FW: This guy is gold!

From: "Teliszewsky, Andrew (ENERGY)" <"/o=govon/ou=exchange administrative group (fydibohf23spdlt)/cn=recipients/cn=teliszewsky, andrew (energy)4fe">
To: "Berry, James (ENERGY)" <james.berry5@ontario.ca>, "Nekolaichuk, Colin (ENERGY)" <colin.nekolaichuk@ontario.ca>, "Campbell, David (ENERGY)" <david.campbell2@ontario.ca>
Date: Tue, 07 Mar 2017 10:25:54 -0500

From: Forgione, Andrew (OPO)
Sent: March-05-17 5:10 PM
To: Teliszewsky, Andrew (ENERGY); Campbell, David (ENERGY)
Subject: Re: This guy is gold!

Hahahahaha amazing

A. Forgione
(647)-205-3475

From: Teliszewsky, Andrew (ENERGY)
Sent: Sunday, March 5, 2017 5:03 PM
To: Forgione, Andrew (OPO); Campbell, David (ENERGY)
Subject: This guy is gold!

Todd: Well, the FIT 5 Program actually is continuing today. Today was the last phase for contractors to pull out of participating in the FIT 5 Program. So, all of the companies that have put contracts on the grid already are getting another opportunity today to continue to participate in the process of putting renewable energy projects on the grid.

Steve: Okay, but they're not signing any new contracts. So, the tweet saying she signs the next round of bad energy contracts tomorrow is inaccurate, right?

Todd: Yeah, okay. I'll say that's inaccurate

From: Law, Sally (CAB)
Sent: March-05-17 5:00 PM
To: @OPO-Media Relations and Issues Management; Bevan, Andrew (OPO); McEachern, Gillian (OPO); Donelson, Philip (OPO); Bossin, Bryan (OPO); Tomney, Genevieve (OPO); @CAB-Trans CO; Baker, Carys (ENERGY); Berry, James (ENERGY); Bodrug, Andrew (ENERGY); Campbell, David (ENERGY); Coker, Meaghan (ENERGY); Den Heijer, Kevin (ENERGY); DeWolfe, Julie (ENERGY); Esdaile, Trevor (ENERGY); Festeryga, Katherine (ENERGY); Foster, David (ENERGY); Iqbal, Muhammad (ENERGY); McGrath, Jessica (ENERGY); Moseley-Williams, Kate (ENERGY); Nekolaichuk, Colin (ENERGY); Olsheski, Mark (ENERGY); Ramasra, Raynier (ENERGY); Ruttan, Craig (ENERGY); Singh, Alysha (ENERGY); Teliszewsky, Andrew (ENERGY); Thompson, Rachel (ENERGY); Tresise, Landon (ENERGY); Tretiakov, Ilia (ENERGY); Walman, Evan (ENERGY)
Cc: Sumi, Craig (CAB); Di Giovanni, Robert (CAB); Law, Sally (CAB); Stinson, Jeffrey (CAB); Nutter, George (ENERGY); Halford, Gavin (ENERGY); Electronic Media
Subject: Late Afternoon Media Scan: Hydro Rate Reduction Plan - March 5, 2017

Sunday (Late Afternoon) Media Scan: March 5, 2017

Media Scan: Hydro Rate Reduction Plan

March 5, 2017

Click links below to view article:

TV Transcripts (Saturday 6 PM)

Focus Ontario: Premier Wynne Announces Ontario's Fair Hydro Plan

Source: Global
Mar 5, 2017 8:00 AM (1)

Anchor: Welcome to Focus, the show that will be paid for by future generations.

Voiceover: From downtown Ontario, this is Focus Ontario with Alan Carter.

Anchor: Touting it as transformational change, this week the Wynne government took the wraps off its hydro rate reduction program. This, the culmination of a change of heart for the Premier, from denial to admission of fault, and now, major rate cuts. But it does not come for free, and who pays has now become a major point of criticism. Sean O'Shea begins our coverage with details on the price reduction package.

Premier Kathleen Wynne: So we are here today –

Reporter: Premier Kathleen Wynne about to admit her own government is to blame.

Premier Kathleen Wynne: We have made mistakes in the way we structured Ontario's electricity system.

Reporter: That refurbishing that system should have been done differently.

Premier Kathleen Wynne: But the way we finance those investments was a mistake.

Reporter: And with the price of electric power ballooning, that's about to change for consumers.

Glenn Thibeault, Ontario Energy Minister: The largest reduction in electricity rates in our province's history, because we know families need help now.

Reporter: Beginning in June, the government says, your bill will go down.

Premier Kathleen Wynne: Our plan will lower electricity bills by 25 per cent on average for all residential consumers in the province.

Reporter: Rural customers, the hardest hit of all, could see cuts of up to 51 per cent, that cut paid for by putting off the repayment of debt, by financing the cost of hydro generation over a 30-year window.

Premier Kathleen Wynne: So re-mortgaging the system, in effect, is a much fairer way of approaching this.

Reporter: But the Liberals' critics say it's unfair for future generations who'll be saddled with higher debt.

Patrick Brown, Ontario PC Leader: I'm happy that there will be hydro relief. We believe hydro relief is necessary. What I'm concerned about is that the government is not addressing some of the structural problems.

Peter Tabuns, NDP Energy Critic: She's put a very large band-aid on this problem, a very expensive band-aid, but she hasn't dealt with the structural issues. She hasn't even talked about them.

Reporter: Like higher costs for wind and solar power and long-term energy contracts responsible for much of that growing debt.

Jagmeet Singh, Deputy NDP Leader: It makes no sense. What they're doing is doubling down on a bad plan. They're not addressing the root problems of why we're in this position.

Reporter: Under mounting political pressure, the Liberals are hoping consumers will focus on a lower bill and not the cost years from now.

Tom Adams, Energy Consultant: Ontario has lost the kind of political wherewithal to pay its power bills as they come due. And so we've just decided to kick it down the road.

Reporter: Interest rates on the plan to pay off Ontario's hydro debt over time could cost an extra $14 billion. Sean O'Shea, Global News.

Anchor: Now here is perhaps the most significant part of Kathleen Wynne's speech Thursday outlining her plan. It contains the central argument the Liberals are making.

Premier Kathleen Wynne [clip]: 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.

Anchor: Now the Premier likes to compare the energy system to your mortgage, and says what the government is doing is essentially changing the payment schedule from 20 years to 30 years.

Premier Kathleen Wynne [clip]: So re-mortgaging the system in effect, and spreading those costs over 30 years, is a much fairer way of approaching this.

Anchor: You are pushing this cost to another generation. You are pushing it down the line.

Premier Kathleen Wynne: No, the reality is that people today are still paying, and they have been paying, and they will continue to pay, but they need to pay a fairer rate.

Anchor: Now that fairer rate for us today may not be appreciated by the next generation when the bill comes due. But for all of the talk about transformational change, very little in the system is actually changing. You have likely heard by now about the expensive long-term contracts Ontario signed with energy producers. Essentially, in return for the producer building and operating a power plant, whether it is gas, fire, or solar, the government guarantees an above market price for power that is then being fed into the grid. And the government is not touching those contracts despite calls to tear them up or renegotiate them. Perhaps the best way to explain this is with this video of a hot air balloon. Essentially the government is creating a hydro debt balloon and filling it with the difference between what we are going to pay after these rate cuts and the true cost of power. Plus, throw in borrowing costs of up to $1.4 billion a year, and well, as you can see, up goes that balloon. Now the idea is that the debt balloon will then be slowly deflated in the future.

