Afternoon Energy Media Summary - March 16, 2017

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Date: Thu, 16 Mar 2017 15:01:00 -0400

Good Afternoon,

Here is a roundup of the day's news:

- New Energy and Water Consumption Reporting to be Phased in for Large Buildings- Lexology
- Ontario manufacturers eye greener pastures stateside as hydro rates go through the roof- Financial Post
- Ontario's soaring hydro bills have some residents begging churches to help them pay- National Post
- Ontario NDP challenges Wynne to table hydro rate cut legislation, Libs say 'no'- Canadian Press
- Ontario NDP leader Andrea Horwath says the latest cuts at the - My North Bay Now
- Power bills: Soaring rates are driving some people in Southwestern Ontario to seek relief from churches- Strathroy Age Dispatch
- Canada: The Fair Hydro Plan: "The Times They Are A Changing"… Again- Mondaq
- Too many risks with hydro merger, Oshawa PUC officials say after talks with Veridian, Whitby Hydro fail- Durham Region
- Media Release: Nault congratulates Ontario government's bold step to reduce electricity rates- Wire Service
- NDP calls on Wynne government to table hydro legislation ASAP- Canadian Press
- Vanthof wants answers regarding hydro costs- Northern News
- OFA president talks hydro, land prices and school closures- Farms.com

Please see below ***Today in Twitter*** for news articles.

March 16, 2017

Today in Twitter

- @ SachaLongCTV - @BobDelaneyMPP , Parliamentary Assistant to the Minister of Energy, discussing Ontario's Fair Hydro Plan at @EnWinUtilities . @CTVWindsor
- @ coopge - MPP @BobDelaneyMPP says "frizzy hair" forcing greenhouse growers to flock to Ohio for cheap Ontario Hydro!! #onpoli
- @ LocusCommunis - Government inflates the cost and ruins nearly everything it touches ie. Ontario Hydro

- @ canadianbiomass - @ecostrat_inc white paper offers Ontario greenhouses ways to mitigate cap and trade costs - https://www. canadianbiomassmagazine.ca/news/white-pap er-tackles-effect-of-cap-and-trade-on-greenhouses-6189 …

For the day's images, click here

New Energy and Water Consumption Reporting to be Phased in for Large Buildings
By: Borden Ladner Gervais
For: Lexology
On: March 16, 2017

On February 6, 2017, Ontario Regulation 20/17 (the "Regulation") was filed under the Green Energy Act, 2009 (the "Act"). The Regulation follows the Ministry of Energy's (the "Ministry") Large Building Energy and Water Reporting and Benchmarking proposal (the "Proposal") dated February 25, 2016, in which the Ministry proposed to implement an Energy and Water Reporting and Benchmarking regulatory requirement as a means of monitoring large buildings' energy and water consumption on an ongoing basis to determine how this consumption is changing over time and in comparison to other similar buildings.

The Regulation, which comes into force on July 1, 2017, is of interest to all owners of commercial and multi-unit residential buildings over 50,000 square feet and over 10 units (in the case of multi-residential buildings), including condominium corporations, as well as a limited number of industrial buildings. Owners of qualifying buildings will be required to report to the Ministry, on an annual basis, identifying information in respect of the property, including the gross floor area of the property and information relating to energy and water consumption and performance data, and verify these reports if requested to do so by the Minister of Energy (the "Minister").

The Regulation is also of interest to electricity, natural gas and water distributors, who will be required to provide owners of qualifying buildings with aggregated information as to how much electricity, natural gas or water, as applicable, was used at the building during the reporting period. This includes information for reporting periods during which the current owner did not own the property.

The reporting requirement will be phased-in gradually, over a three-year period, with the first reports due July 1, 2018.

The Province of Ontario, in the 2013 Long Term Energy Plan, committed to putting conservation first, focusing on rate mitigation over major investments in generation or transmission and pursuing lower-cost options to meet energy needs. In its 2013 publication Conservation First: A Renewed Vision for Energy Conservation in Ontario, the Province further noted that rating systems for buildings could allow consumers to benchmark the relative energy efficiency of various properties and inform their investment decisions.

In the Proposal, the Ministry pointed to large building owners as being in a position to play an important role in helping Ontario meet its conservation and greenhouse gas ("GHG") reduction objectives, citing that buildings were responsible for 19% of Ontario's total GHG emissions in 2013. The Proposal stated that measures are needed to improve the efficiency of existing buildings but building owners must first understand energy and water usage levels and track performance to identify what improvements can be made. The Proposal suggested reporting and disclosure as a low-cost market-based tool to help overcome these barriers.

Who is caught?

The Regulation applies to owners of real property, including condominium corporations governed by the Condominium Act, 1998, where:

the building has a gross floor area of at least 50,000 square feet;
electricity consumption information is available from the local distributor for the building as a whole,
natural gas consumption information (if natural gas is consumed) is available from the local distributor for the building as a whole,
the property on which the building is situated is included in the list of codes in the Municipal Property Assessment Corporation's Ontario's Large Building Energy and Water Reporting and Benchmarking Requirement: Building Types (the "MPAC Building Types List"), and
in the case of multi-residential buildings, the building contains more than 10 units (a "Prescribed Property").
A Prescribed Property includes two or more buildings where electricity or natural gas, if applicable, is not separately metered for each of the buildings, the buildings have a combined gross floor area of at least 50,000 square feet, the property on which each building is situated is included in the list of codes in the MPAC Building Types List , and, for multi-unit residential buildings, the buildings contain a combined total of more than 10

units.

Where there are two owners of a Prescribed Property, they are jointly responsible for the reporting requirements for that Prescribed Property.

The Regulation exempts from the reporting requirements corporations that perform public functions1 and owners of property, any part of which is subject to the Ontario Cap and Trade program reporting requirements, as well as the following property owners:

50% or more of the property's gross floor area is occupied by a public agency2;
10% or more of the property's gross floor area functions as a data centre, television studio or trading floor; and
10% or more of the property's gross floor area is used for manufacturing, commercial, agricultural or industrial processing.
An owner of a property to which exemptions 1, 2, or 3 above apply must provide the Ministry with written notice and proof of eligibility to be eligible for the exemption.

What are the requirements?

1. Annual Reporting

The owner of a Prescribed Property must report to the Ministry identifying information in respect of the property, including the gross floor area of the property and information relating to energy and water consumption and performance data, as set out in Ontario's Large Building Energy and Water Reporting and Benchmarking Requirement: Data Elements.

Reporting is to take place through the ENERGY STAR Portfolio Manager electronic reporting system, administered by Natural Resources Canada. For a Prescribed Property containing two or more buildings, information is to be reported on an aggregated basis.

Ontario manufacturers eye greener pastures stateside as hydro rates go through the roof
By: Peter Kuttenbrouwer
For: Financial Post
On: March 16, 2017

Jocelyn Bamford, a white hard hat perched over red hair that curls down around her shoulders, has her hands on her hips. Behind safety glasses, her eyes flash. On the shop floor in the bustling Automatic Coating Inc. plant owned by her family, she has to shout to be heard above the squirt of compressed air nozzles, honks from forklifts, the clang of steel as it's dipped in baths, and the hum of exhaust fans.

