

Infomart Newsletters

From: Infomart Newsletters
Sent: December 4, 2017 7:42 AM
To: Rosemarie Leclair
Subject: Morning News Clippings - Monday, December 4, 2017

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Morning News Clippings

powered by: **infomart**

Date: Monday, December 4, 2017
 Edited by: Paul Crawford (Paul.Crawford@oeb.ca)

[Contact Editor](#)

Clippings Summary

News - 24 Results



Guelph would own 4.63% of Alectra if hydro merger approved | CTV Kitchener News

kitchener.ctvnews.ca - Sat Dec 2 2017

Tone: **Neutral**

[Permalink](#)

More information is coming to light about what the proposed merger of Guelph Hydro with Alectra would mean for the city, both financially and otherwise. Guelph Hydro's board of directors recommends going ahead with the merger, negotiations for ...



Guelph Hydro workforce would be cut almost in half, Alectra merger report shows - Guelph | Globalnews.ca

globalnews.ca - Fri Dec 1 2017

Tone: **Neutral**

[Permalink](#)

Paul Crawford noted on Friday, December 1, 2017
 OEB is mentioned.

The final report on the merger between Guelph Hydro and Alectra going to city council for a vote shows the workforce in Guelph would be cut almost in half.



Guelph Hydro merger would include one-time \$18.5 million dividend to city - GuelphToday.com

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Possible Goderich Hydro Merger | Goderich Signal Star

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Energy minister says regulating gas prices doesn't work - My North Bay Now

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New Hydro One bills give Liberals unfair advantage: opposition parties | Toronto Star

www.thestar.com - Fri Dec 1 2017

Tone: **Neutral**
Permalink

New and simplified Hydro One bills, which highlight savings from the government's 25-per-cent-rate cut, are giving Premier Kathleen Wynne's Liberals an unfair edge as an election looms, rivals say.



Focus Ontario: Brown's People's Guarantee | Watch News Videos Online

globalnews.ca - Sun Dec 3 2017

Tone: **Neutral**
Permalink

Paul Crawford noted on Sunday, December 3, 2017

The program begins by analyzing Patrick Brown's 'People's Guarantee.' It also touches on the PC scandal regarding the candidate nomination in the riding of Hamilton West-Ancaster-Dundas. Two would-be candidates allege the process was tainted by fraud and say the result should be overturned.

On this week's Focus Ontario, reaction to the new PC election platform called the People's Guarantee.



Wynne's worried about Brown's People's Guarantee

Ottawa Sun - Sat Dec 2 2017

Tone: **Negative**

Byline: Johnsnobelen

Ad Value: \$1,092

Reach: 36297 Page: A19

It hasn't been a particularly good week for **Ontario** Premier Kathleen Wynne. It should have been a celebration of the Liberal government's passage of legislation spiking the minimum wage to \$15 an hour by Jan. 1, 2019, a move calculated ...



Tories Lead The Pack; Kathleen Wynne's Liberals trail Brown's PCs, NDP: Poll

Ottawa Sun - Mon Dec 4 2017

Tone: **Neutral**

Byline: Antonella Artuso

Ad Value: \$2,418

Reach: 45442 Page: A5

The Kathleen Wynne Liberals are heading toward a thirdplace finish in the next provincial election despite popular moves like a \$15-an-hour minimum wage, a new Forum poll shows. Forum Research President Lorne Bozinoff said the numbers didn't ...



Patrick Brown - Do what's right or do what will win?; Tories shifting left in order to grab Liberal voters

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Ontario NDP outflanked on the left - by Conservative Patrick Brown

Waterloo Region Record - Sat Dec 2 2017

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Byline: Rick Salutin

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What accounts for the "progressive," activist, pro-government, even leftist tone of Patrick Brown's platform for Ontario's Progressive Conservatives in the coming June election: more transit, more for mental health, etc.? A. Someone body-snatched ...



The return of Bill Davis?; Brown's centrist platform reminiscent of former premier

Ottawa Sun - Sun Dec 3 2017

Tone: **Negative**

Byline: Andre Marin

Ad Value: \$2,255

Reach: 38456 Page: A6

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CTF says high electricity bills are hurting Chatham hospital | CTV Windsor News

windsor.ctvnews.ca - Sun Dec 3 2017

Tone: **Neutral**
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The Canadian Taxpayers Federation (CTF) says soaring electricity bills at Chatham-Kent Health Alliance are unsustainable.