[Video clip of Pee-wee Herman releasing air from a balloon]

Anchor: The trouble is the government doesn't really know how much all of this is going to cost in the long run. All of this is really not all that new. In 2002, Ernie Eves froze hydro rates. In 2011, Dalton McGuinty brought in a 10 per cent hydro discount.

Premier Kathleen Wynne [clip]: I don't expect a celebration as we make these announcements today. People are struggling with electricity costs that are too much for their families to bear.

Anchor: The Premier may not expect celebrations, but just like premiers before her, she is hoping to curb anger over rising hydro prices. And with little more than a year until the provincial election, she is hoping to let a little air out of that balloon.

[Video clip of Pee-wee Herman releasing air from a balloon]

Anchor: Now just hours after the rate reductions were announced, I had a one-on-one with the Premier. On the agenda: Why now? And watch for her answer about how she would explain to her grandchildren about passing the hydro bill to them.

Anchor [clip]: Premier, thank you for joining us.

Premier Kathleen Wynne: It’s a pleasure, Alan. Thank you.

Anchor: Why go this way? Why decide to move the cost of the system further down the road to a new generation?

Premier Kathleen Wynne: So we’ve done a couple of things, Alan. We are spreading the cost of the investments that we’ve made over a longer period of time. Right now, people are paying for investments that were necessary in the system and people are paying for those in higher electricity prices, steeply high electricity prices right now, and what we have said is, ‘You know what? It will be fairer if we can instead of having those costs paid over 20 years, if we spread it over a 30-year period – because really the people who are paying electricity prices right now are paying for neglect that was in the system and investments that were needed because of that neglect, and that’s years, that’s all levels – sorry all parties that have formed government have not invested in the system over time and so, people are paying for that. And they’re also paying forward for assets that are going to be used for people in the future. So spreading those costs over 30 years rather than 20 years is a fairer way to go. But the other thing we have done, Alan, is we are going to move to take distribution costs down, because there are people who live in rural communities outside of urban centres who are paying proportionately very high distribution charges that they can’t control, and we’re going to bring those down as well.

Anchor: But why not attack the system and change it, because you did not go after these energy contracts. You left them all alone and your Energy Minister has admitted that those are too expensive and have had I believe in his words “sub-optimal outcomes”.

Premier Kathleen Wynne: Well we looked at everything, Alan. We really did. And there have been some voices that said you should just rip up those contracts. We looked at how we could renegotiate or change those contracts. It would cost hundreds of millions of dollars, billions of dollars in the long-run. There are hundreds of contracts and so we determined, Alan, that that was actually going to be more costly to the system. There would be lawsuits, and what we decided was this was a much more fair way of bringing people's costs down. The other thing is it would take years. It would take years to make those changes in those contracts. So on the cost, on top of the time, what we know is that people need reductions right now. And you know that, Alan. You have been following this. You know that people have talked to you for months. The 8 per cent reduction that we have put in place in January is not enough. They need more people – people need to see greater reductions in their electricity bills and so that’s why we are taking this course.

Anchor: Now Premier, you like to refer sometimes to your family and your grandchildren, especially when you talk about green energy programs, cap and trade, leaving the planet a better place, for example. I’m wondering how you explain to those same grandchildren about the bill you're going to hand them for the energy system?

Premier Kathleen Wynne: Well, what I would say to them is that right now their mom and dad are having to pay a lot more for electricity which means they cannot do other things, you know? So I would say to any kids my grandkids’ age – they are seven and five and three right now – and I would say to them you know, ‘We want your mom and dad to be able to make sure that you have money for field trips and be a will to take you places and be able to buy food for you and make sure that you have child care. We want your parents to be able to pay for those things, and so we are going to take their electricity prices down right now. That means that when you are their age, when you are a little bit older, you are going to have to pay some of that cost as well. But everybody will pay for assets that we will all use.’

Anchor: Now while hydro bills have been soaring higher and higher for years, the Wynne government has often downplayed the issue. But then, it really began to hurt them in the polls.

Anchor: Anchor: As late as last August, the Energy Minister was unwilling to characterize hydro costs as a crisis.

Reporter [clip]: You don’t think it’s a crisis?

Glenn Thibeault, Ontario Energy Minister: Well I’m still not using the word ‘crisis’.

Anchor: Then came a by-election loss in the Liberal stronghold of Scarborough-Rouge River in early September. A few days later, Wynne started using a new word in describing hydro rates.

Premier Kathleen Wynne [clip]: It is an urgent issue for the Minister of Energy.

Anchor: Two months later, at the Ontario Liberal's Annual General Meeting, Wynne sharpened her language further, admitting high hydro prices were her “mistake”. But Wynne's approval rating remained low, and as more stories of winter disconnections piled up, an order went out to end the practice late last month, but the cost issue remained until today.

Premier Kathleen Wynne [clip]: And for some families, it has gotten to the point where they must choose between keeping the lights on and keeping food in the fridge. That is unacceptable. It is unacceptable to me.

Anchor: Now the NDP released their plan for hydro earlier this week. And while they're being accused of wishful thinking, there is someone missing from the table entirely.

Todd Smith, PC Energy Critic [clip]: This is going to be more expensive under a Liberal government, electricity. This isn’t the solution that we need, and we know the NDP plan that they put out was more of a public relations exercise than it was an actual plan to the reduce cost of electricity.

Anchor: Where’s your plan?

MPP Smith: Our plan is in the policy – [laughs] Hi Alan. Our plan is in the policy stage.

Anchor: Patrick Brown of the Progressive Conservatives continuing to be hammered because they don't have a plan yet, the party promising there is one coming.

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Focus Ontario: Interview With MPP Tabuns On NDP And Liberal Hyd
Source: Global
Mar 5, 2017 8:14 AM (2)

Anchor: Somewhat overshadowed by the Liberal hydro rate cut announcement this week is the plan announced by the NDP. While the Liberals are promising 25 per cent off your rates, Andrea Horwath says she can do better; she can achieve a 30 per cent discount. That would mostly be achieved by renegotiating those energy contracts we’ve been talking about. To talk more about the NDP plan, I am joined by the NDP Energy Critic Peter Tabuns. Thank you so much for being here.

Peter Tabuns, Ontario NDP Energy, Environment and Climate Change Critic: Pleasure.

MPP Tabuns: I know, so strange.

Anchor: Also of putting ideology before ideas. What makes you think you can tear up these contracts and not impose the same kind of costs that the Liberals have?

MPP Tabuns: Well first of all, Alan, dealing with the contracts is going to be a relatively small part of what we brought forward. Our focus is first of all taking time-of-use pricing off people’s bills. That’s about a 10 per cent savings. The program didn’t work out, it didn’t save what people expected, but it is making bills higher. In rural areas, dramatically reducing the rural delivery rate, bringing it down to an urban level, that is about 15 per cent. So we’re talking 25-30 per cent in there. Limiting the profits that private generators or private companies can make out of the system – it is much higher now than it should be; it needs to be cut back, and that’s something that we can do –

Anchor: How could you legislate something like that?

