

Re: Hansard: Campbell to Thibeault -- Hydro and Forestry

From: Chris Benedetti <cbenedetti@sussex-strategy.com>
To: "Whittington, Matt (ENERGY)" <matt.whittington@ontario.ca>
Cc: Sarah Simmons <ssimmons@sussex-strategy.com>
Date: Thu, 09 Mar 2017 13:48:05 -0500

Thanks Matt. Sarah, do you want to share with Chris?

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On Mar 9, 2017, at 11:21 AM, Whittington, Matt (ENERGY) <Matt.Whittington@ontario.ca> wrote:

Fyi, re: Tembec

INSTANT HANSARD

>> MPP Campbell: Thank you, Speaker. My question is to the **Premier**. The nickel lake lumber sawmill employs 25 people near fort Frances. It has seen its hydro bills jump 50% in the last few years. Mr. Kendall Lundy, the owner, tells me he has just about had it and that everyone's jobs are in jeopardy. His competitors in Minnesota have hydro bills that are half of what he pays. What's worse is that he is subsidizing cheap hydro exports to these competitors, costing ratepayers like Mr. Lundy billions of dollars each year. Why does the **Premier's** hydro man have no solution at all to rein in these wasteful hydro exports and reduce overall hydro costs?

>> Minister Thibeault: Thank you, Mr. Speaker. Of course I'm pleased to rise and talk about the importance of our forestry sector and of course the importance of energy is to our forestry sector. And I know the Minister of natural resource and forestry will want to comment as well, Mr. Speaker. But for us in northern Ontario, we recognize that our large industry play a very important role, not only in our northern economy but in the economy of Ontario and of Canada, Mr. Speaker. And that's why, thanks to this government, Mr. Speaker, for northern Ontario, we brought forward the near program Mr. Speaker, . The northern industrial electricity rebate program, Mr. Sperker, which is helping every forestry company within northern Ontario, within all of northern Ontario, Mr. Speaker. And that's why we're so pleased to see that our forestry companies and their energy costs, Mr. Speaker, are one of the lowest, not only in Ontario, Mr. Speaker, not only in Canada, Mr. Speaker, but in all of North America, Mr. Speaker. Thank you, Mr. Speaker. I know the company in Thunder Bay resolute, they're talking about how their energy costs, Mr. Speaker, are some of the lowest in their entire fleet in North America, Mr. Speaker. We're going to continue to work with our forestry sector our mining sector to ensure we remain as competitive as possible with the lowest possible price. Thank you, Mr. Speaker.

>> MPP Campbell: Speaker, here's the thing. The **Premier's** hydro plan does next to nothing to

help medium size businesses like nickel lake lumber. The smau mill is too big to receive the 8% hydro rebate and as far as we can tell it also won't receive the 17% in bill reductions that the **Premier** has promised for small businesses. But it is not big enough to have the capacity to participate in the expanded industrial conservation initiative. The NDP's plan would reduce hydro bills for all ratepayers, including medium size businesses like the nickel lake lumber sawmill. Why does the **Premier's** plan exclude medium size businesses from the 25% in savings she has promised?

>> Minister Thibeault: I encourage the third party to read our plan because medium size businesses will qualify under our new expansion of the I.C.I. Program, Mr. Speaker. Mr. Speaker, we've lowered the threshold to 500 kilowatts. Mr. Speaker. We would encourage them to look at the plan. When talking about forestry sector. Mr. Speaker. I've got a letter here from tembec. Very, very prominent forestry company. Mr. Speaker. Let me quote. Tembec is able to effectively manage our electricity system costs in Ontario through our participation in a variety of programs. As a result electricity costs at the tembec news print operations are comparable to our operations in other jurisdictions and with other competitors, Mr. Speaker. We recognize the importance, Mr. Speaker, of the forestry sector, of the mining sector, of our resource sector, Mr. Speaker. And that's what we're doing, Mr. Speaker, is bringing rates like with programs like the near program that is helping all of our industry, Mr. Speaker.

N.B.: Transcripts are captured by a closed captioning system and may contain errors.