

Radio Transcripts: Premier Wynne's Interviews On Hydro Rate Reduction Plan (The Wolf, Fresh FM, CHML)

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* As requested by Jennifer Beaudry

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101.5 THE WOLF INTERVIEW WITH PREMIER WYNNE

Date: March 3, 2017
Station: CBC Radio (Toronto)
Length: 9:20 minutes
Speaker(s): Premier Kathleen Wynne

HOST: We have been talking about this. Hydro has been on the people's mind in Ontario. The cost of it has been for a long-time and yesterday Ontario Premier Kathleen Wynne made an announcement and Ontario Premier Kathleen Wynne joining us this morning. Good morning Premier, thanks for joining us.

PREMIER KATHLEEN WYNNE: Good morning Brian. Good morning Taylor.

HOST: So the cost of hydro in Ontario; it has been a big issue for your government, for the folks in this province and yesterday you announced Ontario's Fair Hydro Plan. Before we get into a couple of questions give us the Coles Notes on what you discussed yesterday.

PREMIER WYNNE: So what we discussed yesterday was that people from around the province have said to me and to us, to members of my government, everything that you've done has not been enough. So even you know the 8 percent reduction that people saw on their bills as of January, not enough. People are still struggling to pay their bills and they need relief now. They need it to go to everyone and they need it to last. You know they need relief not to be put in place this month and be gone in a few months or even a year. They need it to last. So that's the plan that we've brought forward which will take on average 25 percent off people's bills by the summer and people who live in more rural and remote communities they'll see an additional reduction because we're going to take costs off their distribution charges.

HOST 2: Okay, so one of the biggest questions that we're seeing from a lot of our

listeners posting on our Facebook and Twitter pages is this is a major issue why exactly did it take so long to address this issue? Why did it take so long to get things started?

PREMIER WYNNE: Well that's a that's a good question. And as I said, we've been trying to make some changes and what we what we got to at the end of last year was that with all the changes that we've made it still wasn't enough. And so that's why we're making a more dramatic, a more fundamental change because the changes that we had made weren't addressing some of the fundamental structural issues that people were facing. And so for example we've made billions of dollars of investment in a system that was really degraded you know. And this isn't a partisan comment but NDP governments, Liberal governments, Conservative governments had not made the investments over the last 40 years that needed to be made. We've made those investments. We've got to pay for them. We're going to stretch the costs of those payments over a longer period of time. That's a structural change and it will allow us to reduce people's bills in the immediate term.

HOST: Yeah but to that point - again we're speaking with Ontario Premier Kathleen Wynne - is this not just kind of a four-year band-aid solution? I mean this is going to push costs to future generations; it could be billions of dollars.

PREMIER WYNNE: Here's what it is; it's like a mortgage you know what-- the reason that people mortgage their homes is that they can't afford to pay for their homes in one fell swoop or even in a short period. They need a longer period of time. That means that of course it takes longer to pay off and there is a premium. You know there are payments that are higher because of interest over that period of time, but the payments are manageable and that's exactly what this is. This is making the payments on the investments that have been made in electricity to make it clean and reliable; making those manageable over-- rather than over 20 years, over 30 years. And so you know this generation today shouldn't have to bear the cost of the neglect that came before and the usage that's going to-- the benefit that's going to come next. So we're saying you know what, let's share that cost because the assets are going to last for decades to come.

HOST: But isn't there a way we can fix the root of this problem before going through all of that?

PREMIER WYNNE: But the root of the problem is that there hadn't been investment in the system for decades. I mean part of it is, and I you know I know that there are challenges around some of the contracts that we have put in place for renewable energy, but that's only one piece of it. The root of the problem was that there were transmission lines that needed to be built. There were generation capacity. So for example upgrades at Niagara Falls that needed to be built, towers that needs to be built in the north. That kind of investment is billions of dollars. Had it been done over the last 40 years and had the system been maintained then we wouldn't have had to play catch up. We have had to play catch up. That's the root of the challenge. And so now we've got to make sure that the payments are fair over a decent period of time and that's how we're going to be able to give people a reduction by asking the next generation to share in the payment for an asset that they're going to benefit from.

HOST: Once again, we're speaking with Ontario Premier Kathleen Wynne. Yesterday they announced the Ontario's Fair Hydro Plan.

HOST 2: So we were talking, we heard you mention a few minutes ago that it's a 25 percent discount being added to people's bills. I have seen some numbers broken down

and it's looking more like about a 17 percent discount because of the 25 percent includes that 8 percent HST rebate that we got earlier this year, right?

HOST: That already happened in January.

PREMIER WYNNE: So it's on average 25 percent. But here's the thing, as I said a lot of the people who are listening to you live in rural communities where the distribution charge is much higher than in an urban center. So they will get on top of the average 25 percent, they'll also see a reduction in their distribution charge and that will give them another 10, 15 percent reduction. So for some people it will be much higher than 25 percent and that's to really target the issues that are the most burdensome for people.

