS)" <bryant.j.sullivan@ontario.ca>
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Date: Sun, 22 Apr 2018 11:39:26 -0400

Hi all, sharing a quick update on coverage of yesterday's article:

- The G&M continues to promote the article on social media (appears to be on a schedule of one tweet every two hours). Some tweets are linking to Matthew McClearn's Twitter account (although his is low profile – i.e. 11 followers and no tweets)
- There appears to be no additional coverage of the article from other outlets (no other outlets have run articles relating to "Fair Hydro" or "hydro accounting")
- The Toronto Sun did run an opinion piece, pasted below, that is critical of hydro costs and quotes the Auditor General:
 - o "Sound familiar? Kathleen Wynne, the current Premier, has a pre-election plan to temporarily lower hydro bills by 25% by spending \$39.4 billion - an \$18.4 billion loan for the rate reduction itself and \$21 billion in interest down the road. However, after the election electricity rates will again start rising through 2021 and by 2028 ratepayers will pay more than the actual cost of electricity "to pay back the borrowings," Ontario Auditor General Bonnie Lysyk reported in 2017."

We'll continue to monitor.

Bryant

Sorry Howie, you were right about Hydro

Toronto Sun
Sun Apr 22 2018
Page: A15
Section: Comment
Source: Toronto Sun

Howard Hampton's preoccupation with hydro issues back when he ran for the Premier's job in 2003 was called an "obsession" by the grey, old Globe & Mail.

We made some fun of him in these pages as well.

But it turns out Hampton was ahead of his time, a prophet of coming electromagnetic calamity whose political concerns about hydro privatization and rising rates were at least

in part prophetic.

Enough so that Hampton has earned an "I told you so" and our humble apologies.

Meanwhile, much, and little has changed on the hydro file in the intervening 15 years.

Then, as now, rising electricity rates were an election issue and the Progressive Conservative government of the day capped rates in response to public pressure.

Sound familiar? Kathleen Wynne, the current Premier, has a pre-election plan to temporarily lower hydro bills by 25% by spending \$39.4 billion - an \$18.4 billion loan for the rate reduction itself and \$21 billion in interest down the road.

However, after the election electricity rates will again start rising through 2021 and by 2028 ratepayers will pay more than the actual cost of electricity "to pay back the borrowings," Ontario Auditor General Bonnie Lysyk reported in 2017.

A similar example of shortsighted mismanagement? The Liberals' decision to privatize a majority interest in Hydro One in exchange for a one-time, fire-sale price of \$9 billion to temporarily balance the provincial budget in an election year.

That \$9 billion makes up for a quarter of the temporary rate reduction and as Sun columnist Lorrie Goldstein pointed out this week amounts to selling the furniture to pay the mortgage - except "you can only sell the furniture once."

The newly privatized Hydro One then bought part ownership in a polluting, coal-fired U.S. power plant and 800-acre toxic sludge farm.

Hydro One customers have seen growing power outages and billing hassles, and were outraged when the utility proposed seniors and others struggling to cope with rising bills should pre-pay their bills. The Liberals were also forced to pass legislation outlawing winter disconnections.

Now we've learned the \$6.2 million-a-year CEO of Hydro One will get a \$10.7-million severance package if he's terminated courtesy of Hydro ratepayers.

Wynne has defended the salary and called Ontario PC leader Doug Ford's threat to fire the CEO and the entire board "a slogan masquerading as policy."

Clearly board turnover alone won't lower rates. But it is a symbolic statement of intent that fixing hydro to drive economic growth and ensure people can afford their bills is a critical priority for the province.

Wynne in fact has been offering slogans masquerading as policy for hydro, health care and other public services.

And that hasn't served us so well.

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Tone: Neutral

From: Sullivan, Bryant (TBS)
Sent: April 21, 2018 9:29 PM
To: Hadisi, Lawvin (TBS); Rubin, Jack (TBS); Poopalapillai, Christine (TBS)
Cc: Miller, Amanda (TBS); Vrancart, Kate (TBS)
Subject: FYI Media Scan

Hi guys, sharing a high level media scan as of about 5pm today, for your awareness.