MPP Tabuns: Ontario Energy Board regulates the profits of those companies that come before them for approval on rates. So we actually can – we do regulate it now –

Anchor: That is tinkering – that is going back into the system and tinkering. You don't think – you are saying there's not going to be a cost to do that? To do that kind of thing there's going to be an inherent cost.

MPP Tabuns: The cost is going to be to companies who are not going to get as much profit. But Manitoba has a lower rate that's allowed for profit or return on equity for those who are regulated, and we'd have the same thing. The other thing is that we bring back the ownership of Hydro One to the public. So we aren't going to deal with the soaring costs we know are going to come from that privatization for years to come.

Anchor: And you knew that's an expensive proposition to do that.

MPP Tabuns: We do, and we can finance it out of profits that are now coming from Hydro One. It produces a lot of money right? It's about $700 million to $800 million a year. There's money in there, over 5 to 8 years, for us to buy it back, and then keep all of the profits that it generates for Ontario to deal with our financial priorities and hopefully also to deal with hydro rates.

Anchor: This doesn't really do what the Liberals are saying that they can do with their plan, which is say cut rates immediately.

MPP Tabuns: Well actually, with time-of-use and the rural delivery rates, we can cut it immediately. Let us bring forward a bill, get it passed, it will cut rates immediately – no seriously.

Anchor: Have you guys forgotten your environmental ideals by the way? Because it seems to me completely a 180 from what your party should stand for to say 'Oh I'm going to take away time-of-use pricing.' I mean it encourages conservation.

MPP Tabuns: Time-of-use pricing has failed. We spent $2 billion on Smart meters, it didn't work. It's a very small savings. Big savings come from programs like Peak Saver, which are much cheaper to implement. In fact, they can double the results that we got from the $2 billion Smart meter investment. If you are actually going to deal with prices, you have to deal with the system. Investing in conservation, we're going to do that. Keeping renewable power, we're going to do that. But we're going to squeeze out the profits. We're going to take away the stuff that doesn't make sense for people, that's driving up their bills unnecessarily. What the Liberals failed to do was take on the structure of the electricity system, and that's what has to happen. What the Liberals did is they decided to borrow this mountain of money to buy down the rates. This is no mortgage refinancing. You are not getting a property at the end. What you're doing is just reducing the rates by barring a tonne of cash. That's not a plan. That's not a structural shift. That's simply making sure they can get through the next election.

Anchor: And I think what strikes me is that when we're talking about 30 years in the future now, I mean with the rate of technological change, who knows what energy mix we're going to need.

MPP Tabuns: No, absolutely. No, things are shifting very fast, very big around the world. And the Liberals don't seem to be paying any attention to that. They are protecting their private friends, they are protecting private ownership, but they are not thinking about what will it be like in 5 years or 10 years here in Ontario? It's going to be very, very different.

Anchor: Will this change the channel on hydro prices?

MPP Tabuns: The Liberal –?

Anchor: Yeah.

MPP Tabuns: It will give people reduction up to the next election, but it won't change the fundamental problem, and those dynamics will reassert themselves. You can't buy it down. You actually have to change the system. You got to end the privatization.

Anchor: Peter Tabuns, the Energy Critic for the NDP. Thanks for being here.

MPP Tabuns: Pleasure, Alan.

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The AgendaMPPs Discuss Premier Kathleen Wynne's Hydro Plan
Source: TVO
Mar 3, 2017 8:00 PM (1)

Steve Paikin, Host: After months of taking a hammering over the high cost of electricity, the Ontario government this week introduced what it calls "the most significant rate reduction in the province's history." Tonight, we've got a three-party debate on the Liberals' proposal. Plus, the NDP plan to bring Hydro One back into the public's hands. Then, from realigning London, Ontario's economic fortunes to literary classics as translators of our times – it's The Agenda's week in review. The week and the Premier's power play. That's tonight on The Agenda. Starting June 1st, Ontario electricity customers will see, on average, a 25 per cent reduction in their bills. It's not that the cost of power has fallen, but that the provincial Liberals say mistakes have made electricity prices unfair to this generation. And so yesterday, Premier Kathleen Wynne unveiled the so-called "Fair Hydro Plan." Joining us now for a look at what's powering that proposal and whether it can deliver, Bob Delaney, the Liberal MPP for Mississauga-Streetsville and parliamentary assistant to the Minister of Energy; Todd Smith, he is the PC MPP for Prince Edward-Hastings, his party's energy critic and he comes to us via Skype from Belleville; and Peter Tabuns is here, the MPP for Toronto-Danforth and the energy critic for the NDP. It's good to have you three here with us both in studio and online and parts beyond. Let's start by playing a little snippet of Kathleen Wynne's news conference yesterday and then we'll come back and chat. Mr. Director, please.

Premier Kathleen Wynne [clip]: Last December, I committed to reducing electricity bills by eight per cent across the board, equivalent to the provincial portion of the HST. It hasn't been enough. It's made too small a dent in people's bills. For that reason, we are taking more action. We are tripling the size of the cut we are making to people's hydro bills from eight 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.

Steve: Okay, Bob, let's get into this. What is the rationale for putting the costs of powering this system more on the backs of taxpayers as opposed to ratepayers?

Bob Delaney, Liberal MPP Mississauga-Streetsville: Steve, electricity is a commodity whose price is rising and rising quickly everywhere in the world. Almost uniquely, about a dozen years ago, Ontario actually spent some money on the system -- a system that had been neglected for more than three decades. So when you put $50 billion worth of capital expenses on the system, then, as those bills come due, you are going to start to see it on your electricity bills. Now, again, almost uniquely in the world -- because Canada has some of the world's lowest electricity prices, those costs have been paid entirely by the ratepayer. Where in a lot of other jurisdictions and countries, they're shared between the rate base and the tax base. So what this proposal does is two principal things: it takes those parts of electricity assistance, such as the Ontario Electricity Support Program – which is a social program, and moves that onto the tax base. It takes some of the amortization of some of the assets that the province bought and says instead of paying it all out over a short period of time, pay it all out over a longer period of time which I would liken to a couple buying a house in the GTA anywhere and saying, "Okay, my first objective is to be able to afford a house and live in it. My second objective is to be able to afford the payments." So, in a mortgage, you will often stretch those payments out over a period of time where you think you can minimize your interest and yet, own the home and pay it down. So that's what the province aimed to do. It's the equivalent of looking at it this way: we bought tomorrow's electricity assets. We paid for them with yesterday's money and financed it over their life time at interest rates of nearly zero.

Steve: Okay let's get some feedback to what the Liberal plan is. Let's go to the official opposition critic first. Todd Smith, your view on what the Liberals have advanced?

Todd Smith, PC MPP Prince Edward-Hastings: I am not sure how Bob can say that with a straight face. Clearly, this is costing future generations billions of dollars. What the government announced yesterday was a desperate plan by a desperate Premier and a desperate government. That really is not going to curb the rising cost of electricity in Ontario. All it's doing is spreading it out over a longer period of time. Yesterday, the Liberals didn't do what needed to be done, and that was stop the increasing cost of generation that they have put on the system – billions and billions of dollars in sole-source contracts for [inaudible].