HOST 2: Okay, just so it is clear, that 25 percent does include the 8 percent? Oh that's right.

PREMIER WYNNE: Yes it does.

HOST: Once again, it's Ontario Premier Kathleen Wynne, and Kathleen how do you respond to those that say you may be addressing this hydro issue now because your approval rating with the government is down and the next election is about 15 months away?

PREMIER WYNNE: What I would say is that I'm addressing this electricity situation now because people are in need around the province. That's the reality. We had tried to put some supports in place, put some relief in place. You know we put the Ontario Electricity Support Program for low income families. All the things we had done were not enough. That's what people were saying to me. And so there's more that needed to be done. Of course there's a political component to this and you know that will continue to be discussed. But the driver of this is people's need. It is unacceptable to me that people in this province would be choosing between, you know buying groceries and paying their electricity bill. It's just not acceptable.

HOST 2: Absolutely.

PREMIER WYNNE: And so we knew what we knew we had to do something more.

HOST 2: But I mean that's been an issue for years.

PREMIER WYNNE: Well it's become more critical. It's become more critical in the last couple of years because electricity bills have gone up. If you look at the changes there have been some real spikes over the last few years and that's why this has become such a critical issue. And as I said, we've been trying to put some supports in place over the last few years but they just haven't been enough. And so we needed a more fundamental change and that's what this is.

HOST 2: Okay so, just sorry Brian to cut you off there. Switching to kind of looking at an election track. There have been several online petitions and calls even for measures as extreme as your resignation. What would you say to those and do you think you are the best leader for the Liberal Party heading into an election?

PREMIER WYNNE: Well here's the thing, I made a commitment in 2014 when we were elected to build this province up, to invest in infrastructure, to make sure that young people had access to post-secondary education; you know free tuition for low income

kids is starting in September. We are doing those things. We are delivering on those commitments. And my job's not done and I'm going to continue to work to make sure that we continue to build the province up. That's my responsibility and I'll be leading my colleagues into the election in 2018.

HOST: So this hydro announcement is just more of a coincidence. It was just something that had to be done now, not the timing with an election coming up.

PREMIER WYNNE: It had to be dealt with.

HOST: Okay.

PREMIER WYNNE: People were struggling, are struggling, and they need to see this relief and they'll see it by summer.

HOST: Well I do know that you know a lot of our listeners will say they you know agree to disagree but we most certainly thank you for taking the time to share some of your views and run through some of the process with Ontario Hydro and Ontario Premier Kathleen, thanks very much we appreciate the.

PREMIER WYNNE: My pleasure. Take good care.

FRESH FM INTERVIEW WITH PREMIER WYNNE

Date: March 3, 2017

Station: Fresh FM Radio (Peterborough)

Length: 5:30 minutes

Speaker(s): Premier Kathleen Wynne

FRESH FM: We have Kathleen Wynne on the line. The Premier of Ontario had a bit of a busy afternoon yesterday with a big announcement regarding hydro and electricity rates. Good morning, Kathleen. Thanks for joining us this morning.

PREMIER KATHLEEN WYNNE: Good morning. Just fine. It's a beautiful sunny day.

FRESH FM: It is. And the sun has come out here in Peterborough, as well. Yesterday was a big day. You announced this, on average, 25 per cent cut to electric bills. You know, this was a little time coming. Why yesterday, I guess, is the big question?

PREMIER WYNNE: Well, we were working to get, to get a solution in place, as quickly as we could. And we had we had done some things, for example, the 8 per cent reduction that people saw on their electricity bills, as of January. But what we, what we got from hearing from people from around the province was that it wasn't enough. You know, the things that we had done weren't enough and that people needed relief that was substantial. They needed that relief to go to everyone. And they needed it to be lasting relief and more fundamental than some of the changes that we've made.

FRESH FM: Okay, fair enough. I know you've been asked this, I'm sure, already in the last 12 hours or so, but a lot of people are saying it's a band-aid solution that generations to come are going to have to pay for this. You're comparing it to a mortgage.

PREMIER WYNNE: Yeah. Yeah, I mean the fact is that we have, we've had to make a lot of investments in the electricity system and this isn't a partisan comment, but, you know, previous Liberal, NDP and Conservative governments over the last 30, 40 years have not...did not keep the system in good shape. When we came in in 2003, we were having rolling brownouts and blackouts. We needed to make an investment. We've made that investment. But it's, you know, it's about a 50 billion dollar investment that we've made over the last few years. We now have a clean reliable electricity grid. But there's a cost associated with that. And what we're saying is, it shouldn't be this generation that pays both for the neglect of the past and the benefit of the future. So we're going to spread the cost of those payments over 30 years, rather than over 20 years. It means, like a mortgage, that it will take longer to pay off and it will cost a bit more, but it is worth it because it means that people today will get that relief that they need, so they can look after their families and pay their electricity bills.

