

Evening Media Scan: Hydro Rate Reduction Plan - March 16, 2017

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Evening Media Scan: March 16, 2017

MEDIA SCAN: HYDRO RATE REDUCTION PLAN

March 16, 2017

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Online Coverage

Toronto Sun: Wynne has run out of our money

March 16, 2017

<http://www.torontosun.com/2017/03/16/wynne-has-run-out-of-our-money>

Margaret Thatcher famously said the problem with socialism is that eventually, you run out of other people's money.

In Ontario, that's the problem with Liberalism.

More specifically, with Premier Kathleen Wynne's Liberalism.

It's not entirely her fault. She shares the blame with her Liberal predecessor, Dalton McGuinty.

Together, they more than doubled the \$138 billion debt the Liberals inherited from the previous Conservative government in 2003 to over \$300 billion, making Ontario the most indebted sub-sovereign (non-national) borrower in the world.

That explains the shell game Wynne is now playing as the clock ticks down to the next election scheduled for June, 2018.

It explains her reducing electricity bills to hydro ratepayers, by having them subsidized by provincial taxpayers.

Unfortunately, they're the same people.

Laughably, Wynne and the Liberals now challenge the opposition parties to explain what they would do differently, the same tactic they used when they cancelled two gas plants at a public cost of up to \$1.1 billion over 20 years.

Essentially, they're asking what a competent government would have done differently and on that score, there are plenty of answers.

For example, not waste billions of dollars on green energy that wasn't needed to replace coal-fired electricity, which the Liberals actually replaced with nuclear power and natural gas.

Not give wind and solar power developers outrageously generous, 20-year, no-cut contracts for expensive, unreliable and unneeded power.

Power we have to buy first, before all other forms of energy, making the entire system run less efficiently, meaning we have to sell less expensive forms of conventional energy at a loss to Quebec and the U.S., or pay energy producers not to provide electricity.

Thus, the answer to the Liberal challenge of what the opposition parties would have done is pretty simple.

It starts with not repeating all the disastrous blunders the Liberals made that doubled hydro rates in a decade.

This also explains Wynne having to sell 60% of Hydro One so she can balance the budget next year, an election promise which is meaningless because it does nothing to solve the structural deficit the Liberals have created in the province's books.

Because that's what happens when you run out of other people's money.

Windsor Star Updated: Despite rebates, industry says hydro still i
By: Doug Schmidt
March 16, 2017

<http://windsorstar.com/news/local-news/despite-rebates-industry-tells-province-hydro-costs-still-too-high>

Blame Essex County's sticky humid climate, and not just high hydro rates, for local greenhouse growers fleeing Ontario for more southerly climes like Ohio, the province's parliamentary assistant to the minister of energy told reporters Thursday.

Bob Delaney (L — Mississauga-Streetsville) said he had met earlier in the day with local greenhouse growers and "they said part of what caused them to move were the high levels of humidity."

Asked to clarify, Delaney added that "electricity costs are (also) a factor."

Delaney and other government members, including Premier Kathleen Wynne, have been fanning out across the province to trumpet their new Fair Hydro Plan. It was implemented, after withering public complaints over skyrocketing electricity prices, to give average Ontario household and small-business customers a 25 per cent break on their hydro bills by the summer.

In introducing Delaney at a media event hosted by Enwin Utilities, CEO Helga Reidel made a point of explaining that only 20 per cent of a Windsor household's monthly bill relates to the local utility's operations and costs.

Reidel said almost half of the more than 122,000 queries handled last year by Enwin Utilities' call centre dealt with anger and fear over customers' high monthly hydro bills. More than 2,000 of Enwin's nearly 76,000 customers had to be provided some form of payment plan in 2016 to assist them with those costs, she added.

Participants at the earlier business session were surprised to learn Delaney was explaining humidity as a cause for local industry investing across the border.