Throw 'Em Out!

Toronto Sun - Mon Dec 4 2017

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Byline: Larry Sylvester

Ad Value: \$655
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Reach: 361323 Page: B7

Ontario is envisioning a future in which millions of **electric** vehicles are on the roads, but analysts predict **consumer** uptake will remain far off the government target for 2020, despite tens of millions of dollars in ...



Canadians need to wake up to our buried energy riches

Ottawa Sun - Mon Dec 4 2017

Tone: **Neutral**
Byline: Joe Oliver

Ad Value: \$1,193
Reach: 45442 Page: A21

Nebraska's state **regulator** finally approved the Keystone XL pipeline. While a positive development, it should also remind Canadians of our near total dependency on the lowprice American market for our oil and **gas**. However, most ...



The high cost of cheap electricity: Don Pittis | CBC News

www.cbc.ca - Mon Dec 4 2017

Tone: **Neutral**
Permalink

Producing electricity has never been so cheap. Efficient generation technology, including low-cost wind and solar, and natural gas prices at levels no one predicted a decade ago have contributed to those bargain prices.



Owners moving on, blame rising hydro and wage increases; Latest closure brings West Elgin one step closer to 'food desert' label

Times-Journal (St.Thomas) - Sat Dec 2 2017

Tone: **Negative**

Byline: Louis Pin

Ad Value: \$788

Reach: 8859 Page: A3

The owners of the Rodney Grocery Store are closing their doors only a year after purchasing the old Fairles Food Market in the small **West** Elgin town. Jason Rehkopf and Andrea Pepper wanted the store to be a fresh start, a forever job ...



Scrapping cap and trade to cost more: Wynne

Waterloo Region Record - Sat Dec 2 2017

Tone: **Neutral**

Byline: The Canadian Press

Ad Value: \$961

Reach: 73852 Page: B9

Premier Kathleen Wynne says **Ontario** families can't afford the cost of cancelling her Liberal government's **cap-and-trade** program in favour of the Progressive Conservatives' proposed carbon tax. Wynne, who ...



Ontario's power failure; Wind energy disaster came from listening to political scientists and environmentalists, not engineers

Toronto Sun - Sun Dec 3 2017

Tone: **Negative**

Byline: Duanesharp

Ad Value: \$5,136

Reach: 222184 Page: A16

Starting 14 years ago, environmental activists like Gerald Butts, along with then premier Dalton McGuinty and his Liberal government, began planning the misguided path that led to Ontario's **renewable energy** downfall. They ...



Chasing The Sun; Town'S Grand Design; Becomes 'A Disaster'; Calls For An Audit; Fell On Deaf Ears

Ottawa Citizen - Sat Dec 2 2017

Tone: **Negative**

Byline: Vito Pilieci

Ad Value: \$74,517

Reach: 114495 Page: D1 / Front

This is the story of Blind **River**, a little town that was given \$49.5M for a project that never happened. The Citizen's Vito Pilieci explores how dreams of **solar** riches turned into a financial nightmare. Sitting on the ...



Dirty dollars; Since 2010, dozens of companies across Canada that have violated environmental rules have received more than \$2.6 billion in public money. The penalties they faced were not just offset but dwarfed by government largesse. In effect, critics say, taxpayers paid the firms' fines.

Toronto Star - Sat Dec 2 2017

Tone: **Negative**

Byline: DAVID BRUSER AND JESSE MCLEAN

Ad Value: \$85,401

Reach: 500678 Page: A1

The cabinet minister beamed as she announced a major corporate gift - \$44 million from the **public** purse to the steel mill on the Hamilton lakeshore. This financial aid, the proud official said in 2011, would help bankroll major equipment ...

THE TRIBUNE

Hydro One plan reminder of 1940s technology

Welland Tribune - Sat Dec 2 2017

Tone: **Neutral**

Byline: Steve Mcglennon

Ad Value: \$90

Reach: 10214 Page: A6

Regarding the Point of View 'Pre-paid **hydro plan** morally repugnant' (Nov. 25) Growing up in England, my grandmother had a box on the wall. It was a pre-paid "lecky box" in which we would insert 10-pence coins in order to have ...