FRESH FM: Speaking with Ontario Premier Kathleen Wynne. And when does this take effect and what do you say to the people in the meantime? There's like small businesses that are just kind of hanging on because electricity is like 50 per cent of their operating cost. There's like local curling clubs in the Peterborough area that, you know, are really struggling, as well. How do they hang on in the meantime?

PREMIER WYNNE: So people well...every resident who pays electricity for their home will see relief by summer. We're going to get this average 25 per cent reduction in place by summer. There are other programs that will come into play for our businesses. Those mom and pop shops on, you know, main street in towns and Ontario will benefit from the same 25 per cent reduction. In addition to that, we're going to, we're going to see people who have very high delivery charges. So people who live in more remote and rural communities, they'll see more than a 25 per cent reduction because we're going to take a chunk of those distribution charges off their bill. So they may see another 10 or 15 per cent reduction on their bills. So that all will come into play by the summer.

FRESH FM: That was my next question. Of course, you know we're in the middle of cottage country. I think maybe you even have a cottage somewhere in this Peterborough area. We've got a few emails from cottagers and tweets showing us their bill about getting hit over the winter time, and they've shut off their hydro.

PREMIER WYNNE: Yeah. And those distribution costs are really hard for people to bear, whether it's a cottage or whether it's their primary residence. And so those distribution charges, we're going to take those down to about the same level that an urban, an urban resident would pay. And so, that's going to mean a substantial reduction. You know, it could be 40 50 per cent in terms of distribution charges for people in more rural and remote communities.

FRESH FM: All right, before we let you go, we'll end a little bit on a lighter note. Has Peterborough MP Jeff Leal ever taken you to Jeff Purvey's Fish and Chips, while here in Peterborough?

PREMIER WYNNE: I have not been to that fish and chips...I, you know what, I'm going to take him up on that.

FRESH FM: Well, he brought Dalton McGuinty there. I think Peter Adams brought, I think, Jean Chretien, there. A lot of Liberals go there, it seems, so.

PREMIER WYNNE: So Jeff owes me.

FRESH FM: Yeah, it's just, it's just getting the money out of his pocket to pay. That's the tough part. But anyhow, shout out to Jeff. Another quick one. Trivia question for you. Some of the top musicians in the world right now are: Justin Bieber, the Weeknd, Drake, Alessia Cara and Shawn Mendes. They are all from where?

PREMIER WYNNE: Ontario.

FRESH FM: Ontario. And if you had to go see one of them in concert, who would it be?

PREMIER WYNNE: Oh my goodness. You know what, I think, I think the Weeknd is awesome.

FRESH FM: Okay. Good pick.

PREMIER WYNNE: That's where I'd go.

FRESH FM: Alright, Kathleen, thanks very much for joining us. Have a great weekend.

PREMIER WYNNE: Okay, thanks. Take care.

CHML INTERVIEW WITH PREMIER WYNNE

Date: March 3, 2017

Station: CHML Radio (Hamilton)

Length: 8 minutes

Speaker(s): Premier Kathleen Wynne

CHML: But let's get right into it. To begin with, today - yesterday of course, at Queen's Park - The Premier made an announcement with a series of moves that are eventually going to reduce our hydro bills we're told by about 25 percent on average and I get some details on that - we are pleased to welcome to the Bill Kelley show, the premier of the province of Ontario. Kathleen Wynne joins us here on CHML. Premier, thank you so much for the time; it's good to have you with us today.

PREMIER KATHLEEN WYNNE: A pleasure, Bill.

CHML: Let's go back let's let's roll back a little bit, and talk about what led up to the decision yesterday, and how you decided to approach this problem.

PREMIER WYNNE: Well Bill, you know, because you've heard from your listeners - and you talked to people in the community - you know that people all over the province are really struggling with electricity bills. We've known this for some time and we have, you know, we've worked to make some changes. And the root cause of this, Bill, is that we've, we've had to make a lot of investments in the electricity system. There had been neglect in the system.

We've made, since we came into office, about 50 billion dollars' worth of investments - and that's to build new line; to build more capacity at Niagara Falls to to clean up the air. Shutting down the coal fired plants and building capacity. So we we've upgraded the

system, but there's a cost associated with that. And what has happened is, this generation of consumers has basically been asked to pay for the whole cost of that, or a large part of the cost of that. So they're paying for not only the neglect that came for 30 or 40 years before, but also they're being asked to pay, to pay for an asset that is going to last for another 30 years. So what we've said is, you know what - people right now need relief that's what we've heard from families; that was what we've heard from individuals - they need substantial relief, and they need it to go to everyone because it's not just some people who are struggling, it's people all over the province and so, as you said, we are going to by summer put in place an average a 25 percent reduction on people's bills all over the province. And there will be more than that for people who are living in more rural and remote communities because the thing - they are, they're disproportionately seeing is that their distribution charges are higher than people who live in urban areas. And so we're going to deal with that as well.