Steve: Alright. We'll see if we can get that Skype feed fixed. Meantime, let's go over to Peter Tabuns. Yesterday's announcement, your reaction to that?

Peter Tabuns, NDP MPP Toronto-Danforth: We are in a situation, Steve, where this government, the Liberals proposed to borrow tens of billions of dollars to pay down the hydro bills that people have in advance of an election. There's no mortgage here. We are not buying anything. We are paying rent. We are borrowing money to pay rent, frankly. It is going to be very expensive for us in the long run. It doesn't deal with the fundamental structural issues in the system. Privatization, that was initiated by the conservatives and carried on by the Liberals have meant that we're paying profit on hydro bills that we didn't do 20 years ago and frankly, we have an inflexible system. Right now, we're producing too much power in Ontario. We sell about $2 billion a year at a deep discount to what it cost us to actually generate it and we absorb those costs. There is no hint from the Liberals at all that they're dealing with those structural issues. What they're talking about is borrowing money, not changing the system. If you don't change the system, stop the privatization of Hydro One, restore public ownership, we will continue to see these prices soar. Frankly, we may get past the next election, but those underlying dynamics are going to reassert themselves and drive up the cost.

Steve: Let's get into some of these criticisms. First of all -- I wanted to leave the politics until later but Todd Smith brought it up already – a desperate move by a desperate government looking to somehow curry the favour with the electorate 15 months advance of an election. Want to respond to that?

Bob: Complete rubbish. This program is aimed at ensuring that Ontario retains the ability to generate electricity. The Conservatives miss the point. It's not about green electricity versus polluting electricity or even cheap electricity as opposed to expensive electricity. It's about having electricity as opposed to not having electricity. These are choices that every jurisdiction in the world is going to have to make or is making right now. In Ontario's case, we are running well ahead of the curve. We've turned off the one quarter of our electricity that used to be generated by coal. Ontario no longer generates electricity from coal. We've refurbished our nuclear reactors – giving us 40 years of affordable, predictable, clean, green, safe electricity. We've added a component of renewables that enable the electricity system to meet its daily peaks and valleys. We've put $50 billion worth of investment into generation and transmission – essentially spending in the past, money that most other jurisdictions are going to have to spend in the future. So with regard to what Mr. Tabuns said --

Steve: Hang on to that –

Bob: One last point. Each and every year this province makes a profit on the sale of electricity of between a quarter and a third of $1 billion.

Todd: That's not true.

Peter: That's not true.

Steve: Todd Smith, you go first.

Todd: Where to begin? Apparently Bob forgot that Kathleen Wynne actually apologized for the Liberals' mistakes that they had made on the energy file back in November at the Liberal convention. She said in a teary-eyed moment that they made mistakes that ended up costing Ontarians the ability to heat their homes, and many of them are were shut off over the last year -- about 60,000 of them, were shut off of electricity because they couldn't afford it. He apparently also forgot that just last week, Glenn Thibeault, who is the Minister of Energy, apologized in a speech in Ottawa at the Economic Club where he said that the Green Energy Act, that located generation facilities in parts of the province that were suboptimal – meaning they were located far away from where the power is actually needed -- most of that in the GTHA and around the Toronto area where things are happening and the power is needed -- not in rural Ontario. He also said that they created community conflict which, in my riding of Prince Edward-Hastings, is happening all the time and continues to happen right across the province. He also said they were unaffordable contracts that drove up the cost of electricity. So, you know, you can't speak out of both sides of your mouth saying that you made mistakes and then you didn't.

Steve: Let's hear Peter Tabuns' concerns about the last comment.

Peter: The last comment, saying you make a profit – when you buy something for $1 and sell it for 20 cents – that's not a profit by anyone's definition. We lose money on those exports. We claw back a little bit of it. But frankly, we are generating far more power than we need. In fact, there are times when we pay New York State and others to take power that we can't consume in Ontario. This is a system that is a very strange [inaudible] machine. The parts are not working properly. You need to talk about dealing with the structure, not just borrowing a ton of money to pay bills.

Bob: To finish the story, and that is that Ohio, Pennsylvania, Michigan, New York, Illinois and Minnesota also transfer power at a loss or at cost to Ontario and if either of my colleagues would take the time to visit the independent electricity system operator, they would explain to them that this kind of interchange across the border happens all the time, minute by minute. The first thing they do in the morning is look at the weather and see who's going to need power and if somebody's lines go down or a generating station is out, they transfer power. The point is at the end of the year, when everybody totals up, what did you buy? What did you sell? How much did you get? Who makes a surplus? The answer is: Ontario make as surplus annually of between a quarter and a third --

Steve: Hang on one second. What about the other comments that were made? Which is – Todd Smith is right – Premier Wynne did acknowledge her culpability and decisions having been made. She also at the press conference yesterday said, “My predecessor,” who she did not name – but if recollection serves it was Dalton McGuinty, “also made mistakes in decision-making that put additional cost burdens on this generation as well.” That is all accurate, isn't it?

Bob: As you look at decisions made in the past with perfect 20/20 hindsight, you can draw that conclusion. But if you start with what they knew at the time that they made the decision, those decisions were predicated in the early part of the last decade on projections that were made in the late 1990s on the P.C. watch. Projections that were so holy and completely inadequate that it led the province to say, “We need a better system,” which gave rise to the long-term energy plan system -- of which we are now doing the third. So at the time many of those decisions were made, ‘03, ‘04, ‘05, they were made with the best possible information. Was there -- to your question, was there --

Todd: They ignored the experts.

Bob: Was there an over-build of renewable energy? In retrospect, yes.

Peter: An overbuild of gas fire [inaudible].

Steve: Stand by one second. The Conservatives did tweet out a bunch of things yesterday about this plan and I want to just read a couple of them now. Sheldon, if you can bring this up. The first tweet from the PC party said: “Full cost to fix Kathleen Wynne's hydro mess? $172 billion over 30 years. Don’t be fooled, we’ll be paying for this for generations.” There was a second one that said: “Tackle the actual problem? Nope. Burden future generations with more debt? Higher taxes? Yep. Future generations didn’t donate $1.3 million.” But then under that, in the graphic, it says: “Premier Wynne just took out $42 billion in interest to band-aid her green energy hydro mess. She signs the next round of bad green energy contracts tomorrow. Seriously.” That tomorrow meaning today. Now, Todd Smith, I need to ask you about that because today is the last day for applications to the Green Energy Feed in Tariff Program. But no contracts have been signed today. So, some people are going to wonder whether you're misdirecting people with that tweet.

Todd: Well, the FIT 5 Program actually is continuing today. Today was the last phase for contractors to pull out of participating in the FIT 5 Program. So, all of the companies that have put contracts on the grid already are getting another opportunity today to continue to participate in the process of putting renewable energy projects on the grid.

Steve: Okay, but they're not signing any new contracts. So, the tweet saying she signs the next round of bad energy contracts tomorrow is inaccurate, right?