How solar-energy dreams became a nightmare for the small Ontario town of Blind River | Ottawa Citizen

ottawacitizen.com - Fri Dec 1 2017

Tone: **Neutral**

Permalink

Sitting on the northern shores of Lake Huron is a small, sun-soaked town called Blind River.

Clippings Summary

Full Articles



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New Hydro One bills give Liberals unfair advantage: opposition parties | Toronto Star

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Focus Ontario: Brown's People's Guarantee | Watch News Videos Online

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Wynne's worried about Brown's People's Guarantee

Ottawa Sun - Sat Dec 2 2017

Tone: Negative

Byline: Johnsnobelen

Ad Value: \$1,092

Reach: 36297 **Page:** A19

It hasn't been a particularly good week for **Ontario** Premier Kathleen Wynne.

It should have been a celebration of the Liberal government's passage of legislation spiking the minimum wage to \$15 an hour by Jan. 1, 2019, a move calculated to bring NDP voters into the Liberal tent.

But that celebration was short-lived.

Some credible folks have suggested Wynne's sudden, dramatic increase in the minimum wage (rising from \$11.60 to \$14 an hour on Jan. 1, 2018) will result in 90,000 lost jobs.

Plus, the increase in payroll costs from mandatory paid emergency leave and additional vacation days will increase the trend to precarious work.

It's hard to square losing jobs and increasing **contract** work as a breakthrough in employment "fairness", as the Liberals claim.

But the poor reception the minimum wage legislation received was not as unnerving to Wynne and the Liberals as news that flowed out of last weekend's **Ontario** Progressive Conservative party policy convention.

PC Leader Patrick Brown took the stage to unveil the party's election platform in a slick magazine entitled the "People's Guarantee".

No doubt the Liberals were hoping Brown would produce a hard right campaign document. Those hopes were dashed.

Brown is offering a firm promise (he won't run for re-election if he breaks five key commitments) to significantly lower middle class taxes and reduce **hydro rates** by an additional 12%.

He will also reimburse 75% of childcare costs and make a sorely needed investment in mental health services.

In addition to those bigticket items, Brown and his team are committing to several policies that will attract voters in urban centres, including support for **Toronto public** transit.

It's a comprehensive package aimed squarely at voters who have grown tired of ever increasing taxes and fees.

The People's Guarantee will do what was intended, put Brown and the PC party in position to win the June election.

Wynne's frustration with the PC platform was palpable. She mocked the notion the PCs could find \$6 billion in savings from a valuefor-money audit, which she called "ridiculous".

Deputy Premier Deb Matthews borrowed her mother's wisdom that, "if it sounds

too good to be true it probably is" to criticize the PC platform.

So, basically, the Liberal response to the People's Guarantee is that it's good, just not doable.

I don't think the PC's will lose much sleep over that criticism.

I have some sympathy for Wynne. Having spent over a decade at the cabinet table in senior positions, Wynne knows all too well the challenges of running the province.

She was part of the team that bought into the green **energy** revolution that gave Ontarians the opportunity to pay for a number of ill-fated **energy** initiatives.

It can't be easy to acknowledge that moving to a simple, revenue neutral, carbon tax is a better option than her byzantine, non-revenue neutral, **cap and trade** scheme.

Wynne's comment that finding 2% savings in the massive **Ontario** budget is "ridiculous" is evidence that spending a long time in government can cloud judgment.

I'm willing to bet most taxpayers will think it is entirely reasonable to reach that modest savings target, having absorbed much larger hits to their family budgets over the 14 years of Liberal government.

The bottom line is the Liberal response to the People's Guarantee was worse than ineffective. That will probably convince most folks it is time for a change.

Snobelen was a cabinet minister in the Conservative government of **Ontario** premier Mike Harris from 1995 to 2002

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Tories Lead The Pack; Kathleen Wynne's Liberals trail Brown's PCs, NDP: Poll

Ottawa Sun - Mon Dec 4 2017

Tone: **Neutral**

Byline: Antonella Artuso

Ad Value: \$2,418

Reach: 45442 Page: A5

The Kathleen Wynne Liberals are heading toward a thirdplace finish in the next provincial election despite popular moves like a \$15-an-hour minimum wage, a new Forum poll shows.