At this point the story is fairly contained – hasn't been picked up by other media and the social media commentary isn't huge right now.

We'll keep monitoring throughout the weekend to provide a barometer going into Monday.

Bryant

Media Analysis

[“Bad Books: How Ontario’s new hydro accounting could cost taxpayers billions”](#) by Matthew McClearn, Globe & Mail

- The story is featured prominently on the front page of today's print edition of the Globe & Mail and currently sits at the top of the online version.
- The Globe has tweeted the story five times between 8:30am to 5:00pm today, indicating they are promoting it heavily.
- The article has been re-tweeted close to 200 times via various sources (including the G&M itself and reporters such as Christine Blizzard, David Hains [QP Briefing], and David Reevely [Ottawa Citizen]).
- Key themes on social media include criticism of the Liberal government (using terms such as 'fraud', 'treacherous', 'underhanded'); 'creative accounting', and that the AG has been 'sounding the alarm' on this for some time.
- The article itself has been referenced as an “explosive investigation.”
- There have been two mentions of “excessive” FOI fees encountered by David Hains and John Bowker (NDP policy researcher) regarding the Fair Hydro Plan and linking to the Globe and Mail article.
- At this time, there has not been any coverage regarding specific TBS (or other ministry) civil servants.

Key tweets include:

Kevin Gaudet
@KevinGaudet
Globe investigation exposes large Ontario fraud, implicates the Wynne government, IESO, bureaucracy and 3 of big four accounting firms. #onpoli #cdnpoli pressreader.com/canada/the-glo...
7:49am • 21 Apr 2018 • TweetDeck
1 RETWEET 1 LIKE

The Globe and Mail

@globeandmail

Investigation: Bad books: How Ontario's new hydro accounting could cost taxpayers billions

trib.al/x6VLTQ4

8:31am • 21 Apr 2018 • SocialFlow

13 REPLIES 21 RETWEETS 28 LIKES

Gillian Smith

@gilliansmith73

A brilliant long-form investigative piece in today's Globe on the @OntLiberal Fair Hydro Plan. Once you see the Libs' treacherous ways of operating, it's impossible to un-see. @OntarioPCParty

theglobeandmail.com/canada/investi...

8:50am • 21 Apr 2018 • Twitter for iPhone

1 REPLY 7 RETWEETS 9 LIKES

Christina Blizzard

@chrizblizz

Anyone still considering voting Liberal in the next provincial vote should read Matthew McClearn's excellent analysis of hydro accounting in the @globeandmail . Provincial auditor Bonnie Lysyk has been sounding accounting alarm for years. This explains why. #onpoli

10:16am • 21 Apr 2018 • Twitter Web Client

1 REPLY 16 RETWEETS 17 LIKES

David Hains

@DavidHains

The Globe requested documents relating to the Fair Hydro Plan from Ontario's Ministry of Energy. They were told that would cost \$112,000 in FOI fees. #cdnfoi #broken cc @jpag

theglobeandmail.com/canada/investi...

11:48am • 21 Apr 2018 • TweetDeck

2 REPLIES 7 RETWEETS 2 LIKES

Phillip Roh

@TOproh

1) If the government makes an extremely odd change to financial accounting policies does that not warrant an investigation?

2) Ontario party-in-power has attacked credibility of @OntarioAuditor. Isn't that a bit @realDonaldTrumpian?

#onpoli #Change4Better

theglobeandmail.com/canada/investi...

1:15pm • 21 Apr 2018 • Twitter for iPhone

Related coverage:

[“Ontario's ‘lost decade’ under the Liberals”](#) by Lorrie Goldstein, Toronto Sun.

No explicit mention of the G&M article. Focus on province's debt; cites the Auditor General and the Financial Accountability Officer

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