

Morning Media Scan: Hydro Rate Reduction Plan - October 24, 2017

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MEDIA SCAN HYDRO RATE REDUCTION PLAN

October 24, 2017

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Print Coverage

Toronto Sun: Premier Spendthrift?; Office renos cost \$300Gs and there's more to come; A3; 2017.10.24

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BYLINE: Lorrie Goldstein

SOURCE: Toronto Sun

KEYWORDS: things,considered,really,ontario,premier,kathleen

ILLUSTRATION: Francis Vachon, Canadian Press Files / Premier Kathleen Wynne recently had some improvements done to her offices.;

WORD COUNT: 550

Premier Spendthrift?; Office renos cost \$300Gs and there's more to come

All things considered, was this really the best time for Ontario Premier Kathleen Wynne to approve a \$300,000 renovation of her offices? According to a Toronto Sun Freedom of Information request for information on renovations, office improvements and furniture purchases for the premier's office since June 2016, the \$297,694.25 renovation was completed a year ago on rooms 6340 and 6522 in the Whitney Block, across from the Queen's Park legislative building.

The work included repairing and replacing water-damaged subfloors, new carpeting, "remediation of designated substances in the carpet and flooring," painting, new workstations, replacing window blinds and installing new vinyl flooring in two kitchens.

Sure the Whitney Block is old. It was built in 1926 and is the second oldest building at Queen's Park next to the legislative building.

But many Ontarians these days are making do with 15-year-old carpets and blinds (the age of those replaced) and old paint.

This while trying to figure out how to pay their electricity bills, which doubled in 10 years under the Liberals, before coming down 25% this summer under Wynne's "Fair Hydro Plan."

A plan Auditor General Bonnie Lysyk says will cost hydro ratepayers (meaning everyone) almost \$40

billion over the next 30 years, including \$4 billion more than necessary so the government can keep it from appearing directly on its books.

Meanwhile, Wynne presides over a government that is the most indebted sub-sovereign borrower on Earth, which just started hitting Ontarians on Jan. 1 for almost \$2 billion a year more, courtesy of Wynne's cap-and-trade plan.

In politics, symbols matter and a \$300,000 renovation in the premier's office at this time isn't a good one. But it's a drop in the bucket compared to the hundreds of millions of dollars worth of renovations (final cost not yet determined) that the Wynne government has approved for Ontario government buildings.

Called the Queen's Park Reconstruction Project, it's a massive, eight-year renovation of the government's Macdonald Block (built in 1971) and Whitney Block office complexes, which started last year and is scheduled for completion in 2024.

When the Wynne government announced the project last year, it said an "independent, third-party expert panel" had advised it the renovation would save money in the long run and help it meet its greenhouse gas reduction targets to fight climate change.

To wit: "The panel advised that the government's average current expenditure, including operating expenses and capital expenses required to maintain the buildings in their current state, would be reduced from an annual average of \$144 million to \$121 million over 50 years. This results in an estimated return of all costs invested in the renovation and an average annual net savings to the province of more than \$20 million for the next 50 years. Those savings will be achieved through reduced operating costs, lower energy and capital maintenance expenditures, and the reduction of over 380,000 square feet of third-party leases across the downtown Toronto core. The project will also support the government's efforts to fight climate change."

Many Ontarians will no doubt be skeptical, given this government's record, that we're going to save money in the long run.

And heaven forbid this government, the world's most indebted sub-sovereign borrower, should have to make do with working in unrenovated offices. lgoldstein@postmedia.com @sunlorrie

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National Post: Ontario Liberals' desperate tactics; A11; 2017.10.24

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BYLINE: Kelly Mcparland
SOURCE: National Post
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Ontario Liberals' desperate tactics

Ontario's government has reason to be thankful for the media's recent obsession with the struggles of the federal finance minister: while it may involve ritual humiliation for a fellow Liberal, it has also provided a much-needed screen for the Ontario party's latest embarrassments.