Forum Research President Lorne Bozinoff said the numbers didn't improve for the **Ontario** Liberal government even after it cut **hydro** bills by an average 25%.

"The announcement had no impact on Liberal fortunes," Bozinoff added. "And then people's **hydro** bills started going down and it still did not have an impact on the Liberal fortunes.

"I think, for the Liberals to grow, it's a lot harder than you might normally imagine it's going to be, and that might all be due to the 15 years in government," he said.

The Forum poll shows the **Ontario** Progressive Conservatives, under leader Patrick Brown, dropped 5% from October but are still heading toward a "massive majority."

Voters polled by Forum put the Tories at 40%, Andrea Horwath's NDP at 26% and the Liberals at 24%.

The pollster projects that if the numbers hold, the NDP would form the official opposition.

Bozinoff noted the drop in Tory support coincided with an aggressive media campaign by union-funded Working Families and Working **Ontario** Women that targeted Brown as a Donald Trump clone and social conservative.

"This shows a minimal impact - the Tories are down a little bit, the NDP are up a little bit," he said.

The Liberals are down pretty much to their base - those who will vote for them regardless of events, he said.

Wynne's popularity numbers aren't helping, he said.

The Forum poll found that 15% approve of her performance as premier, compared to 74% who thought she was doing a bad job of it, while 10% had no opinion.

Former premier Dalton McGuinty came close to winning a third majority government despite popularity numbers in the low 20s, but these findings are even lower, Bozinoff said.

It's still about six months away from a provincial election and voters might be tuned out at the moment or just parking their vote to make up their minds later, he said.

One problem that will face all political leaders - the same poll found that almost nobody faithfully believes their promises.

One percent - practically zero - say they have a lot of trust in election promises, Forum found. Another 28% said they have some trust, 46% said not a lot of trust.

Roughly one out of every three people polled, 32%, said they had no trust at all in preelection offerings.

Forum Research polled 861 **Ontario** voters between Nov. 29-30 through an interactive voice response telephone survey, and its results are considered accurate plus or minus 3%, 19 times out of 20. aartuso@postmedia.com

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Patrick Brown - Do what's right or do what will win?; Tories shifting left in order to grab Liberal voters

Ottawa Sun - Mon Dec 4 2017

Tone: **Neutral**

Byline: Tony Chapman

Ad Value: \$1,528

Reach: 45442 Page: A4

Most people go into politics with the best of intentions, to be a **public** servant. Ask not what the country can do for you but what you can do for the country.

The challenge is that a politician first has to win and winning in politics is very different than business or sports. There are no metrics or benchmarking, and the candidate's education, experience or previous track record have limited value.

In today's democracy, personality, looks, attacking versus advancing and the good fortune to be running at a time when the sentiment is to vote someone out is what often plays into a winning hand.

Promises overshadow policy, intangibles trump tangibles, and sound bites with seasoning are what resonate. That explains why political parties **crowd** together in the weak underbelly of democracy.

There is no better proof than with the "Conservative" Party in **Ontario**. For 14 years, they have sat on the sideline as the Liberal Party ruled in spite of billion-dollar scandals, deleted e-mails, partisan pandering, and annual haymakers from the auditor general. Their fruit became so rotten that not even diehard Liberals should be willing to digest it, but they did, in majority numbers.

Each time the Progressive Conservatives Accountpaigned to topple this regime, they did so based on what they viewed were the collective interests of **Ontario**, versus the self-interests of vot-ers. Each time they failed.

This time is different. I haven't met Patrick Brown, but I hear he is passionate, articulate and a breath of fresh air in a party psychologically wounded from being trounced by an opponent that should be at best **gasping** for its last breath of air.

However, when I hear the PC's campaign platform is to out panhandle the Liberals for votes, I see a party that shifted from what is right to what they hope will win. Occupy the **centre** and left by grabbing the pan from the Liberals and feeding, even more, slop into individual troughs.