How Ontario's pursuit of renewable energy broke the province's electricity system

Terence Corcoran: The Ontario renewable electricity regime is a monumental failure. The costs to consumers are prohibitive and damaging the economy. Read on
Bamford might be shouting regardless of the noise since the hydro bill for her Toronto-based company has her mad as hell. Once boasting one of the continent's lowest electricity rates, Ontario today has some of the highest and that has many industrial companies planning to move at least some operations to the United States.

"The government treats us like bourgeois sweatshop operators who have to be stopped," said Bamford, who has organized dozens of medium-sized companies into the Coalition of Concerned Manufacturers of Ontario. "All the businesses are terrified of the government. My husband said, 'Well, do you just want to pick up and go?' And I said, 'Well, I guess I gotta just stay and fight.' I feel like I'm the Norma Rae of manufacturing."

Automatic Coating's electricity bill has more than doubled in the past decade. Its bill for last November was $49,209.68. The first line is for electricity: $6,577.93. The second line is much harder to explain: it is the euphemistic Global Adjustment charge: 217 million kWh at 11.6 cents each for a total of $25,223.73.

The Global Adjustment contains many different costs, including Ontario's payments to solar and wind energy makers at far more than the market rate, the cost to sell excess power to U.S. states at a loss, and even the cost of replacing light bulbs with LED bulbs.

The government treats us like bourgeois sweatshop operators who have to be stopped
Stan Behal/Toronto Sun/Postmedia Network
Stan Behal/Toronto Sun/Postmedia NetworkJocelyn and Brad Bamford of Automatic Coating Inc. in Toronto. Jocelyn is organizing companies to fight back after their company's electricity bill more than doubled in the past decade.

For manufacturers, the Global Adjustment fee symbolizes all the excesses of Ontario energy policy, including headline-grabbing salaries at state-owned utilities and the wages for the armies of bureaucrats who manage what plant owners describe as the province's Byzantine array of energy cost-abatement programs.

"They have an open invitation to take whatever they want," said Jerrod Rowntree, manager of a unionized, Korean-owned plant in Simcoe, Ont., that employs 110 people to make magnet wire for Tesla Inc., the Chevy Volt and transformers. "What's their rhyme or reason to put their hand in our pocket whenever they want?"

Case in point, Ontario on Jan. 1 brought in cap and trade, a measure the province said "is designed to help fight climate change, and reward businesses that reduce their greenhouse gas emissions." The program further hikes energy costs for businesses that burn natural gas or fuel their cars and trucks with gas or diesel.

The costs and rules mean a move out of Ontario can sound mighty tempting and U.S. states have come knocking.

Automatic Coating has an offer to move to Mississippi. Plasticap Inc. of Richmond Hill, Ont., more than 50 years old and a maker of plastic lids using injection moulding, plans to expand in Ohio or Virginia rather than Ontario. Surati Sweet Mart Ltd., a busy Indian baked goods manufacturer in Toronto, has visited New Jersey, Georgia and Texas.

City of Toronto statistics show the city has lost 20 per cent of its manufacturing jobs in the past decade
Tyler Anderson / National Post
Tyler Anderson / National PostBrad Duguid, Ontario's minister of economic development and growth, doesn't fear a manufacturer exodus.
There are many others, but Brad Duguid, Ontario's minister of economic development and growth, doesn't fear a manufacturer exodus.

"For every business that's leaving, there are probably three or four that are coming," said Duguid, sitting in his spacious office on Bay Street, decorated with big paintings and photographs of his hero, former U.S. President John F. Kennedy. "We're leading the G7 in growth right now in Ontario."

Duguid's office later sends data that boast of the jobs Ontario has recently created in information and computer technology, fintech, life sciences and cleantech. The note does not mention manufacturing, though Ontario historically is Canada's manufacturing heartland.

Harold Bamford, Jocelyn's father-in-law, started Automatic Coating in Toronto in the 1950s, where he powder-coated the armatures of washing machines. His son Brad eventually took over, expanded the company, patented several coating techniques and married Jocelyn.

Tyler Anderson / National Post
Tyler Anderson / National PostFifty-five employees work at Automatic Coating Limited factory in Scarborough, Ont.
Today, the family employs 55 people on two shifts, from 7 a.m. to 3 p.m., and 3 p.m. to midnight, and 20 people in the field. The company paints everything from fences to pipelines to ship parts.

One of the company's biggest clients is the U.S. Navy. One current job is painting 48 louvres — car-sized, 700-kilogram intake vents for gas turbine engines — that were pried off the USS Gridley, currently in dry dock in San Diego, and hauled by truck to Automatic Coating.

At the plant, production manager Donna White bends over a louvre. She has worked here since 1978, put her kids through school on her wages and now has grandchildren. She guides staff in white overalls, dust masks and blue Nitrile gloves to apply a powder coating to protect the louvres from salt and extend their life by 10 years.

"If anything did happen to Automatic Coating, I don't know what I would do," she said. "I have a lot of employees under me who have younger families. A lot of big companies are closing down."

Hydro rate hikes and cap and trade make the idea of relocating this business — at least for the navy contract — very attractive. Mississippi's hydro rates are about one-third those of Ontario.

"The U.S. Navy has been after us for years to move our plant down to the States," Bamford says. "It's like you're with the bad boyfriend, and you say, 'There's a guy down the street and he's bringing me candy and flowers,' and your boyfriend has been drinking all the time."

Related
Kevin Libin: Kathleen Wynne's sleazy, desperate hydro ploy to fool Ontarians is, well, brilliant
Parker Gallant: Hiring less and raising prices — what Ontario business is doing to survive soaring power costs

The day Ontario's wind-power tyranny ends there will be dancing in the streets
Bamford wants to stay in Ontario. She sits on her local hospital foundation board, her three kids, aged 14, 12 and 10, all play hockey and husband Brad coaches two of the three. Even so, the U.S. looks pretty good.

"We could sell our house and buy a 4,000-square-foot house in Long Beach, Mississippi, with a gourmet kitchen for $350,000," she said. "And 20 minutes down the road at Gulf Shores, there is an amateur hockey association."

If Automatic Coating does move its louvre division to the U.S., it will retain the jobs in Toronto, but any future growth will be stateside, Bamford said.

Other businesses are making similar calculations. City of Toronto statistics show the city has lost 20 per cent of its manufacturing jobs in the past decade.

Peter J. Thompson/National Post
Peter J. Thompson/National PostPlasticap Manager Peter Gossman holds his companies hydro bill at his Richmond Hill plant. The company is considering opening another location south of the border in part due to high hydro rates.
North of the city, three steel silos loom on an outside wall of Plasticap's factory, which opened in 1963. The silos contain millions of plastic pellets known as raw resin.

Pipes in the factory ceiling blow pellets to injection moulding machines. The newest of these machines is a Japan Steel Works 1400H, a fast-moving collection of hydraulics, motors, pipes and conveyors.

"Whirr! Puff!" sings the machine, and it injects molten white plastic into 24 moulds. Every 14.3 seconds, 24 warm caps for Fleecy fabric softener bottles fall, each with a little "pop!" onto a conveyor belt.