Only a few months remain before the province is consumed by campaigning for next spring's election. It's a time Premier Kathleen Wynne's government would presumably like to spend building a case for yet another re-election. Instead, little new has emerged to lift the Liberals from the depths of unpopularity they've occupied for much of their latest mandate. Instead, they find themselves fighting newly emerging challenges, even as old ones remain unresolved.

Perhaps most representative of the core issue facing Wynne is the ongoing criminal trial against two former top Liberal aides, accused of deliberately destroying emails and documents related to a gas plant scandal that helped drive former premier Dalton McGuinty from office.

Legal counsel for former McGuinty chief of staff David Livingston spent much of last week trying to fend off

testimony from Ontario's former top civil servant, Peter Wallace. Wallace testified he had tried repeatedly to make clear to Livingston that the chief of staff had a legal responsibility to protect and hand over all material related to the case. Wallace testified that he emphasized, both orally and in writing, that Livingston had no option but to provide the documents demanded by a committee investigating McGuinty's billion-dollar decision to cancel two gas plants in mid-campaign.

Livingston, Wallace said, dismissed his warnings as "political bullshit" and asked for the administrative password that would provide special access to computers in the premier's office. Soon after, a non-government IT expert - the spouse of Livingston's deputy - allegedly wiped clean computer hard drives in McGuinty's office. More than 630,000 files were deleted on 20 computers.

The trial continues, but however the eventual verdict goes, the testimony further adds to the notion that the 14-year-old Liberal government has become a cynical, self-serving political wrecking ball devoted to little more than self-preservation. The trial carries distinct echoes of Sen. Mike Duffy's successful argument that, in the absence of hard rules, politicians and their aides shouldn't be expected to let ethics or basic honesty get in the way.

While the Livingston trial was underway, Ontario's auditor-general released yet another scathing report on Liberal accounting practices. Bonnie Lysyk noted that Wynne's government borrowed \$26 billion in new debt to finance its "Fair Hydro Plan," a subsidy scheme to cut the province's soaring hydro costs in the lead-up to the election. The government wants to claim that it has balanced the budget - a key promise it hopes will win votes - but needed to keep the \$26 billion off the books to do so. Its remedy was to borrow through Ontario Power Generation, the provincial energy utility, which will have to pay off the money with higher rates down the road.

The debt remains, and will fall on the shoulders of the same taxpayers, but thanks to accounting rules won't have to be included on the bottom line come budget time. "The government created a needlessly complex accounting/financing structure for the electricity rate reduction in order to avoid showing a deficit or an increase in net debt," said Lysyk. In addition, since OPG can't borrow at the same low rates as the government, Ontarians will face an additional \$4 billion in borrowing charges.

The government dismissed the report, as it has done with numerous critical reports from the independent bodies that monitor its finances. Judging by the Liberals' history, none of the official bodies set up to act as nonpartisan monitors of government activity can be trusted to get things right. They fought an extended war with the former provincial ombudsman, André Marin. They have habitually ignored warnings from the Financial Accountability Office, which reported last week that the Liberals can't hope to keep their budget promises without higher taxes or dramatically reduced spending. And they regularly wave off Lysyk's criticisms as accounting gobbledygook.

Though the Liberals may yet have campaign surprises up their sleeve, its approach so far has consisted largely of trying to smear opponents, or to trap them into undermining themselves. Opposition leader Patrick Brown avoided another snare when Progressive Conservatives joined Liberals and New Democrats in denouncing Quebec's new face-covering law. Foiled in that attempt, Wynne - who recently testified in yet another Liberal corruption trial - had her lawyers serve Brown with a libel notice after he suggested that the premier herself (and not just Liberal operatives) were on trial.