The Tory platform includes a 22.5% incometax cut for the middle class, a 75% refund on child care expenses and promises to cut **hydro** bills by 12% and the 'first'ever Trust, camability Act. Step on up. Integrity and Patrick Brown, this might be the right strategy to win but are you Are you pulling off the lay-doing what is right? ers of Liberal Band-Aids to expose and clean **Ontario**'s festering wound? A province with an ageing population, defecting capitalists, massive growing health-care needs, an economy that has lost its debt, rising **energy** costs and competitive base despite our ity to the United States? Are cheap currency and proxim-you going investigate spending that seems to reward par-who puts more of our tax tisan over performance and and borrowed dollars into bureaucracy and labour settlements versus working for the **greater** good of **Ontario**? Are you going to do the right things or doing what you will hope will give you a win? -Chapman is a keynote www.linkedin.com/in/speaker and brand strategist. [tonychapmanreactions](https://twitter.com/TonyChapman)

@TonyChapman

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Ontario NDP outflanked on the left - by Conservative Patrick Brown

Waterloo Region Record - Sat Dec 2 2017

Tone: **Negative**

Byline: Rick Salutin

Ad Value: \$2,809

Reach: 73852 **Page:** A10

What accounts for the "progressive," activist, pro-government, even leftish tone of Patrick Brown's platform for **Ontario**'s Progressive Conservatives in the coming June election: more transit, more for mental health, etc.?

A. Someone body-snatched the former Harperite MP and replaced him. B. He's an unprincipled politician who believes nothing except what focus groups tell him. C. He has returned to Bill Davis's inclusive Red Toryism that predated the Mike Harris/Tim Hudak eras and dominated the postwar decades.

My own answer? As a young lad of 39 (Brown qualifies as what Niki Ashton calls an "early millennial"), he grew up under neo-liberal assumptions: free trade

deals are the coolest, government sucks and business must be unleashed. But as a callow youth absorbed by politics, he also noticed the crash of '08 and how those promises turned out false. So neo-liberalism is a spent force, electorally.

One sign that Brown has gauged this situation correctly is that premier Wynne is attacking him not for what he says he'll do but for being naive: How ya gonna pay for that, buddy? - a hoary jibe traditionally spewed at the NDP.

It's not a simple return to Davisism, because Bill Davis was also responding to the Zeitgeist of his time: the postwar consensus. Respectable conservatives like him could still smell the stench of two world wars, a depression, the Holocaust; they realized the old order was no longer acceptable. They weren't leftists, but their perspective had shifted, partly in response to horrors they'd seen with their own eyes, partly from political realism. When the moment is past, its effects tend to fade, no matter what memorials or testimonials are shown to later generations. What Brown's eyes beheld was the folly of 2008.

Kathleen Wynne should be in a strong position here. When she ran five years ago she said, "Anyone who knows me, knows I'm about social justice" - and sounded like she meant it. But she lost her footing, especially in selling off **Hydro One**. It wasn't just **Hydro**'s near-mystical status in **Ontario**; she also embraced one of neo-liberalism's core tenets: privatization of **public** goods, under the hideous Orwellism of "broadening" its ownership. You never hear business say: Let's sell some of this great business we've got to government.

Wynne has since re-emerged as the person she was supposed to be then. Her government's new workplace law is pretty impressive, both for doubling the number of enforcement officers - business had grown casual about breaking the law, knowing they wouldn't be inspected, much less charged - and perhaps even more for imposing equal pay for part-time precarious workers. I'm not sure even the dreamers expected that. There's also the \$15 minimum wage, which Brown has committed to, though more slowly. So who was that premier who sold off **Hydro One** and refused to raise taxes instead, or let **Toronto** do so?

But the party leader in the weirdest position now is NDP Leader Andrea Horwath. Whatcha gonna do when you're a socialist, or social democrat, or whatever she calls it, and you're in danger of being outflanked on your left not just by those damn Liberals but by Stephen Harper's former backbencher?

Rick Salutin writes for Torstars media outlets.