"That's a misunderstanding," said Jim DiMenna, president and CEO of Red Sun Farms. "Humidity, that's not a deal breaker — the cost of energy is a deal breaker," he told the Star. Ohio is as humid as Essex County, he added.

Matt Marchand, president and CEO of the Windsor-Essex Regional Chamber of Commerce, said local business and industry is still waiting for answers from the province about what, if any, relief they can expect on their hydro bills. He said there's still been "no clarity" provided, for example, on whether greenhouse operations would be eligible for the rate relief currently being touted for Ontarians.

"We need help — this is scary for us," said DiMenna.

Marchand estimates that hydro bills in Ontario have gone up at least 350 per cent over the past 10 to 15 years for business and industry.

Standing in front of some Enwin Utilities trucks and speaking before an audience of Enwin employees, Delaney said high electricity costs are due to two key reasons:

The need to invest more than \$50 billion in generation, transmission and distribution improvements after "decades of under-investment" by governments of all stripes.

Elimination of Ontario's coal-generated electricity and a switch to cleaner, renewable power.

Delaney said the \$50-billion deficit remains, but that the 25 per cent rebate is paid for in part by extending the repayment period for the hydro debt.

"The immediate relief is obviously welcome," said Tecumseh Mayor Gary McNamara, who attended the announcement. "The last three or four years, all we've seen are increases, increases, increases," he added.

Delaney said residential and small-business hydro consumers will start seeing the savings when their air-conditioning bills get delivered in the summer. As part of the plan, he added, rate increases from the province would be held to the rate of inflation over the next four years.

High power prices aside, Essex Powerlines CEO Ray Tracey advised Delaney that investment opportunities were being threatened due to the length of time it's taking to increase the power supply to Kingsville and Leamington.

"We need to move at a faster pace, if we don't, they (industrial customers) move," he said.

Delaney said Ontario's economy will benefit with a power grid that's more reliable than that found in parts of the United States suffering occasional brownouts and blackouts because similar infrastructure upgrade investments aren't being made.

But Marchand said Ontario businesses are making decisions to move now. "Once we lose an investment, it's gone — we have to deal with the reality now," he said.

Delaney said he "heard a lot about agricultural potential in Essex County" on his trip. Referring to the area's opposition-party representation, but insisting he wasn't being partisan, he said it was "the kind of feedback we have not been getting the last few years from this area."

Delaney wasn't able to answer some questions:

- Enwin bills have a separate line advising customers how much they're saving through a recently enacted eight per cent provincial rebate. Asked why there's no separate line for the new carbon tax the province began charging in January, Delaney said the Ontario Energy Board doesn't make that a requirement.
- Asked why the next Sunshine List (publishing the names of all Ontario civil servants earning over \$100,000) won't include Ontario Hydro employees (always the largest number with the highest-paid executives), Delaney said that's a question for the finance ministry.

CBC News *Ridiculously out of reach' hydro bills have rural Onta
help*
March 16, 2017

<http://www.cbc.ca/radio/asithappens/as-it-happens-thursday-edition-1.4027834/ridiculously-out-of-reach-hydro-bills-have-rural-ontarians-turning-to-churches-for-help-1.4027835>

Over the past decade, electricity rates have nearly doubled in Ontario. In rural areas, where the cost of delivery is higher, it's even worse — and it's driven some people to turn to their local churches to ask for help.

But now the churches are having a hard time keeping up with demand.

Brian Horrobin is the pastor at the First Baptist Church in Wallaceburg, Ont. He spoke with As It Happens host Carol Off about the desperate measures people are taking in his community to try to cover their costs. Here is part of their conversation.

Carol Off: Pastor Brian, just how bad are the hydro bills for people in Wallaceburg?

Brian Horrobin: Well, I think people have been facing increasing hydro bills for the last couple of years, but more pronounced here in 2016 and 2017. I've met people who've told me what they were paying a few years ago and what they're paying now — it's ridiculously out of reach to what it was.