Todd: Yeah, okay. I’ll say that's inaccurate, but the projects are moving ahead through the system and they will be signed. They will be signed. They're moving ahead with the process, meaning that FIT 5 is continuing. I just wanted to add one other thing to what Bob was saying. And the thing is, when this deal came about in the first place, the Green Energy Act, the experts at the time were advising the government -- the ministry's own experts at the Ontario Power Authority, were advising the government not to go down this road. The three of you were all at Queen’s Park when John Tory, who was leader of the P.C. Party at the time the Green Energy Act was introduced, commissioned a report as well that showed that electricity prices were going to rise potentially $1,200 a year in some cases for residential consumers. We've seen that happen, and we've seen massive, massive increases to our manufacturers in the industrial sector, our job creators, who, by the way aren't getting any relief by what was announced yesterday by the Premier.

Steve: That's true. That’s more on the homeowner as opposed to industrial. Let me bring up this quote here and I’ll get Peter Tabuns to comment on that. This is from the Chatham Daily News the other day quoting Andrea Horwath. “[B]ringing more renewables to the grid is something we thought was an important thing to do,” Horwath said. “Where the government went wrong was in the implementation. They kick started the green energy economy and they kicked the stuffing out of the people of Ontario.” So the question is: Does the province, in your view, need to cancel and/or renegotiate some of these existing green energy contracts to get the prices lower?

Peter: I don't think they're going to have much impact on the price, frankly. If you look at the cost of renewables on our hydro bill, it's about 12 per cent of our hydro bill. Bills have gone up 100 per cent in the last decade. If we had no green energy at all, we would have seen almost an almost 90 per cent increase in our bill. The fundamental problem we have in Ontario is privatization of the hydro system, which we warned against in 2003. The Conservatives started it. It meant that we had these profits built into our bills that we didn't have in the past. And it's also meant, Steve, that when we need to reshape the system, we are constrained by these private contracts which force us to guarantee 20 years of profits. We went through this whole gas plant [inaudible]. We found out that cancelling those plants meant we are on the hook for many years of profits. That's why it cost $1 billion to get out of those contracts. If you are going to deal with the problem in Ontario, you have to stop the privatization of Hydro One. You've got to reverse it. You have to restore public ownership – something frankly the Liberals said in the 2003 election but then just simply abandoned after the election.

Steve: That's your plan which you unveiled earlier this week which we'll get to in a moment. I do want to ask one more question of Bob though, as it relates to the program the Liberals are advancing. There are a number of new or enhanced rate subsidy programs that the Premier announced yesterday. Taken as a package, that's about $2.5 billion over a three-year period. There is the cancellation of the HST on the electricity bill – that's another $1 billion. Can you just give us a sense about what the average savings to the average homeowner will be as a result of all of these measures?

Bob: Roughly 25 per cent. It will vary depending on your use, but most homeowners should see about a 25 per cent reduction in their bills. And like I said earlier, this comes from taking those parts of electricity support that are really social programs. And saying should a social program rest on the hydro bill or should it rest on the tax bill?

Steve: I get that. But some are going to argue that that's fine, you're taking -- I mean you got to pay it somehow. Whether it's the ratepayer who pays today or the taxpayer who pays today and tomorrow, some are going to ask if it's fair to make, you know, our children and grandchildren pay the extra tab on this, so we can have cheaper electricity today.

Bob: That's not the point. The point is --

Steve: That's the question they're asking.

Bob: If you are going to build a facility such as a refurbished nuclear plant, a gas plant, a wind mill that has a life span of about 40 years, are you going to pay it down and amortize it over 10 or 15 or 20 years? Why not amortize it over its actual life so that those who are going to enjoy the benefits of that electricity throughout that 40 years are also going to pay that amortized 40 year cost.

Steve: Critics argue the reason you don't do that is that you would pay a whack more in interest payments that you otherwise would.

Todd: Exactly.

Bob: This would make the same sense of saying, "Well, why don't you pay off your mortgage in five years?" The answer is: "I couldn't afford it, but I intend to live in the house for the next 35 or 40 years so why not pay it down over this period of time that I'm actually living in the house. Or in this case, actually using the generating facilities, the substations and the transmission lines."

Steve: Todd, what's wrong with that argument?

Todd: Because a lot of those generators that we are talking about won't be around and in use in 30 years' time. Some of them have already been put to ground.

Bob: They will.

Todd: Absolutely not. The solar voltaic will not be around. Who knows what technology will be around in the next 30 years, Steve. There are many of those generators that will not be in use. Why would we continue to use these projects that are paying 8- cents a kilowatt-hour to produce and then we are getting much smaller amounts back in return? It just doesn't make any sense.

Steve: I am not sure that anything's going at 80 cents a kilowatt-hour anymore. I think that [inaudible] years ago.

Todd: Absolutely. Exactly, but those [inaudible] still on the grid. That's the one thing that the Liberals didn't do yesterday was try and address the actual problem. That's the cost of generation which makes up 65 per cent of the cost in the electricity system.

Bob: Nonsense. 60 per cent of our electricity comes from our nuclear reactors, 25 per cent comes from hydro-electric dams and about 10 per cent comes from gas plants that are used only at peak times.

Todd: Exactly generation.

Bob: And somewhere between five and 10 per cent -- depending upon the season will come from renewable electricity.

Todd: That's all generation. That's what I said, 65 per cent.

Bob: That’s all [inaudible], which means you turn it on when you need it, which means you are only paying for it while it's on and you turn it off when you don't need it.

Steve: Gentlemen, jumping in here because the NDP did unveil a plan earlier in the week and I want to give Peter Tabuns a chance to speak to that. Your plan starts with basically reversing the partial privatization of Hydro One. That's the wires company, the distribution company.

Peter: Right.

Steve: We've sold off about 30 per cent of that so far.

Peter: Right.

Steve: And your plan would -- I’m not sure if repatriate is the right word.

Peter: Buy back.

Steve: Buy back those shares and put the whole company in public hands.

Peter: Right.

Steve: What's the value in doing that?

Peter: Two values. The first is that that company generates something like $700 million to $800 million a year in profit a year. As we privatize it, we lose that revenue and it's something the Financial Accountability Officer raised when he assessed. He said the sale would damage our general revenue as we get into the 2020s. So, we want to have the money back in public hands. But the other thing is, those private investor are going to want to crank up their return on that particular company. So, the pressure for increased rates in the future is going to be very substantial.

Steve: As the pressure for spending billions to reacquire those shares would be pretty intense right now, wouldn't it?

Peter: It will be over a four to eight-year period, that's right. But frankly, the pressure on ratepayers to pay higher hydro bills is something that people are going to be very mindful of as this privatization increases. That has to end, Steve. We've seen what's happened with the generation side. 60 per cent of generation in Ontario is privately owned, and the pressure upward is relentless.

Steve: I want Bob to comment on that because every poll I have seen suggests the partial privatization of Hydro One is not popular and people did prefer the company when it was 100 per cent owned by the people of Ontario. Why not go that route?

Bob: First of all, the NDP's proposal would see $5 billion of taxpayers' money spent re-nationalizing a company that frankly should be regulated in the same place that our banks are, that our telecommunication companies are and that our transportation companies are.