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The return of Bill Davis?; Brown's centrist platform reminiscent of former premier

Ottawa Sun - Sun Dec 3 2017

Tone: Negative

Byline: Andre Marin

Ad Value: \$2,255

Reach: 38456 **Page:** A6

For many months now, Premier Kathleen Wynne's Liberals have hammered away at Progressive Conservative Leader Patrick Brown on where he stands on provincial issues.

How many times have we heard howls from the government benches in the legislature pressing the PCs on "what's your solution to **hydro** problems?" Or nastily and falsely portraying him as a **Canadian** version of U.S. President Donald Trump? Well, be careful what you wish for.

Last weekend, Brown released his election platform at a policy convention over six months before the June 7 election and was the first party leader to do so.

Talk about turning the table on Wynne. And it's a good one to boot.

I would have loved to be a fly on the wall as Wynne was being briefed by **Transportation** Minister Steven Del Duca, who she allegedly dispatched to spy on Brown at the conference.

The largest mental health commitment in **Canadian** provincial history, lower income taxes for the middle class and 12% more off our **hydro** bills are all worthy things in the platform called "People's Guarantee."

Del Duca, in a classic potcalling-the-kettle-black, had the nerve to comment on Brown's promises "you can get everything under the sun it's going to be all sunshine and rainbows."

This from a government who's been squandering our money on all types of pet projects like green **energy**.

The PC's **plan** is consistently centrist in all respects reminiscent of the era of former premier Bill Davis.

By contrast, Wynne's track record's been all over the map.

Selling a profitable Crown **corporation**, **Hydro** One, and removing **public** accountability is very much a right-wing thing to do.

The way Wynne micromanages things like when we should do our laundry according to **hydro** usage, smacks of leftwing socialism.

She also appears to support the wacky "Phones Down, Heads Up Act" introduced by one of her obscure backbenchers MPP Yvan Baker, which would create an offence for crossing the street while using your cell phone.

Wynne called it an "interesting idea" even though it's completely unsupported by evidence that it would make us safer.

Heck, no doubt any idea that would get your mind off your skyrocketing **hydro** bill would be "interesting" from Wynne's perspective.

The one risk of being the first one out of the gate with a **plan** for governing is that you are Right now, the Liberals are looking like a deer caught in the headlights. Their MPPs are running for cover or quitting and their coffers are not quite as full as they should be. Just last year, the PCs fundraised \$12.6 million, nearly double what the Liberals collected. In the first quarter of 2017, the PCs fundraised even more money than last year's first quarter.

The Liberals? Not so much.

In a pathetic and desperate appeal for money, **Ontario** Liberal Party President Brian Johns emailed his faithful last week begging them to "chip in \$5" so they can produce a video to attack the PCs. He added: "A \$5 contribution from you is exactly what we need."

What's next? What about a beer bottle drive? I'm sure 10 cents a bottle would be "exactly" what the Liberals would need to top up their meagre resources.

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CTF says high electricity bills are hurting Chatham hospital | CTV Windsor News

windsor.ctvnews.ca - Sun Dec 3 2017

Tone: **Neutral**

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Re "**Hydro** costs forcing biz to leave province" (Kevin Connor, Nov. 27): This article illustrates that **Ontario** businesses will no longer tolerate the disgraceful policies and practices of our Liberal government. Perhaps a more significant issue to investigate is the businesses which will not locate to **Ontario** due to the scandalous Wynne/McGuinty record. Quebec and other provinces may now be more fiscally viable for a new enterprise, despite our human capital advantage. **Ontario** voters made a grave error in the last several elections by believing negative campaign misinformation ads sponsored by special interests, particularly **public** sector unions.

This spring, it is time to tell the **power**-at-all-cost Premier Wynne, and her cronies, that enough is too much and vote them out of office forever.

LARRY SYLVESTER

ACTON

(We'll see)

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Ontario likely to miss 2020 electric -vehicle goal; Chances of meeting target for passenger car sales are 'zero,' analysts say

Toronto Star - Mon Dec 4 2017

Tone: **Neutral**

Byline: Allison Jones The Canadian Press

Ad Value: \$28,683

Reach: 361323 **Page:** B7

Ontario is envisioning a future in which millions of **electric** vehicles are on the roads, but analysts predict **consumer** uptake will remain far off the government target for 2020, despite tens of millions of dollars in subsidies.