CHML: But some people are describing what you announced yesterday, though, Premier as just a short-term gain for long-term pain, because, essentially, what you're doing is simply stretching the payments out which means that the interest payments are going to be higher on a lot of the stuff; how do you react to that.

PREMIER WYNNE: Well, you know, that's what a mortgage does. Right. When we, when we put a mortgage on a property on a house we basically spread out the cost, and there's a premium attached to that. You do pay, you do pay more and you pay for a bit longer, but it means that the payments are manageable. And that's what that's what this is about. The payments have not been manageable on the upgrades of these of this electricity system. People are not able to look after their families, pay their rent, pay their their bills, while these electricity bills are so high. And so, it had gotten to the point where even with the 8 percent that we we took off people's bills as of January - it wasn't enough. We needed to do more. And that's that's why we put this plan in place.

CHML: So that that addresses what's going to happen on the bottom line on our bills and, and and I – well - everybody universally is pleased about that. But but are you directing any energy or, excuse the bad pun here premier, towards what many people consider to be the root problem that maybe we're generating too much power right now; and maybe we don't need to be doing that - maybe there should be a moratorium on some of these contracts.

PREMIER WYNNE: Well we've got we've got a long-term energy plan and it gets revised every couple of years. And it, it looks at what the capacity is in the system; and what we need to do going forward. what we have to be sure, Bill, is that we've got enough capacity for industry; for residences to have reliable electricity. In 2003 when this came to a head. You can remember that there were, there were brownouts and blackouts and the system really was degraded because there hadn't been investment for - there hadn't been adequate investment for decades. And that's not a partisan comment, Bill, because it was Liberal governments; was NDP government. It was Tory governments who didn't make those necessary investments. And so it came to a head. We had to make those investments and we now are monitoring, as we go along, whether we need more capacity or less capacity. We want industry to come to the province, you know, we want to make sure that we don't end up in a situation where we actually have industry coming, and we don't have reliable electricity capacity. Ontario is now leading economic growth in the country, Bill, so we're, you know, we're in a very strong position relative to the rest of the country - and quite frankly relative to many of our ,many of our neighbouring states. And so we need to make sure that we have all of the conditions in place for, for strong investment here in the province. Part of that is having reliable

electricity and making sure that it's affordable.

CHML: But if we're selling off a lot of our excess for pennies on the dollar to some of our neighbours, doesn't that tell you that we're making too much already –

PREMIER WYNNE: But we're buying as well. I mean, what happens is we buy and sell across our borders. We have a we have a couple of deals with Quebec that mean that, you know, we sell them some power; they sell us power - and on on the whole, Ontario does very well with those those trades. But but it's not as simple as just saying oh well, we've got enough power for every time of day for every season, and we can just not not have those relationships. There is, there is a mutual interdependence among states and and other provinces and so we have to make sure that we live up to our part of that, of that bargain and have the clean energy that we can then sell. But we also are buying power, as I say, from from Quebec.

CHML: Have we overcommitted though? I mean that's that's the big concern being raised, not just by the opposition parties. I mean we, we, you know, expect to hear opposition from opposition parties; but a number of energy critics are suggesting that that maybe the province should at this point be reassessing their commitment to some of these contracts and, and maybe cancelling some of them before they start signing them. I know there's another series we're told in the news today another series of contracts that are going to be due in the next few days.

PREMIER WYNNE: So those are those are much smaller contracts. We did cancel - we did suspend the large renewable project procurement. So we have done exactly that, Bill. We've we've looked and said - you know what, let's reconsider this as we develop the long-term energy plan. Maybe we don't need, maybe we don't need that large scale procurement. And the cost, you know, when you talk about the feed in tariff It's a (inaudible) program that is going out in the next few days. Those are, those are contracts that are much smaller, and they are at a much lower cost than the original contract. When it comes to ripping up contracts - and I know that that's something that the opposition says we should do - there actually are billions of dollars of penalties that would be involved in that. There are legal cases, and that's not – I mean we looked at that, Bill, I'll be honest - we looked at it because it has it has a sort of appealing simple ring to it, you know? Just rip up those contracts and and save money. It actually is not possible to do without huge penalties and billions of dollars of costs. So, so we rejected that notion in in favor of spreading out these costs over time and and asking, you know, the next generation to help to pay for assets that they're going to be using they're going to be benefiting from.

CHML: Premier, I know it's a busy day for you and we we really appreciate you taking some time for us today. Thanks so much will follow up on this I'm sure in the next couple of.

PREMIER WYNNE: Absolutely. Thanks, Bill. Take care.

CHML: You too.