Steve: I think their plan says $4.1 billion at the top end.

Bob: Which is almost certainly an under estimate. Whether it's four or five, that's money that we should be spending on improving transit in the GTA. It's money we should be working on infrastructure in the GTA, and the rationale for privatizing it is to, as if you were taking out a second mortgage your house, to build an addition to it to say we are going to sell some of our assets while we retain iron clad control over them in order to acquire other assets. You continue to own a portfolio of assets. And in this case, instead of it being occasionally scrutinized in the Legislature, it's scrutinized on an ongoing basis by the Ontario Securities Commission, which has teeth and as I said, this is the place that an entity like Hydro One should be regulated and where it should get capital because this allows Hydro One to be able to expand the scale and scope of its operations, to be able to raise both debt and equity capital. This is where they should be.

Steve: Let me get Todd Smith on this. Todd, your party is also against the partial privatization of Hydro One, but I am not sure the solution the NDP has gone for is something you would sign on to. Is it?

Todd: It depends on if the Liberals continue to sell off the remaining 30 per cent that they're planning to sell. They have already sold 30 per cent. They want to sell 60 per cent. There is it a certain threshold, that's actually 45 per cent that once it goes past that point and the Liberals continue down this road, securities regulation says that you can't buy it back. So what we are calling for the government to do is just stop what they're doing and stop the continued sale of shares at Hydro One. 30 per cent. Enough is enough. Stop right there.

Steve: And what would you do then in -- if you were the Government of Ontario today -- as you may be in 15 months, who knows? What would your different approach be?

Todd: Well, you know what? We wouldn't buy it back. Because once the government says it's going to buy it back the shares of the company, suddenly it's going to cost a heck of a lot more than what I think the NDP are talking about. If we get it back with still 70 per cent ownership, we would be, by far, the majority shareholder and have control at the table – something that the Liberals are letting slip away. So, we would find efficiencies within Hydro One. We've seen examples of what has happened under the Liberal watch. The current CEO and president, with a compensation of $4 million a year, while his counter parts in other provinces across the country are making in the neighbourhood of $450,000 in salary. So, it's out of whack. We've seen executive compensation go crazy under the Liberal government and we have to find efficiencies within those companies.

Steve: Okay. I've got literally a minute left. Bob, I want to give it to you because I have never seen a situation like we've been in the last few years where we've surveyed people and they say their number one concern is the high cost of electricity. It's almost always health care, education, jobs, the economy. It's never been hydro prices, but they are now. We have talked mostly policy, but I want to ask you one last political question. Are the changes introduced yesterday enough to stop the popularity slide that your government has undergone over the last many months because of electricity prices?

Bob: Well, our discussion in caucus is, "Are we doing the right thing in the right way at the right time for the right reasons?" And our challenge here is, are the people of Ontario going to be able to have affordable, reliable, clean electricity?

Steve: That's not what I am asking. I'm asking if you think this will stop the slide in popularity that your party's undergone because of this issue?

Bob: You know, I believe that public opinion is eventually going to judge you on the basis of whether or not you have done the right thing. When we look at the alternatives to it, the Conservatives have no plan. I don't agree with the NDP's plan. I think when Ontarians have a chance to compare in an election whose plan does exactly what -- at least we have a plan and you know exactly where the province is going – you can decide whether you like it or dislike it and I am not going to prejudge the decision of the electorate. But, as a member of the government, I look at what the province has done and $50 billion worth of investment means that in the province of Ontario we are going to have secure, affordable, reliable electricity throughout the rest of my life and that of your children.

Steve: Gentlemen, that is our time and I appreciate all three of you participating in the debate even as Todd Smith shakes his head because he didn't like that last answer.

Todd: Not at all.

Steve: Bob Delaney is the Liberal MPP for Mississauga-Streetsville; Todd Smith is the PC MPP for Prince Edward-Hastings; Peter Tabuns is the NDP member for Toronto-Danforth. Thanks to the three of you coming on TVO and having this debate tonight.

Online Coverage

Toronto Sun: Ontario's hydro 'mess' sees power producer paid to s

By: Terry Davidson, Toronto Sun
Updated: Sunday, March 05, 2017 03:59 PM EST

http://www.torontosun.com/2017/03/05/ontarios-hydro-mess-sees-power-producer-paid-to-sit-idle-ndp-mpp

Ontario is paying another power generator big bucks to sit idle instead of producing electricity in the latest example of "complete mismanagement" on the part of the Ontario Liberals, says one New Democrat.

In January, Ontario's Independent Electricity System Operator (IESO) asked the Iroquois Falls power plant to curtail its production of electricity for four months — but continues to pay the company the full amount stipulated in their contract.

"The government has created such a mess that everything they are trying to do now to fix it is ... essentially not making things better," said Timmins-James Bay NDP MPP Gilles Bisson.

"We're paying for stuff we're not using," he told the Toronto Sun. "We're going to build brand new generation — they're going out with contracts now to build more private power — when the system is completely over supplied."

Northland Power runs the small Iroquois Falls cogeneration station. Located about 80 kilometres northeast of Timmins, the plant has a contract until 2021 and is capable of producing 120 MW of power.

Bisson accused the Grits of waste in its opening of new power plants while diminishing the use of these smaller ones.

"Why are we building brand new generation when we've already got it and we're shutting down existing generation? It doesn't make any sense."

Several other small power producers across the province are also being paid not to produce electricity for up to a year because Ontario's dysfunctional utility system is both struggling with excess electricity supply and pouring billions into costly wind and solar power generation.

Atlantic Power Corp. is idling plants in North Bay, Kapuskasing and Nipigon but will be paid until the end of its contract on Dec. 31, 2017. And TransAlta Corp. says its new contract provides a fixed monthly payment until Dec. 31, 2018, with "no delivery obligations."

At the moment, Ontario's large energy producers supply all the power that's needed in this province, and in fact excess supply is routinely sold off at a loss to the U.S. and Quebec.

Chuck Farmer, the IESO's director of stakeholder and public affairs, says they are trying to make the electricity production system in Ontario more efficient by having small energy producers generate power when there's heavy demand, such as during the summer, rather than generating all the time.

"We have a need to be able to ramp energy up and meet peaking requirements," said Farmer.

"We want them to run when the system needs them to, and not run when it doesn't."

Northland's contract is up for renewal in 2021 and Farmer said "ultimately, it's up to Northland Power on whether to run or not, based on market conditions."

"We're transitioning them to an arrangement that will provide more value for ratepayers," he said.

The idea that paying a power plant to produce little-to-no electricity would save ratepayers money might raise a few eyebrows, but Farmer argues it is the case.

While labour costs of a facility will stay the same, a plant like the one in Iroquois Falls will not have to burn through as much natural gas and will save on maintenance costs.

— With files from Postmedia Network

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Toronto Sun: *Hydro Cut All About Wynne's Thirst For Power*

By: Andre Marin
Updated: Saturday, March 04, 2017 09:20 PM EST

http://www.torontosun.com/2017/03/04/hydro-cut-all-about-wynnes-thirst-for-power

How rich of Premier Kathleen Wynne lecturing us about Ontario's exorbitant electricity prices while shielded by a big, red sign saying 'Ontario's Fair Hydro Plan 25% off your bill.' Not the least was that the sign was misleading as the carbon tax, which kicked in January 2017, negated the break from the provincial tax on our hydro bill, so it's still just 17% off.