The Liberal government has been encouraging **electric** vehicle sales by doling out \$75 million in rebates to vehicle owners, offering various other incentives and programs, installing a network of charging stations and spending \$1 million to open an **electric**-vehicle education **centre**.

But that so far hasn't translated into vast numbers of vehicles. The official data for 2017 isn't yet available, but at the end of last year, **electric** vehicles represented less than 1 per cent of all passenger vehicle sales in **Ontario**.

In just two years, by 2020, the government hopes to see that number increase to 5 per cent.

It can't be done, analysts say.

"The chances of meeting it aren't low, they're zero," said auto industry analyst

Dennis DesRosiers. "In the auto sector, all roads lead to **electric**, it just happens to be that the road to serious acceptance of them is probably at least 2030 and more likely 2040, 2050."

Tony Faria, an auto industry analyst at the University of Windsor, agrees that **Ontario** won't meet its goal by 2020.

"We will almost assuredly get to 5 per cent **electric** vehicles purchased or on the road at some point in time, it's just not going to be in the next couple of years," he said. "We're really wedded to our **gasoline**-driven vehicles because of the flexibility they give us distance wise, amazing availability of where you can fill up and so on."

Range anxiety - a fear that an **electric** vehicle would run out of charge somewhere far from a charging station - is cited by analysts, the industry and government as one of the main reasons more people haven't yet switched to **electric** vehicles.

The government announced in July 2016 that it would spend \$20 million to build a network of 500 **public** charging stations along highways and at **public** places across the province by March 31, 2017.

But now, more than eight months after that self-imposed deadline, just two-thirds of the stations are in use.

Transportation Minister Steven Del Duca said that timeline was "ambitious" and there have been challenges around the locations of some of the chargers, permits and construction delays, but he still believes the target can be met.

"We see what the numbers are currently, but again when you look at not only the demand we've seen over the last few months, but the forecasted demand for the next three or four years we do see and certainly do predict fairly sharp increases in people's appetite for (**electric**) vehicles," he said.

It takes time to get people to change their behaviours, Del Duca said.

"People get very comfortable in their patterns, both as commuters and when they're making their product selections when they're looking at cars," he said. "I think there was always going to be the need for some time for a cultural shift."

FleetCarma, a company that promotes **electric** vehicles, reports on quarterly sales numbers and found that in **Ontario** those numbers are up 96 per cent year-over-year for the first nine months of 2017.

In the second quarter, they reported **electric** vehicle sales represented about 0.7 per cent of the market.

"While these numbers may seem small compared to the total number of auto sales, the thing to take note of here is the trajectory of the numbers," they wrote.

The president of the **Canadian** Vehicle Manufacturers' Association said those numbers bode well and he believes there is a good chance of hitting the five per cent target in 2020. The industry itself is doing a lot to encourage sales, but for now, the market demand is still very small and manufacturers are losing money on their production, Mark Nantais said.

"There's a good deal of literature out there by **independent** parties to suggest that at this point in time vehicle manufacturers are losing anywhere from \$10,000 to \$14,000 per vehicle," he said.

That will change over time as demand increases, he said.

"Sometimes we proceed with costly technologies that - while we might be losing money on them - we ultimately think that the market will improve, that the

number of vehicles will increase, that the cost of the technology will come down," Nantais said.

To increase sales, the government offers rebates of up to \$14,000 for **electric** vehicles that cost up to \$150,000.

In order to encourage customers to choose **electric** vehicles, auto dealers will often give buyers the **rebate** out of their own funds, but that has left some out hundreds of thousands of dollars, they say.

Frank Notte, with the Trillium Automobile Dealers Association, said many dealers are waiting up to five or six months for the government to reimburse them. One dealer is owed more than \$400,000, he said, and GM dealers in the **Greater Toronto** Area alone are owed about \$2.3 million.

The Ministry of **Transportation** wouldn't confirm those numbers, but said it is working to streamline the process so dealers can get reimbursed more quickly.

The province has also put \$1 million toward the Plug'n Drive **Electric** Vehicle Discovery **Centre** in **northern Toronto**, where people can learn about and test drive **electric** vehicles. The **centre** said it has seen 1,600 test drives with more than 4,000 visitors since it opened this spring.