"Our volumes have increased so we have to run 24/7," said plant manager Daniel Palka, 29, whom Plasticap hired in 2010 straight out of mechanical engineering school at the University of Toronto. "We get calls in the middle of the night."

Business may be booming, but Plasticap has a problem: it cannot afford Ontario hydro.

Peter Gossmann and Tom Lato, Plasticap's co-owners, in February drove to Virginia and Ohio, seeking a spot to expand. The pair left icy Ontario and arrived in southwest Virginia at night. Lato recalls, "I said to Peter, 'I think the grass is green down here.'" In the morning they looked out their hotel windows and, sure enough, the grass was green.

"Absolutely, we are going," said Gossmann, though he adds that Plasticap will retain existing Ontario operations. "In Virginia, they are really quite well-equipped for our industry. And 70 per cent of what we make goes to the United States already."

Duguid, Ontario's economic development minister, acknowledges that manufacturers struggle to pay their hydro bills. But he said Ontario offers plenty of other positives to attract and retain business.

"We have the lowest effective tax rate in North America, we provide the best talent anywhere in North America in terms of workers, we have a health-care system that's second to none on the continent, and we have a quality of life that is superior to anywhere else on the continent as well," he said.

Duguid also cautions business against moving to states such as Virginia, which burn coal for power. "Ultimately, the global economy is going low-carbon," he said. "There will come a time when your business will pay a price if you use dirty energy."

Ernest Doroszuk/Toronto Sun/Postmedia Network
Ernest Doroszuk/Toronto Sun/Postmedia NetworkKathleen Wynne, Ontario's Liberal premier, enraged manufacturers when she said Ontarians were 'very bad actors' in creation of emissions.
Ontario wants to help manufacturers, he adds. Recent policy changes mean Automatic Coating and Plasticap now qualify for Ontario's Industrial Conservation Initiative (ICL).

Duguid said ICI "is not an easy program to explain," which is why the province pays the Ontario Chamber of Commerce to do it. Even with that help, Tim Clutterbuck, who runs U.S.-owned ASW Steel Inc. in Welland, Ont., says ICI is "very complicated."

ASW now operates nights, 7 p.m. to 7 a.m., to avoid high-cost power, but under ICI, he said, his factory also has to completely shut down when Ontario hits peak hydro use.

"The best way to avoid high Global Adjustment charges is to avoid the five highest hours of electricity consumption," Clutterbuck said. "But they don't tell you that until six weeks after the fact. It cost me 50 hours of production to make sure I don't hit them."

Government officials have suggested that companies could, alternatively, buy natural-gas-powered generators to switch on during consumption peaks.

Rowntree, the wire-maker in Simcoe, calls that suggestion ridiculous. "This initiative is encouraging manufacturers to burn fossil fuels," he said. "From a moral standpoint, I won't burn fossil fuels."

I feel like I'm the Norma Rae of manufacturing
Last October, Kathleen Wynne, Ontario's Liberal premier, told the Niagara Chamber of Commerce that Ontarians are "very bad actors in terms of our per-capital creation of emissions" in explaining her push for a cap-and-trade system.

The comment enraged Bamford. Her plant switched its curing ovens to electricity from natural gas to reduce emissions, "but now electricity is so outrageous that we are wondering whether it was the right thing to do," she said.

"When the premier said, 'You're all bad actors,' I threw the gloves down. I was ready to go. We have to now band together and stand up for our rights. It's time for us to get the attention we deserve."

Ontario's soaring hydro bills have some residents begging churches to help them pay
By: Ellwood Shreve
For: National Post
On: March 16, 2017

2. Data Verification

The Minister may request an individual who is required to report information in respect of a Prescribed Property with a gross floor area of at least 100,000 square feet to have the information verified by a qualified person before it is reported.

3. Sharing of Information

The Regulation allows the Minister to share information reported under the Regulation with public agencies and certain entities performing a public function.

4. Distributors to Provide Information

Electricity, natural gas and water distributors will be required to provide the owner of a Prescribed Property who is required to report under the Regulation, upon request, with aggregated information as to how much electricity, natural gas or water, as applicable, was used at the Prescribed Property during that year, including for periods during which the owner did not own the Prescribed Property.

When does the reporting requirement commence?

The requirement to report will be phased in over a three-year period.

Owners required to report must do so annually, for each calendar year, by July 1 of the following year. The first year in which the requirement to report applies is:

2018 (information for 2017), for property that is at least 250,000 square feet, other than a multi-unit residential property;
2019 (information for 2018), for any other property that is at least 100,000 square feet;
2020 (information for 2019), for a property that is between 50,000 to 100,000 square feet.
Owners of newly constructed property and property that is less than 50% occupied during a year can apply to the Ministry to be exempted from the reporting requirements for that year.

To view all formatting for this article (eg, tables, footnotes), please access the original here.

Ontario's soaring hydro bills have some residents begging churches to help them pay
By: Ellwood Shreve
For: National Post
On: March 16, 2017

CHATHAM — Ontario's soaring electricity prices are emptying the charitable coffers of churches in the southwestern part of the province that are being tapped by parishioners unable to pay their power bills.

The problem is so bad, one cleric in Wallaceburg says his church's benevolent fund has gone into overdraft three times in the past two years — something he hadn't seen in 24 years on the job — as people ask for help.

"I know on paper, from my own accounting, I've overdrafted it three times" within the last two years, said Pastor Brian Horrobin of First Baptist Church in the town north of Chatham.

"There's definitely been a marked increase in people coming for help," said Horrobin, noting the same has happened at other churches in the area.

Horrobin said his church has either helped people pay outstanding hydro bills or given them pre-paid grocery cards because they can't afford groceries after paying for electricity.

Ontario electricity rates have essentially doubled over the past decade, with the province's auditor-general finding ratepayers paid $37 billion more than market prices for power over much of that period and will fork out more than three-and-a-half times as much in extra costs by 2032 because the Liberal government ignored its own energy experts and made political decisions that hiked the cost for consumers.

The fallout has set the stage for the next election in 2018, with the New Democrats proposing to cut power prices by 30 per cent and the Liberals, their popularity tumbling in the polls, promising to cut bills by 17 per cent this summer. That's on top of an eight-per-cent cut that took effect Jan. 1, when they removed the provincial sales tax on hydro.

David Gough/Postmedia Network
David Gough/Postmedia NetworkHorrobin said his church has either helped people pay outstanding hydro bills or given them pre-paid grocery cards because they can't afford groceries after paying for electricity.
Horrobin raised his concerns during an anti-poverty roundtable held by Progressive Conservative MPP Monte McNaughton, whose Lambton-Kent-Middlesex riding is almost the size of Prince Edward Island and takes in vast rural reaches where electricity delivery rates are higher than in many urban areas.

"A story that hit home for me is that a number of churches in North Kent are now raiding benevolent funds to pay people's hydro bills . . . because they can't afford to pay those bills (since) the costs have gone up so much," McNaughton said.

Ernie Hardeman, the MPP for Oxford, said social agencies and churches in his riding are also reporting more people coming to them seeking relief from energy bills.

"Just coming in and getting help with food just doesn't seem to do it anymore, because their hydro bill is a bigger problem than not being able to get their groceries," he said.