"You have refused to retract or apologize for those defamatory statements, and have made further defamatory statements about Premier Wynne," the premier's lawyer complained in a letter to Brown. Politicians always look particularly vapid when they start suing one another for the nasty things they say. As part of their effort against Brown, Wynne's Liberals have been running television ads portraying him as a hardline social conservative out to rob women of their right to choose. While Brown voted in favour of a new study of abortion while serving as an MP in Stephen Harper's federal government, he says he was merely obeying the party line as expected of backbenchers, and is firmly pro-choice. That Liberals see fit to continue the misleading ads while launching libel suits over some standard-issue political rhetoric suggests a government desperate for something to lift it off the bottom.

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Sudbury Star: Sue over 'cooked' books; A10; 2017.10.24

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BYLINE: New Sudbury
SOURCE: Sudbury Star
KEYWORDS: wynne,liberals,under,ontario,books,taxpayers
WORD COUNT: 259

Sue over 'cooked' books

Re: "Wynne Liberals under fire for 'cooking Ontario books," Oct. 22.
As Ontario taxpayers, we cannot accept such deceitful and fraudulent accounting of our money, and Premier Kathleen Wynne's ridiculous attempts to hide the real costs of the inept Liberal government's numerous fiascos, scandals and bottomless money pit.
Surely, there must be a principled law firm out there who will agree to initiate a class action lawsuit on behalf of all Ontario taxpayers to sue this government for deceitful and fraudulent cooking of the books, as recently revealed by Ontario's Auditor General, Bonnie Lysyk? Wynne's government hid the cost of its "Fair Hydro Plan" from taxpayers and it has raised concerns that other governments across the country could follow suit and bury deficits.
The Liberals also "improperly" moved \$26 billion in hydro debt off their books, borrowing the money through Ontario Power Generation and, as a consequence, hydro ratepayers will face increases for 30 years. Lysyk argued that was like claiming your credit card debt is an asset.
If we, as Ontarians, agree by our silence to such deceitful and dishonest management of our affairs, assets and money, we cruelly deserve what we tolerate.
Hopefully, a reputable law firm will take this on, but we cannot afford to pay them right now, as we are too heavily in debt as taxpayers due to the financial ineptness of our Liberal government.
However, any lawyers agreeing to litigate this case gratuitously for Ontario taxpayers will have our everlasting appreciation and a place of honour in Ontario's history.
Simon Guillet New
Sudbury

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Peterborough Examiner: More transparent government needed; A4; 2017.10.24

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BYLINE: David Piccini
SOURCE: Peterborough South
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More transparent government needed

This week, Ontarians found out the true cost of Kathleen Wynne's Unfair Hydro Plan. Just when we thought it could not get any worse, Auditor General Bonnie Lysyk unveiled another damning report that revealed Ontarians will pay up to \$4 billion more in interest over the next 30 years.
We all recall when the Wynne Liberals announced with great fanfare last spring that hydro bills would finally be reduced after years of skyrocketing and punishing increases. How could we not know? They had the audacity to spend \$5.5 million in taxpayer dollars on government advertising to promote the apparent

reduction.

But where are we getting the money to pay for this short-term discount? The Wynne Liberals did this by saddling Ontario Power Generation (who are responsible for generating approximately half the electricity in Ontario) with even more debt. Or, in other words, you'll pay less now so you can pay even more later. The Auditor General's report shows just how dishonest the Wynne Liberals have been on hydro bills. They have hidden these extra costs (not to mention the billions more in interest payments) so they can falsely claim to have a balanced budget.

Because the Ontario Power Generation trust will have to borrow money at a higher interest rate than the province pays, the Auditor General estimates there will be an extra \$4 billion in charges over 30 years for a total of approximately \$40 billion.

Add \$40 billion to zero and you'll get a true picture of Ontario's finances.

Ontarians deserve better than accounting tricks designed for pre-election treats. Just in time for Halloween, Auditor General Bonnie Lysyk has ripped the mask of this latest Wynne scandal.

As life gets increasingly unaffordable for Ontario families trying to make ends meet, for students trying to pay for tuition, books and apartments and for seniors on fixed incomes, the Wynne Liberals will go to any length to play politics with our tax dollars. It has to stop.