CO: Tell me some of the stories people are coming and giving you.

BH: I have people coming to my door, people I don't know, just people from the community, saying "someone told me I could come here and ask you if you could help me with some of my groceries."

I'll say to them, "Have you been to the Salvation Army? They'll help you with that."
[They say]

"Yes, I've been to the Salvation Army, but I'm only allowed one visit a month there and I have a family.

They gave me some food. It was wonderful. But that's run out and I don't have any more money for food. The reason I don't have money for food is I took money that I had and I applied it to my hydro bill."

Most of the time they'll ask, "Can you help me with some groceries?" I think they figure a church would fall in line more with that. Although I do have people that come out and say, "Listen, is there any way you can possibly help me with my hydro bill?"

We have a fund at our church, as many churches do, called a benevolent fund. It's just an offering we take up once a month. Some people contribute throughout the month. Basically, that money goes entirely to help people in this situation.

CO: And how tapped out is that benevolent fund at this point?

BH: It's always been a good fund and it's always been a good level. But in the last couple of years, I have overdrafted the fund two or three times, I can't remember how many. The need is so great.

CO: What does it tell you that people are having to choose between being able to pay their hydro bills and buying food for their families?

BH: Awful decision to make, you know, because especially families with children, you don't want your kid to be hungry. But how do you go to bed at night when you're trying to turn your thermostat down, you're doing everything you can, you do laundry at off-peak times, following all the rules and still not able to pay the bill off? It's really a terrible decision to put people in that they're forced to make.

TV Transcripts (6 PM)

CKPR NDP Leaders Meets with Small Business Owners to Discuss

Source: CKPR

Mar 16, 2017 6: 00 PM (1)

Anchor: NDP leader Andrea Horwath wants the Wynne government to open up about their plan to reduce hydro bills for Ontario residents. That issue is expected to create fireworks when the provincial legislature resumes sitting next week but today Horwath was here in thunder Bay meeting with small business owners to discuss her own party's plan to combat hydro costs. Adam Riley has more.

Reporter: The opposition continues to hammer away the Liberals' plan to cut the cost of Hydro bills by 25 percent. Thursday afternoon Ontario NDP leader Andrea Horwath met with the owner of AJ's Trading Post Gerry Muller to discuss how he, as a small-business owner, is being affected by the current rates. He is a customer of Hydro One and says he doesn't understand why his rates are so high.

Gerry Muller, AJ's Trading Post. Our delivery charges are much higher than urban ratepayers. I don't understand the reasoning for it. We are paying more than the average Thunder Bay person is. We are buying directly from Hydro One and they are buying through Thunder Bay Hydro, so why are their rates cheaper than ours?

Reporter: Muller says he equates his bills to that of a mortgage or car payment. The lunch hour meeting between Horwath and Muller included talks of the NDP's plan to reduce rates throughout the province by 30% if elected in 2018. The plan includes equalizing the delivery charge between urban and rural users, ending mandatory time of use pricing, removal of the 8 per cent HST, and pressuring Ottawa to remove the 5 per cent federal tax off of hydro bills.

Andrea Horwath, NDP Leader: We will also bring Hydro One back into public ownership, we are going to buy back the shares that have been sold through the use of the dividends that it currently generates. We are going to look at oversupply and deal with those absurd contracts that the Liberals and Conservatives have been signing with private companies.

Reporter: Horwath scoffs at the timing and the choice of words used by the Premier for the Liberals' announcement two weeks ago to cut Hydro bills by 25%.

Horwath: I think it's kind of funny Kathleen Wynne kept saying oh this is because we know people need relief and all of the sudden the government poll came out a few days after the announcement so if it wasn't about her own political skin, why were they using political polling as a government?

Reporter: Horwath says the keeps sending out media releases and holding press conferences but they do not actually have a plan to contend with the hydro situation long term. She is calling on the premier to put a plan on the table next week when the legislature resumes sitting.