McNaughton said he plans to share the results of his anti-poverty meetings with Liberal MPP Ted McMeekin, who has struck a rural task force on poverty.

When politicians talk about poverty, McNaughton said, too often they refer to Toronto and urban areas. "It's time Queen's Park starts thinking outside of Toronto and outside of cities to realize that people are falling behind in small-town Ontario," he said.

McMeekin said when it comes to the impact of hydro prices on Ontarians, "there's no news there, that's been evident for some time."

Acknowledging they've struggled with the issue, the Hamilton-area MPP said the Liberals' recent moves to lower costs, including reducing delivery charges that sent bills soaring, will help. By this summer, he said, no one will be paying more than the average monthly delivery charge in Toronto, which is $38.

Late last year, Wynne called Ontario's high electricity prices her "mistake" and vowed to fix them.

But Hardeman, a former agriculture minister, is critical of Wynne's promise, calling it a "Band-Aid" fix that doesn't address structural problems.

"The premier says she's solving the problem, and yet she's done nothing about changing the system," he said.

The Liberals have stood by their handling of the energy file, noting they closed Ontario's dirty coal-fired power plants in favour of green energy.

But critics point out the government's plunge into green energy since 2009, which greatly expanded wind- and solar-generated power, included sweetheart long-term contracts that guaranteed energy producers far more than what consumers pay for power, inflating the cost.

McMeekin said he's been saying all along the delivery charges weren't fair, and the government listened.

The Liberals inherited problems with the electricity system from the former PC government, he said, citing the frequent number of smog days Ontario had then — a problem aggravated by coal-fired power — and the 2003 blackout, when power plants across Ontario scrambled to get the province's grid operational after 50 million North Americans were plunged into darkness.

He noted a $50-billion investment was made to upgrade the power system, and "somebody's got to pay for that."

The government's plan to lower hydro costs takes the pressure off that bill, essentially spreading the pain over a longer period, like remortgaging a house, at an added cost of $25 billion in interest.

The plan also contains a delivery charge reduction for some rural customers, removing the charge entirely for on-reserve First Nations customers, and expanding a low-income support program.

Deputy Premier Deb Matthews of London said the government heard Ontarians "loud and clear" on hydro.

"Electricity prices are a big deal for the people of this province," she said, adding "that is why we came out strongly with a significant reduction."

Ontario NDP challenges Wynne to table hydro rate cut legislation, Libs say 'no'
By: Allison Jones
For: Canadian Press
On: March 16, 2017

TORONTO—NDP Leader Andrea Horwath is calling on the Liberal government to table legislation for its hydro bill reduction plan on March 20, saying it's short on details and "warrants one heck of an explanation."

The legislature is not sitting this week for March Break, but Horwath said Ontarians need to see the planned legislation as soon as possible.

"People deserve to see it in black and white so they can debate it and so the legislature can debate it too," she said.

"Don't hide the details, don't delay, don't come to the legislature just before it rises this summer with a last-minute bill, ultimatums and no time for committees, experts and the people of Ontario to take the time they need to examine the bill. Put this $40-billion phantom plan on paper and let's have a real debate about what's best for Ontario's future."

The government indicated the legislation won't come as quickly as Monday.

"We will introduce legislation this session, with time for debate and public hearings at committee, ensuring real relief for Ontarians and a way to ensure greater fairness in our electricity system this summer," Energy Minister Glenn Thibeault said in a statement.

Premier Kathleen Wynne announced earlier this month that people will receive an average 25-per-cent cut to their electricity bills starting this summer—17 per cent in new reductions plus an eight-per-cent rebate that came into effect Jan. 1. Rates will also increase no higher than inflation for the next four years.

But the plan will ultimately cost ratepayers about $25 billion more in interest, the government has said. The plan will take part of the global adjustment charge off bills for the next 10 years, but the cost isn't being eliminated, it's being deferred to future ratepayers, racking up interest on that debt in the meantime.

The fact that billions of dollars will ultimately go to bankers and not be spent on schools or roads "warrants one heck of an explanation," Horwath said.

Both opposition parties doubt the Liberal government's math and say the extra interest costs could be as high as $40 billion.

"Let's just say I have a healthy amount of skepticism when it comes to any numbers that Liberals provide," said Horwath.

Horwath said it’s not clear when the hydro plan’s interest payments will come due, but the Liberals have said it won’t be for at least 10 years.

Horwath also said it’s not clear if it will apply to medium-sized businesses, but the Liberals have said the 25-per-cent reduction won’t. Half a million small businesses and farms will qualify, but all other businesses except the largest manufacturers and industrial customers will only see a reduction of between two and four per cent, government officials have said.

On one thing, however, the NDP and Liberals can agree: “The Conservatives have no plan at all,” Horwath said.

Progressive Conservative Leader Patrick Brown has said he will announce a plan “soon.”

The NDP has proposed an alternative plan to lower hydro bills by 30 per cent, but the Liberals say while their relief will kick in within a few months, the NDP’s proposed savings wouldn’t take effect for a long time.

The New Democrats’ plan calls for ending mandatory time-of-use pricing, reducing the delivery charge for rural customers, renegotiating power contracts, and returning Hydro One to public ownership. The Liberal government has sold 30 per cent of Hydro One and plans to sell up to 60 per cent in total.

The Liberal plan also contains a delivery charge reduction for some rural customers, removing the charge entirely for on-reserve First Nations customers, and expanding a low-income support program.

ONTARIO NPD LEADER ANDREA HORWATH SAYS THE LATEST CUTS AT THE NBRHC ARE UNACCEPTABLE
By: Aaron Mahoney
For: My North Bay Now
On: March 16, 2017

Ontario NDP Leader Andrea Horwath says it’s completely unacceptable that the North Bay Regional Health Centre is having to cut 30 to 40 more jobs. She says this news is just another example of how Premier Kathleen Wynne has failed the healthcare system. Horwath is also calling on the Premier to take immediate action to stop services from being cut and workers being laid off. She added the fact that the hospital is being forced to cut jobs again after having cut over 300 in the past three years just to balance the budget shows the system is broken right now.

Horwath was in North Bay this past summer, and in her discussions with people they expressed how upset and frustrated they were with the erosion of the health care system in the city. Horwath says these cuts don’t just affect and hurt the 30 to 40 families involved, it’ll also have a direct result on the quality of care people in the community receive. She says it’s going hurt seniors, and the people who require medical attention day to day. People don’t want cuts to hospitals, that’s not what people signed up for when they voted for the Liberals according to Horwath.

Rising energy costs were one of the reasons for the cuts, with NBRHC President and CEO Paul Heinrich saying the hospital didn’t qualify for recent hydro rebates. Horwath says it’s just adding insult to injury for hospitals after they’ve been squeezed so hard by the government. She says the fact hospitals are under the gun just shows how the Liberal government has hurt Ontario with the current hydro crisis. On that point, Horwath has challenged the Premier to release her full hydro plan by Monday, March 20th.