It's time for change in Ontario. A more honest and transparent government is a good place to start. David Piccini Progressive Conservative Party of Ontario candidate for Northumberland

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Ottawa Sun: Premier Spendthrift?; Office renos cost \$300Gs and there's more to come; A10; 2017.10.24

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ILLUSTRATION: Francis Vachon, Canadian Press Files / Premier Kathleen Wynne recently had some improvements done to her offices.;

WORD COUNT: 547

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This while trying to figure out how to pay their electricity bills, which doubled in 10 years under the Liberals, before coming down 25% this summer under Wynne's "Fair Hydro Plan."

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billion over the next 30 years, including \$4 billion more than necessary so the government can keep it from appearing directly on its books.

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To wit: "The panel advised that the government's average current expenditure, including operating expenses and capital expenses required to maintain the buildings in their current state, would be reduced from an annual average of \$144 million to \$121 million over 50 years. This results in an estimated return of all costs invested in the renovation and an average annual net savings to the province of more than \$20 million for the next 50 years. Those savings will be achieved through reduced operating costs, lower energy and capital maintenance expenditures, and the reduction of over 380,000 square feet of third-party leases across the downtown Toronto core. The project will also support the government's efforts to fight climate change."

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The Belleville Intelligencer: Can't afford Liberal government; B2; 2017.10.24

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Can't afford Liberal government

(Re: MPP Rinaldi says there's no hidden hydro debt, Oct. 20, 2017 edition) Now let me see, who should Ontarians believe, a Liberal government that wasted \$1 billion moving two gas plants for votes, then tried to cover it up, sold Hydro One even though polls it commissioned said 60 per cent of us were against it, or Ontario's Auditor General Bonnie Lysk with no horse in the race? Forking our tens of billions in hydro rebates, the province simply cannot afford, was a last ditch effort vote-buying effort by Premier Wynne to save her job as polls showed her at 12 per cent. The hydro file has been the most bungled one in Ontario's history because of the Ontario Liberals' green obsession.

Certainly, Ms. Lysk has been our best ally in keeping this Wynne government's feet to the fire over one fiscally irresponsible move after another. Sadly, most of her scathing reports have been shelved and reckless spending has gone on by a government with an insatiable appetite for spending and never able to

bring in enough new revenue tools to feed it.

If, as Ms. Lysk alleges, the Wynne Liberals used 'tricky accounting procedures' to hide an additional \$4 billion in interest charges thereby misleading us taxpayers, this is one of the most egregious things, of the many, the Ontario Liberals are guilty of. I do believe MPP Rinaldi - doth protest too much - and what he says should be taken with great skepticism. One thing for sure, we cannot afford another four years of this 'spend happy' Wynne government that will do anything to cling to power.

Larry Comeau
Ottawa

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The Belleville Intelligencer: Rinaldi disappoints with comments; B2; 2017.10.24

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Rinaldi disappoints with comments

(Re: MPP Rinaldi says there's no hidden hydro debt, Oct. 20, 2017 edition) In some manner or another I have known Lou Rinaldi for the past 20 years. So, I know he knows better. That's why it disappointed me this week when he took a partisan pot shot at the province's independent, non-partisan Auditor General Bonnie Lysyk.

The most astonishing statement my old friend, Lou, makes is that the \$4-billion in extra costs associated with the government's electricity rate cut will come out of hydro rates and not taxes. Does he really have no understanding of how expensive electricity is in Ontario now? According to the Auditor General, this is \$4 billion that will be added to already sky rocketing electricity rates in the future because "the Liberals are making up their own accounting rules."

Another independent watchdog, the Financial Accountability Officer, reported the same \$4 billion number earlier this year.

Lou concludes by saying that "this is no different than municipalities undertaking infrastructure and deferring payment over a long period of time".

Here's the difference, at the end of an infrastructure deal you have a new building, bridge or road. In this case, you have nothing, except more debt, higher interest and record high electricity bills.

Todd Smith

MPP Prince Edward-Hastings PC Energy Critic

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