There was a definite Trumpian flavour to her ear-cringing performance reminiscent of U.S. President Donald Trump wailing last week that he inherited a "mess" from ex-president Barack Obama. The difference being that Wynne has been part of a government which took 14 years to dig us into a hole that will still take us decades to get out of.

Wynne said she gradually became aware of a problem and started "to ask tougher questions about how we got to this point ... for decades bad choices have been made."

She didn't say who she quizzed.

Did she call former Premier Dalton McGuinty to chastise him? I sure hope she did. And while she had him on the phone, I hope she asked him why he added more than $1.1 billion to our hydro debt by moving gas plants to save a handful of Liberal seats in the middle of an election in what has to rank as one of the sleaziest political moves ever.

She also said the "elephant in the room" is the question of why it took her so long and why she is only acting now. There is no elephant in the room. Unless you've been under a rock, everyone, everywhere, has been talking about Wynne's outrageous hydro screw-ups and why she was so oblivious to people's suffering, to businesses having to pull the plug and to sky-high bills.

People aren't fooled by the premier's Jesus moment. The next election is a mere 15 months away. Wynne's personal support ratings at the polls sit at exactly the number she's now reducing our bills: 17%. Her thirst for power is what's getting her to act now. It's all too little, too late.

Re-amortizing our hydro debt over 30 years instead of 20 years will add a cool $1.83 billion a year to our debt. But to Wynne, it's just pocket change. She glosses over her version of the "mistakes that were made," such as pushing off the price of reinvesting in the system and a few other hydro faux pas.

But the real reason we were screwed by this government is that they were negligent, and mismanaged the hydro sector. Sure, they moved on a file that probably needed attention. But what got us into this mess is building far too much green energy, way over our needs and at uncompetitive prices in contracts that are locked in. And now, we're doomed to live by those mistakes.

"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," Wynne said.

Not really. It's more like the Liberals took a government credit card and recklessly spent like drunken sailors when we had no money in the bank. And now we're on the hook for another $18 billion spread over a further decade.

Wynne even has the temerity to go begging hat in hand for a handout from Prime Minister Justin Trudeau in the form of cutting the five per cent federal share of the HST on hydro bills. Why would the feds ever want to get close to Wynne's hydro stink bomb?

André Marin is the former ombudsman of Ontario (2005-2015) and currently an international anticorruption expert. He may be reached through www.theanticorruptionexperts.com

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The Nugget *Liberal plan 'doesn't go far enough' - Brown*

By: Bob Brunton/Postmedia
Sunday, March 5, 2017 1:51:50 EST PM

http://www.nugget.ca/2017/03/05/liberal-plan-doesnt-go-far-enough---brown

Patrick Brown says the Tories' soon-to-be released plan to cut Ontario hydro rates will be for more than homeowners, farmers and small businesses.

“It will be across the board, it will affect everyone,” the Progressive Conservative Party leader said Friday morning – almost 24 hours after the governing Liberals announced they're lowering electricity rates.

Premier Kathleen Wynne's government said Thursday it will cut hydro costs by 17% this summer, following an 8% reduction Jan. 1.

The new cuts will not only affect Ontario households, but many small businesses and farms. People with low incomes and those living in eligible rural communities would receive even greater reductions to their electricity bills.

Rate increases during the next four years would be held to the rate of inflation for everyone.

“Very shortly we will be having our own hydro announcement and we're going to detail some of the fixes we see in the system,” Brown said. “It will be soon ... in the near future.”

The Ontario Tory boss said his party's plan will include details on how it would be implemented and how it would be financed.

The Liberal plan, however, does not directly affect some large hydro users.

“The focus of our announcement is on reducing the electricity bills of families, farms and small- to medium-sized businesses across Ontario by an average of 25%,” said Natasha Demetriades of the Energy Ministry.

“However, hospitals, post-secondary institutions and municipalities will still see a modest reduction in their electricity bills with the removal of social programs from the rate base (charges in the electricity bill) to the tax base (government revenues). Taking social programs off of the rate base is part of our plan to make the electricity system more fair.”

She said some broader public institutions have already taken advantage of energy saving programs.

Because eligibility is based on electricity consumption, most municipalities, universities, schools and hospitals would not be eligible for the Liberal hydro rate break because their electricity use is too large, Demetriades said.

But a 25% hydro cut would be substantial for these institutions.

Ontario's New Democratic Party announced an extensive plan Monday to save all provincial households as much as 30% on their hydro bills - including immediate measures like eliminating time-of-use premiums and unfair, higher delivery charges, to repair the hydro system permanently – including a return of Hydro One to public hands.

“I think the NDP and Liberals were in damage control on this file,” Brown said Friday. “That's why they came up with these schemes, because it's about their own political survival and we're looking at pretty ugly polling numbers.

“But ultimately this is a mess they own.”

The Liberals' plan to find hydro savings is to finance the costs of electricity generation contracts during longer periods of time.

But NDP leader Andrea Horwath has said this plan will cost Ontario taxpayers $40 billion in interest costs during the next 30 years.

“I really believe the Liberal hydro plan fell short” said Brown, Simcoe North MPP. “At $1.4-billion in interest (annually) we're paying to make up for mistakes that continue to be committed. We're borrowing money to make up for bad contracts.”

He said the PC hydro plan will deal with such issues as generation, bad contracts and even ongoing contracts.

“It (the Liberal plan) doesn't go far enough right now,” Brown said. “Right now the Liberals have now raised our hydro rates since coming into office (in 2003) 400% - 400%, and they're offering a 17% rebate simply by borrowing money and paying for contracts over a longer time.”

Ontario Energy Board data says the off-peak or cheapest electricity prices in this province have nearly doubled between Nov. 1, 2009 and Nov. 1, 2016.

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Inside Halton: Milton residents will likely see a $30 monthly redu

By: Julie Slack, Milton Canadian Champion

http://www.insidehalton.com/news-story/7171051-milton-residents-will-likely-see-a-30-monthly-reduction-in-electricity-bills/

Milton residents will likely see about a $30 monthly reduction in their electricity bills under a new hydro plan approved by the provincial government on Wednesday (March 1).

Halton MPP Indira Naidoo-Harris discussed what it will mean for locals at Milton Hydro on Friday afternoon.

Ontario is lowering electricity bills by 25 per cent on average for residential customers across the province to ensure greater fairness.

Naidoo-Harris said it's unfair that today’s generation Is paying the price for past mistakes the government made.

She said it cost the province $20 billion to provide Ontario residents with clean, reliable electricity.

That included the elimination of coal-fired plants that has essentially wiped out smog days all-too common in the past. It also ensured that brownouts and blackouts are a thing of the past, she said.

“We had to find a way to do it that’s fair for today and future generations,” Naidoo-Harris said, likening the situation to a roof that needs repairs.

“A leaking roof needs a patch job, but ultimately it has to be fixed, and we invested in it,” she said. “Between 2005 and 2015, we put in $50 billion to provide clean and reliable electricity.