So, what would a potential NDP government in Ontario do to help the health care system? Horwath says the NDP was the party that started universal healthcare in the country, so if there’s one issue they’re dedicated to that’s it. She says an NDP government in Ontario wouldn’t cut funding for hospitals, and would implement a plan for northern and rural hospitals. She says they would provide special funding for northern and rural hospitals because they understand that hospitals in those communities are different. Horwath says they have different pressures, and different needs and the funding envelope would be reflective of those pressures..

Power bills: Soaring rates are driving some people in Southwestern Ontario to seek relief from churches
By: Ellwood Shreve
For: Strathroy Age Dispatch
On: March 16, 2017

CHATHAM - They’ve driven people to food banks and even prompted one Ontario woman to tearfully plea for relief to Prime Minister Justin Trudeau.

It gets worse.

Ontario’s soaring electricity prices are now zapping churches in some parts of Southwestern Ontario, hit by consumers unable to shoulder the burden.

The problem is so bad, one cleric in Wallaceburg says his church’s benevolent fund has gone into overdraft three times in the last two years — something he hadn’t seen before in 24 years on the job — as people come looking for help to cope with their power bills.

“I know on paper, from my own accounting, I’ve overdrafted it three times” within the last two years, said Pastor Brian Horrobin of First Baptist Church in the town north of Chatham.

“There’s definitely been a marked increase in people coming for help.” said Horrobin, noting the same has happened at other churches in the area.

Horrobin said his church has either directly helped people pay outstanding hydro bills or given them pre-paid grocery cards because they can’t afford groceries after paying for electricity.

Ontario electricity rates have essentially doubled over the past decade, with the province’s own auditor-general finding ratepayers paid $37 billion more than market prices for power over much of that period and will fork out more than three-and-a-half times as much in extra costs by 2032 because, she reported, the Liberal government ignored its own energy experts and made political decisions that hiked the cost for consumers.

The fallout has also set the stage for the next election in 2018, with the New Democrats proposing to cut power prices by 30 per cent and the Liberals, their popularity in the polls hard-hit by the energy file, saying they’ll cut bills by 17 per cent this summer on top of an eight-per-cent cut that took effect Jan. 1 when they removed the provincial sales tax on hydro bills.

Horrobin raised his concerns during an anti-poverty roundtable held by Progressive Conservative MPP Monte McNaughton, whose Lambton-Kent-Middlesex riding is almost the size of Prince Edward Island and takes in vast rural reaches where electricity delivery rates are higher than in many urban areas.

“A story that hit home for me is that a number of churches in North Kent are now raiding benevolent funds to pay people’s hydro bills . . . because they can’t afford to pay those bills (since) the costs have gone up so much,” McNaughton said.

Southwestern Ontario’s ranking MPP, 22-year veteran Ernie Hardeman in Oxford, said social agencies and churches in his riding are also reporting more people coming to them seeking relief from energy bills.

“Just coming in and getting help with food just doesn’t seem to do it anymore, because their hydro bill is a bigger problem than not being able to get their groceries,” he said.

McNaughton said he plans to share the results of his anti-poverty meetings with Liberal MPP Ted McMeekin, who has struck a rural task force on poverty.

When governments and politicians talk about poverty, McNaughton said, too often they refer to Toronto and urban areas. “It’s time Queen’s Park starts thinking outside of Toronto and outside of cities to realize that people are falling behind in small town Ontario,” he said.

McMeekin said when it comes to the impact of hydro prices on Ontarians, “there’s no news there, that’s been evident for some time.”

Acknowledging they’ve struggled with the issue, the Hamilton-area MPP said the Liberals’ recent moves to lower costs, including reducing delivery charges that sent bills soaring, will help. By this summer, he said, no one will be paying more than the average monthly delivery charge in Toronto, which is $38.

Late last year, Wynne called Ontario’s high electricity prices her “mistake” and vowed to fix them, paving the way for the new reductions coming.

But Hardeman, a former agriculture minister, is critical of Wynne’s promise, calling it a “Band-Aid” fix that doesn’t address structural problems.

“The premier says she’s solving the problem, and yet she’s done nothing about changing the system,” he said.

The Liberals have stood by their handling of the energy file, noting they closed Ontario’s dirty coal-fired power plants in favour of green energy.

But critics point out the government’s plunge into green energy since 2009, which greatly expanded wind- and solar-generated power, included sweetheart long-term contracts that guaranteed energy producers far more than what consumers pay for power, inflating the cost.

McMeekin said he's been saying all along the delivery charges weren't fair, and the government listened.

The Liberals inherited problems with the electricity system from the former PC government, he said, citing the frequent number of smog days Ontario had then — a problem aggravated by coal-fired power — and the 2003 blackout, when power plants across Ontario scrambled to get the province's grid operational after 50 million North Americans were plunged into darkness.

He noted a $50 billion investment was made to upgrade the power system, and "somebody's got to pay for that."

The government's plan to lower hydro costs takes the pressure off that bill, essentially spreading the pain over a longer period, like remortgaging a house, at an added cost of $25 billion in interest.

The plan also contains a delivery charge reduction for some rural customers, removing the charge entirely for on-reserve First Nations customers, and expanding a low-income support program.

Deputy Premier Deb Matthews of London said the government heard Ontarians "loud and clear" on hydro.

"Electricity prices are a big deal for the people of this province," she said, adding "that is why we came out strongly with a significant reduction."

— With files by Dale Carruthers and Norman Debono, Postmedia News, and Canadian Press

Canada: The Fair Hydro Plan: "The Times They Are A Changing"… Again
By: Mark J Rodger
For: Mondaq
On: March 16, 2017

The Ontario government's March 2, 2017 announcement of its "Fair Hydro Plan" marks a historic shift in direction in an electricity sector that has witnessed many transformational events over the past 25 years.

Historical milestones include:

Premier Bob Rae's appointment of Maurice Strong to restructure the former Ontario Hydro — 1993;
The Macdonald Committee Report in 1995 recommending a market-based alternative to the old Ontario Hydro;
Carl Andognini's 1997 report on major deficiencies at Ontario's nuclear reactors;
Market Design Committee and Bill 35 that restructured the electricity sector — 1998 to 2000;
Electricity Market opening/closing and the imposition of a province-wide electricity rate freeze — 2000-2002;
The coal phase-out announcement and the elimination of the rate freeze because "consumers must pay the real price for electricity" — 2003;
The Green Energy Act — 2009; and
The Fair Hydro Plan, March 2, 2017, severing the link between costs and rates.
The following offers preliminary observations on possible implications of this latest electricity policy development.

Ontario Energy Board: What will constitute "just and reasonable rates"?

Ontario's Fair Hydro Plan proposes to cut electricity bills of residential customers by 25%, in part by refinancing the Global Adjustment (GA). The Ministry of Energy (MOE) Backgrounder states that the government intends to introduce new legislation that will, among other things, outline the role for the Ontario Energy Board (OEB) in the GA refinancing.

By severing the link between rates and costs with the slack picked up by new debt instruments, the fundamentals of normal public utility regulation may no longer apply. In addition, shifting significant costs that directly relate to the provision of electricity services, from electricity customers to taxpayers, comingles the interests of ratepayers and taxpayers in ever more complex ways. These changes will likely raise a host of interesting questions concerning how the OEB discharges on a go forward basis, its various regulatory responsibilities involving distributors, transmitters, Ontario Power Generation and the Independent Electricity System Operator (IESO).

For example, could the OEB's legislated guiding principles be revised to expressly include a new mandatory criterion of only establishing "just and reasonable intergenerational rates?" Factual challenges in applying such a standard will be exacerbated if, as many believe, the electricity sector is on the doorstep of fundamental change through the emergence of new disruptive technologies such as lower distributed generation costs, self-sustaining micro grids and competitively priced storage options. In short, is the electricity sector today where the telecommunications industry was 25 years ago before profound technological changes completely, and permanently, altered how that industry operates? When the time comes to clear unpaid electricity accounts, will pressures caused by load declines accelerate?

Continuing this theme, suppose an OEB regulated entity advances and receives regulatory approvals for a capital program for assets expected to have a useful life of 40 years. But as a result of disruptive technology changes, it turns out that the useful life of those assets is really only 15 years. The result is the creation of stranded costs. Will intergenerational equity be served if future generations pay for stranded costs because the generation advancing and approving the expenditure "made the wrong bet" on technology? On the other hand given that the vast majority of utilities in Ontario are owned by either the province or municipal governments, ultimately taxpayers are the ones "on the hook" for stranded costs. Could the focus on intergenerational equity result in more short-lived investments being made by regulated entities as a means to mitigate such risk?

We note that part of the MOE's rationale for the Fair Hydro Plan is "decades of under-investment in the electricity system by governments of all stripes resulting in the need to make significant investments in generation, transmission and distribution assets." Beyond the reality that it is utilities — not government — that make these investments (and who have tried but failed in the recent past to achieve even greater system renewal investments, in some cases through the OEB process), will the sector-wide rate decrease provide a window of opportunity for utilities to accelerate and increase the quantum of infrastructure renewal applications? Since rate impacts associated with those investments appear to be mitigated through spreading costs amongst taxpayers as opposed to solely relying on ratepayers to recoup such expenditures, will the Fair Hydro Plan help facilitate greater and faster utility investment in infrastructure renewal?

Risk Management, Investment Climate

Senior management and their boards of directors identify areas of risk facing their various lines of businesses and implement strategies to manage such risk. Some may predict the Fair Hydro Plan to be a Black Swan event. Is it another reminder that Ontario's electricity sector can be subject to sudden, dramatic changes that can permeate through both regulated and competitive business lines? What the Fair Hydro Plan ultimately means for the business plans of utilities, generators, energy marketers and others will need to be carefully considered, including potential new opportunities associated with the proposed Affordability Fund. Even if certain stakeholders, such as generators, may not be as immediately affected as others by the proposed Fair Hydro Plan, the overall and longer term policy and system implications are yet to unfold.

In a sector where stakeholders have often stressed the need for stability and predictability, the Fair Hydro Plan once again gives managers and directors reason to pause to consider the extent of control that they ultimately have on their businesses.

In 2003 former Energy Minister Dwight Duncan said, "The days of using energy as a political football are over. We are sending a clear signal that this government intends to deal with electricity issues in a practical, transparent and sensible way."(November 25, 2003)

Recent events illustrate how Ontario's electricity policy environment continues to be subject to pendulum swings.

LDC consolidation

One of the conclusions of the 2012 report of the Commission on the Reform of Ontario's Public Services, chaired by Don Drummond, was that consolidating the Ontario electricity distribution sector would result in approximately $1 billion in cost savings. Even if consolidation of the 60 or so remaining LDCs into 6 to 10 regional utilities could be achieved immediately, the entire $1B in projected cost savings would only fund about 5 months of the new GA refinancing costs under the Fair Hydro Plan.

While the rationale supporting continued LDC rationalization remains (beyond cost reduction) such as LDCs' need for new capital, mitigation of the risks of disruptive technology, etc., some municipal owners may decide to defer consolidation options since the rate relief promised with the proposed Fair Hydro Plan might provide a basis to postpone dialogue on this often controversial topic into the future (and after the next municipal election to be held in the fall of 2018).

Transparency: Understanding the Electricity Sector's New Global Revenue Requirement?

The government forecasts that the Fair Hydro Plan will initially reduce the GA by $2.5B per year for the first 10 years, with associated interest costs potentially as high as $1.4B annually. In addition, the government estimates a further $2.5B per year for the next 3 years in costs to implement the Fair Hydro Plan's electricity support and conservation programs, which are aimed at providing rate relief to residential consumers, small businesses and farms. We also know that other large costs will be added to the system in the next few years, including nuclear refurbishments at Bruce and Darlington. Further significant costs are also expected for ongoing utility infrastructure renewal amongst other cost drivers.

The question arises whether the Fair Hydro Plan is sustainable over the long or even medium term given the range of additional significant new costs that will also require servicing.

Stakeholders would benefit if the Province (or one of its agencies) produced an annual consolidated balance sheet showing the total revenue requirement for the entire Ontario electricity sector. We note that the former Ontario Hydro prepared consolidated balance sheets that were made publically available. Having one consolidated balance sheet would allow the sector and general public to understand the actual financial impacts and track liabilities which would foster greater transparency, an issue that has been an on-going concern for some time.

IESO Market Renewal

The Fair Hydro Plan Backgrounder states that the IESO's Market Renewal initiatives are estimated to save at least $200 million per year starting in 2021. Consideration will need to be given to how IESO Market Renewal issues could be impacted as a result of the Fair Hydro Plan. For example, given the forecast of up to $25 billion plus interest in increased costs for GA financing, could a new IESO Market Renewal priority be the consideration of strategies to increase electrification demand in order to enhance electricity system revenues overall? In other words, reimagine Demand Side Management to foster strategies aimed at managing demand up?

The Fair Hydro Plan could also produce unintended consequences relating to Market Renewal. For example, could pressure be brought to bear against self-generation to avoid revenue leakage from the system — perhaps an outright ban on rooftop solar? This issue could reflect another component of the intergenerational equity debate — the propriety of allowing some customers, who are currently connected and receiving electricity services, to disconnect from the grid that previous/current generations have largely paid for and enabled?

Too many risks with hydro merger, Oshawa PUC officials say after talks with Veridian, Whitby Hydro fail
By: Reka Szekely
For: Durham Region
On: March 16, 2017

OSHAWA — Oshawa's utility, the OPUC, dropped out of merger talks with Veridian and Whitby Hydro after determining that the risks outweighed the benefits of joining to become one of the largest utilities in the province.

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The OPUC announced at the beginning of March that its board opted not to move forward with the merger. Whitby Hydro and Veridian said they would continue talks that were announced in April 2016.

Ivano Labricciosa, president and CEO of OPUC, said the merger didn't work for his utility after the numbers were crunched. Simply, it wouldn't generate the value required for ratepayers or its sole shareholder, the City of Oshawa.

"When it came right down to it, we knew the risks outweighed the benefits going forward, so we knew to say time to stop at this point," he said. He declined to state specific numbers related to the merger such as the valuation of each company, pointing out the parties were negotiating under a nondisclosure agreement.

Still, of the three utilities, the OPUC had the lowest rates.

"You don't want to dilute by averaging out and saying the average would be OK," said Labricciosa, adding that merging the three utilities would have meant harmonizing rates. "If you put everyone on a common rate, what happens from where they were to where they go?"