“We had to decide: do we want a regular roof, a tin roof, a roof that last 10 years, 20 years or longer,” she said. “We invested in the future.”

Still, that investment should not be shouldered just by this generation.

“We asked today’s generation to shoulder costs unfairly. We asked this generation to pay for all of it,” she said, noting that is why Premier Kathleen Wynne and the government decided to implement what they’re calling Ontario’s Fair Hydro Plan.

Small businesses and farms in Halton will also benefit from the initiative. People with low incomes will receive even greater reductions to their electricity bills.

Rate increases over the next four years will be held to the rate of inflation for everyone.

“This is the single-largest reduction to electricity rates in Ontario’s history,” Naidoo-Harris said.

The 25 per cent reduction includes the 8 per cent rebate of the provincial portion of the harmonized sales tax that took effect on Jan. 1.

Sources say the massive reduction in rates will come mostly by “smoothing out” the financing costs of electricity generation contracts over longer periods.

It’s the equivalent of refinancing a mortgage to enjoy lower payments over a longer time on nuclear reactors, natural gas-fired power plants, and wind turbines.

“We’re refining the system with new terms that over time will take longer to pay off, but it’s more fair,” she added.

Milton Hydro CEO Frank Lasowski said there are some 34,000 urban customers and another 2,000 rural customers here. The median hydro bill for an urban customer is $130 to $140/month, while a rural customer could pay up to $300/month during winter months. Locally, however, rural customers do not enjoy the same rate reduction as that of rural northern property owners, he said.

He said the provincial government’s news is welcomed.

“The rate reductions will benefit all customers who are struggling with their current bills,” he said. “The financial benefit for those on lower incomes will be of greatest assistance. Milton Hydro will work with the government to implement the changes as quickly as we can once all the details have been finalized.”

In addition, the new plan will see on-reserve First Nations customers receive a 100 per cent credit of the delivery line on their monthly electricity bills.

Despite the high cost the hydro rate relief will add, the government said it continues to project a balanced budget for 2017-18, and will provide a full update on its fiscal plan in the spring budget.

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Sudbury.com: NDP opens Sault campaign office; rural mayors fear hydro costs

Electricity is more than 40 per cent of Desbarats rink's annual costs, says Johnson Township mayor

By: Darren Taylor

https://www.sudbury.com/top-stories/ndp-opens-sault-campaign-office-rural-mayors-fear-losing-their-rinks-to-high-hydro-costs-552344

It was an urban and rural weekend for Andrea Horwath, Ontario NDP leader.

Horwath was in Sault Ste. Marie Saturday afternoon for the official opening of Sault NDP candidate Joe Krmpotich’s campaign headquarters at 24 Queen Street East.

The opening took place as electricity costs seem to be the defining political issue at Queen’s Park, as both the governing Liberals and NDP have now unveiled plans to cut electricity costs for consumers (the Progressive Conservatives have yet to unveil theirs).

“Our plan would lead to significant savings in a systemic way…we’re not just going to increase the length of the debt and the loans we have in our electricity system in order to give temporary relief for families,” said Horwath to an audience gathered at Krmpotich’s headquarters.

Krmpotich, a Ward 6 city councillor and United Steelworkers Local 2251 union coordinator, was chosen in January to be the NDP candidate in a yet to be called byelection to fill the vacant Sault riding seat.

Earlier Saturday, mayors of small Algoma communities expressed their electricity cost concerns to Horwath and Algoma-Manitoulin MPP Mike Mantha at a meeting held at the Echo Bay Arena.

Horwath listened to the mayors concerns and pitched her party’s newly released electricity price policy.

“It includes getting rid of time of use pricing so that people don’t have to do their laundry at three o’clock in the morning, it includes making sure delivery charges are fair, it includes getting rid of some of the contracts the government has signed that are costing us a fortune, and stops the sale of Hydro One,” Horwath told reporters.

“As electricity rates rise the way they have, unfortunately these municipal leaders are faced with possibly shutting down an arena, how can that be?’” Horwath said.

“Arenas are the glue for a community…they are key pieces of infrastructure.”

“We need to have our rec centres and our arenas but we need manageable electricity costs,” said Ted Hicks, Mayor of Johnson Township.

Hicks said the cost of electricity at the Desbarats rink is now over $52,000 a year, more than 40 per cent of the rink’s annual total costs.

“We may have to reduce the amount of operating time…if we keep going at the same pace as we have the last five or 10 years,” Hicks told SooToday.

Hicks was joined at Saturday’s meeting with Horwath and Mantha by Lory Patteri, Bruce Mines mayor, Jody Wildman, Township of St. Joseph Mayor, Lynn Watson, Echo Bay reeve, Batchewana First Nation Chief Dean Sayers, Robert Hope, Hilton Beach Mayor, and Richard Beitz, Laird Township mayor.

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The Sault Star: Horwath Touts Energy Plan

By: Brian Kelly, Sault Star
Saturday, March 4, 2017 11:42:40 EST PM

http://www.saultstar.com/2017/03/04/horwath-touts-energy-plan

Ontario NDP Leader Andrea Horwath touts her electricity plan as the one with staying power.

She vows her party's strategy, released Feb. 27, will prompt real long-term change to Ontario's electricity system and savings of up to 30 per cent for the province's residents.

Proposals include pulling the plug on time of use pricing, lowering delivery charges so rural residents pay the same amount as urban dwellers and returning public ownership to Hydro One. Horwath also wants to evaluate power contracts with companies and see if they should be renewed or nixed.

“We're certainly going to be looking at the opportunity to reduce the pressure,” she said.

Horwath zaps Ontario Premier Kathleen Wynne's pledge to slash power costs an average of 17 per cent this summer as a costly move to woo voters that will saddle an additional $40 billion on taxpayers by refinancing contracts with electricity generators and makes no effort to fix a system that “is in a mess.”

“It looks like she's trying to refinance her popularity, refinance her ability to get elected, than it is about changing our electricity system so that it's operating in the best interests of people again,” she told The Sault Star in an interview Saturday. “All that Kathleen Wynne has done is make sure that next generation is going to pay through the nose as well.”

Horwath is also critical of the Progressive Conservatives not yet releasing a hydro plan of their own.

“That's very worrisome,” she said. “Nobody really knows what Patrick Brown's plans are.”

On Friday, PC finance critic Vic Fedeli said the Liberal government must stop signing hydro contracts for power the province doesn't need, end the sale of Hydro One and “rein in” the pay of power executives.

Horwath met with several Algoma mayors, including Echo Bay Reeve Lynn Watson, Desbarats Mayor Ted Hicks and Hilton Beach Mayor Robert Hope on Saturday morning. Horwath said they shared their experiences with “soaring hydro bills” and their concern “about their ability to keep some of their facilities going because their communities are very small.” The arena in Desbarats was cited as an example. Increased electricity cost is putting “stress and strains” on their budgets, said Horwath.

She helped officially open NDP candidate Joe Krmpotich's campaign office on Queen Street East, near Gore Street, on Saturday afternoon.

A crowd of about 30 turned out, including former NDP MPPs Tony Martin and Bud Wildman.

- with files from Postmedia Network