The idea behind the proposed merger was that one larger utility — it would have been the fourth largest in Ontario — would have economies of scale and result in savings. But Labricciosa said the savings were based on projections and it wasn't guaranteed they would materialize.

"There's risks associated with making sure those synergies materialize," he said.

Before heading into the merger, Oshawa PUC operations were already ranked as more cost-efficient by the Ontario Energy Board.

The OEB benchmarks utility performance and assigns each utility to one of five cohorts with utilities ranked in the first cohort deemed the most cost efficient, while those in the fifth are the least. OPUC is ranked in the second cohort while Whitby Hydro and Veridian were ranked in the third. By comparison, Hydro One was ranked in the fifth cohort.

Gord Vickers is the municipal affairs chair for Unifor Local 222 Retirees, an organization that had campaigned against the merger and held pickets outside the OPUC offices last summer.

Vickers applauded Oshawa's decision to drop out of merger talks.

"Basically, it just wasn't a good business case for Oshawa, that's what it came down to ... they did the right thing, I'm happy with what they did and I think the City of Oshawa is better off doing what they did."

Labricciosa, a firm believer in public input, was happy Oshawa residents were engaged.

"The two themes were service and rates. If they were going to go for anything it would have to be improvements in services and rates," he said.

Oshawa Mayor John Henry said Oshawa's council trusted the utility's board to make the best decision for ratepayers, and he believes they have.

The final decision to merge would have been left to council as the city is the utility's sole shareholder.

"We had always said if this deal didn't work to benefit the City of Oshawa, then it wasn't a good deal," said the mayor. "We have a pretty amazing utility here that generates a pretty good dividend for our residents, our taxpayers, so we'll go forward on continuing on the path that we are on now."

In 2015, the city received a $1.9-million dividend from the utility. While the 2016 dividend has not yet been announced, Labricciosa expects it to be in the same range, perhaps slightly higher.

He didn't rule out future merger talks with other utilities, but said that practically it made sense to consider the utilities in the same geographic area as Oshawa.

"If we were going to make a go, this is probably a really good shot, but I wouldn't close the door on any improvements," said the utility CEO.

Although the province has supported a reduction in the number of utilities in the market, which at one point was as high as 300, Labricciosa doesn't believe Oshawa will be forced to merge with another utility.

"Quite frankly, the energy file in general is a hot topic so I don't think anyone is going to force anyone to do anything radical," he said.

Moving forward, there's opportunity for growth, especially in the north end of the city and along the Hwy. 407 corridor.

"That's just going to add to opportunity for us to keep rates in check, keep services high and costs low," he said.

Media Release: Nault congratulates Ontario government's bold step to reduce electricity rates
By: Staff Post
For: Wire Service
On: March 16, 2017

WireService.ca Media Release (03/16/2017) Ottawa, ON - Honourable Bob Nault, Member of Parliament for the Kenora riding, applauds the provincial government's recent step to reduce electricity costs through Ontario's Fair Hydro Plan and the Rural or Remote Rate Protection (RRRP) Program.

"Electricity is a necessity for everyone. In this day and age, people shouldn't have to choose between buying food and heating their home no matter where they live in Canada. Residents in rural and remote communities within the riding of Kenora could see hydro rate reductions of up to 50 per cent based on their electricity consumption," stated Nault.

On Thursday, March 2, 2017, Premier Wynne announced that the provincial government would be lowering electricity bills by on average of 25 per cent for residential customers, beginning this summer. This 25 per cent decrease includes the 8 per cent rebate introduced in January.

Low income and rural customers will receive an even greater rate reduction, while small businesses and farms will also benefit from Ontario's Fair Hydro Plan. Together, these changes represent the largest single-reduction to rates in Ontario's history.

"I am particular pleased to see that the Ontario government also recognizes the unfair burden that was placed on residents living in rural communities, low and moderate income families and our First Nations communities," added Nault. "This was long overdue and when fully implemented, this reduction in electricity rates is historic."

Specific to the riding, the Northern Ontario Energy Credit will offer individuals up to $148 per year and families $227 per year.

For those who don't qualify for low income programs, the Affordability Fund will help pay for energy-efficient improvements in the home. Information on this initiative will be available in the coming months from local electricity utility providers.

The First Nations On-Reserve Delivery Credit will see the removal of delivery charges for on-reserve First Nation residential customers, who will receive a credit on their electricity bill.

The Ontario Energy and Property Tax Credit offers up to $1,023 per year in tax credits if you are a low to moderate-income family and up to $1,165 if you are an eligible senior.

The Ontario Electricity Support Program (OESP) is now available to even more low income consumers. By applying online you can receive $360-$425 per year, off your bill.

"I'm pleased to see Premier Wynne take these bold steps to reduce electricity bills across the province. These changes represent the largest single-reduction to rates in Ontario's history," concluded Nault.

NDP calls on Wynne government to table hydro legislation ASAP
By: Allision Jones
For: Canadian Press
On: March 16, 2017

TORONTO — NDP Leader Andrea Horwath is calling on the Liberal government to table legislation for its hydro bill reduction plan on March 20, saying it’s short on details and “warrants one heck of an explanation.”

The legislature is not sitting this week for March Break, but Horwath said Ontarians need to see the planned legislation as soon as possible.

“People deserve to see it in black and white so they can debate it and so the legislature can debate it too,” she said.

“Don’t hide the details, don’t delay, don’t come to the legislature just before it rises this summer with a last-minute bill, ultimatums and no time for committees, experts and the people of Ontario to take the time they need to examine the bill. Put this $40-billion phantom plan on paper and let’s have a real debate about what’s best for Ontario’s future.”

The government indicated the legislation won’t come as quickly as March 20.

“We will introduce legislation this session, with time for debate and public hearings at committee, ensuring real relief for Ontarians and a way to ensure greater fairness in our electricity system this summer,” Energy Minister Glenn Thibeault said in a statement.

Premier Kathleen Wynne announced earlier this month that people will receive an average 25% cut to their electricity bills starting this summer – 17% in new reductions plus an 8% rebate that came into effect Jan. 1. Rates will also increase no higher than inflation for the next four years.

But the plan will ultimately cost ratepayers about $25 billion more in interest, the government has said. The plan will take part of the global adjustment charge off bills for the next 10 years, but the cost isn’t being eliminated, it’s being deferred to future ratepayers, racking up interest on that debt in the meantime.

The fact that billions of dollars will ultimately go to bankers and not be spent on schools or roads “warrants one heck of an explanation,” Horwath said.

Both opposition parties doubt the Liberal government’s math and say the extra interest costs could be as high as $40 billion.

“Let’s just say I have a healthy amount of skepticism when it comes to any numbers that Liberals provide,” said

Horwath.

Horwath said it's not clear when the hydro plan's interest payments will come due, but the Liberals have said it won't be for at least 10 years.

Horwath also said it's not clear if it will apply to medium-sized businesses, but the Liberals have said the 25% reduction won't. Half a million small businesses and farms will qualify, but all other businesses except the largest manufacturers and industrial customers will only see a reduction of between 2% and 4%, government officials have said.

On one thing, however, the NDP and Liberals can agree: "The Conservatives have no plan at all," Horwath said.

Progressive Conservative Leader Patrick Brown has said he will announce a plan "soon."

The NDP has proposed an alternative plan to lower hydro bills by 30%, but the Liberals say while their relief will kick in within a few months, the NDP's proposed savings wouldn't take effect for a long time.

The New Democrats' plan calls for ending mandatory time-of-use pricing, reducing the delivery charge for rural customers, renegotiating power contracts, and returning Hydro One to public ownership. The Liberal government has sold 30% of Hydro One and plans to sell up to 60% in total.

The Liberal plan also contains a delivery charge reduction for some rural customers, removing the charge entirely for on-reserve First Nations customers, and expanding a low-income support program.

Vanthof wants answers regarding hydro costs
By: Staff Post
For: Northern News
On: March 16, 2017

He gave the example of Leis Wood Products, located in the Cobalt area.

"Leis Wood Products takes shavings from our local planning mill, puts them in bags, and the bags are distributed throughout Ontario to horse farms and other people. It's a family business. Bruce helped out his kids, Andrea and Jason. It's a thriving little business, but it has the problems that other businesses in the province and in the riding share. I'd like to explain one of them." He went on to say, ``Leis Wood Products takes shavings from our local planning mill, puts them in bags, and the bags are distributed throughout Ontario to horse farms and other people. It's a family business. Bruce helped out his kids, Andrea and Jason. It's a thriving little business, but it has the problems that other businesses in the province and in the riding share. I'd like to explain one of them. They need some answers.``

Meantime NDP Leader Andrea Horwath is calling on Premier Kathleen Wynne to table her promised hydro bill on Monday.

"Premier Wynne, has issued a news release and delivered talking points – now it's time to deliver a plan," said Horwath. "Ontario families, businesses and municipalities have a right to know what will happen to their bills and who will pay the price for $40 billion going to pay interest rather than investing in hospitals, schools, transit and roads."

Horwath said the media appearances and talking points have raised more questions than answers. There's confusion throughout the province on whether Wynne's borrowing deal will help all Ontario businesses, whether there will be any relief on time-of-use premiums or if hospitals, schools and municipal facilities like community rinks will qualify for relief.

Plus, noted Horwath, there have been no details around repayment of interest costs that could amount to as much as $40 billion.

"If Wynne is planning to sign Ontarians on to a $40-billion borrowing deal, she owes us all one heck of an explanation. That's why I'm calling on her to table a bill Monday – so it can be properly debated by the legislature, by the public, and by experts."

Horwath is concerned that the Liberals plan on tabling their bill close to the end of the legislative session, undercutting scrutiny and debate. "Kathleen Wynne might think such a strategy will be good for her and the Liberal party but it is yet another affront to the people of Ontario".

Unlike the Wynne government, Horwath has already publicly released her plan to lower hydro rates by up to 30 per cent. The extensive NDP plan includes immediate bill-cutting measures like scrapping time-of-use premiums and unfair higher delivery charges; and it repairs the hydro system for the long-term by reversing the selloff of Hydro One.

Horwath's plan will bring an additional $7 billion in dividends to the province – money that can be used in schools and hospitals – while Wynne's borrowing deal is expected to cost Ontarians as much as $40 billion more in interest payments.

While the Wynne plan appears to benefit bankers most, the Conservatives haven't provided any sort of a plan at all to deal with sky-high hydro bills.

[OFA president talks hydro, land prices and school closures]
By: Jennifer Jackson
For: Farms.com
On: March 16, 2017

Farmers across rural Ontario has been hit with some hurdles in business operations and ensuring community strength.

Last October, MPAC valuations of farmland significantly increased farm owner's assessments.

Many rural communities face and are fighting school closures.

Farmers have also been struggling with soaring hydro rates. In early March, Premier Kathleen Wynne announced a forthcoming reduction in hydro bills by some 25 per cent – perhaps welcome news across farming and rural communities.

These factors can affect both farmers' families and the way they manage their operations.

Farms.com recently caught up with Keith Currie, president of the OFA, to discuss these pressing rural issues and the OFA's advocacy work.

Farms.com (Farms): How is the OFA working with municipalities amidst the rising land value assessments and tax rates?

Keith Currie (KC): Our members are having to deal with an increase in property tax assessments that have come as a result of farm values going up. In some cases, it's anywhere from 70 to 100 per cent per year over the next four years. (This increase) is putting a fairly large burden on the taxes farmers are having to pay.

(We are) working with municipalities to understand how that is impacting the budget in a positive way. (We are) working with them to try and lower their farm property tax rates from 25 per cent down to a level that they can handle and that's fair for those municipalities and the farmers.

We are also making sure members understand their tax assessment (so) that they are fair. If (the assessments) are not fair there (is a) process in place (where farmers) can work with the Municipal Property Assessment Corporation to get the correct value of their farms in place.

Farms: Kathleen Wynne, Premier of Ontario, announced her program for hydro relief recently – what is the real impact of this for farmers?

KC: In general terms, (the relief) is positive – any time there is relief of some kind, it is positive. We certainly got the HST rebate/discount last fall, and coupled with the 17 per cent announcement for residential last week, that makes it 25 per cent. For rural Ontario businesses and farmers (however), the real benefit we will see isn't just the amount of hydro relief, but it is (also) going to be the relief coming from the (discounted) distribution charges. Depending on your service type and the amount (of electricity) you use, we were told by Ontario's minister of finance (that relief from distribution charges) could potentially be as high as 60 per cent. The distribution (charge that can be very) burdensome on the bill is (now) going to show some signs of relief.

We will have to wait (until the relief takes effect) sometime in June to really understand what the (value is), but we will take (the relief) for now … we have been asking for (it) for quite a while.

(This announcement) still doesn't address the long-term energy issues that are out there. That's why we are still working with government for our natural gas push. But, for the time being, hydro relief is welcome … let's keep working with (the government) to make sure our businesses stay competitive.

Farms: How is the OFA working with the municipalities, school boards and the government to address the school closures?

KC: (School closures are) impacting areas right across the province. We have been talking with the minister of education on how to go about changing the funding formula so they are having actual counts of bodies in the school, and making sure that those numbers are not skewed. (We are also trying to) make sure the ministry is talking with school boards because I think there's some miscommunication on how money is to be used, what money is for and where money goes.

We've been working with an alliance – basically a parent alliance across the province that's looking at school closures – supporting them and their push to make sure that there's fair assessment of our schools out there. Some of the closures just don't make sense.

We need those schools in rural Ontario because they are not just schools for us – they're day cares and areas of community centres for us. In some cases, it might be (the) local library (or a) meeting centre. It's very important for all of us in rural Ontario to maintain those schools. On top of that, we don't want our kids riding for hours and hours on a bus. (A long commute) takes away from their extra curricular (activities) after school which are an important social part of their lives.

We need to take a holistic look at this and see what we can do. We're certainly working with the groups involved to make that happen.

Visuals

Sacha Long
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Follow

.@BobDelaneyMPP, Parliamentary Assistant to the Minister of Energy, discussing Ontario's Fair Hydro Plan at @EnWinUtilities.
@CTVWindsor