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Canadians need to wake up to our buried energy riches

Ottawa Sun · Mon Dec 4 2017

Tone: **Neutral**

Byline: Joe Oliver

Ad Value: \$1,193

Reach: 45442 Page: A21

Nebraska's state **regulator** finally approved the Keystone XL pipeline. While a positive development, it should also remind Canadians of our near total dependency on the lowprice American market for our oil and **gas**. However, most Canadians do not seem to care about the immense wealth we are losing every year by not building pipelines to tidewater to export our **energy** resources abroad.

Canadian indifference, largely outside Alberta and Saskatchewan, is costing the country dearly because if the **public** did care, then no government, regardless of its political stripe, would dare thwart the determined will of the people. Instead, the Prime Minister sang kumbaya while he rejected **Northern** Gateway, encouraged intrusive and costly regulatory procedures to kill Pacific NorthWest LNG and **Energy** East, and has provided no leadership in advocating for the embattled Trans Mountain pipeline.

Several reasons help explain the **public's** willingness to give up on higher living standards. Relentless opponents of fossil **fuels**, actively assisted by a sympathetic media, framed development as an environmental issue. However, **Canadian** regulatory authorities take safety and GHG emissions very seriously. Also, over 100,000 kilometres of **transmission** lines already lace the country and 99.999% of oil transported by pipeline arrives without accident.

Polls show that Canadians want to mitigate **climate** change, but when it comes to paying to address their concerns, support plummets. Yet an opportunity cost does not resonate in the same way, even though Canada is missing out on billions of dollars in direct investment, which would generate tens of thousands of jobs and fund critical social programs for cash-strapped governments.

Academic studies show that the pain of a loss is psychologically double that of the pleasure of a gain. That may explain why the very small chance of an oil spill

overrides the certainty of a significant economic gain. Also, the **public** doesn't draw a line from resource revenue to shorter emergency waiting times, reduced taxes, more jobs and roads without potholes.

But other factors are at play.

The U.S buys our oil and **gas** at a huge discount to the international price. At the same time, it exports its **energy** at the higher price to markets we cannot access because we are landlocked.

Meanwhile, U.S. foundations regularly contribute money to their **Canadian** soulmates to block pipelines so we cannot access markets in Asia and Europe. Mind you, that would mean competing with America, so there is a protectionist result if not intent to their generosity. Tellingly, activists don't complain that we import foreign crude in tankers up the **St. Lawrence River**, generating additional emissions. Nor do they object to resource development in the U.S. or other foreign countries. Anti-development radicals go after Canada because we made ourselves an inviting target.

Finally, if we do not build pipelines our assets will be stranded, like money left under a mattress, but with a fundamental difference. We may not have forever to retrieve the resource wealth. There could be a time, although it is not imminent, when carbon taxes and burdensome regulations dramatically drive up fossil **fuels** costs and technological breakthroughs make alternatives more competitive. Then our oil and **gas** might have no value. That is a compelling reason to draw on our fabulous inheritance before it disappears.

Saudi Arabia is playing the long game and wants to sell its oil before it becomes uneconomic to burn. Global emissions are basically unaffected by whose fossil fuel is consumed.

So for no environmental gain, Canada could end up with the world's largest reserves, after they become worthless.

Hello! Is anyone home, or is everyone posing for a selfie? - Joe Oliver is the former minister of finance and minister of natural resources and is the Chairman of Echelon Wealth Partners.

@joeoliver1

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The high cost of cheap electricity: Don Pittis | CBC News

www.cbc.ca - Mon Dec 4 2017

Tone: **Neutral**

Producing electricity has never been so cheap. Efficient generation technology, including low-cost wind and solar, and natural gas prices at levels no one predicted a decade ago have contributed to those bargain prices.

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Owners moving on, blame rising hydro and wage increases; Latest closure brings West Elgin one step closer to 'food desert' label

Times-Journal (St.Thomas) - Sat Dec 2 2017

Tone: **Negative**

Byline: Louis Pin

Ad Value: \$788

Reach: 8859 Page: A3

The owners of the Rodney Grocery Store are closing their doors only a year after purchasing the old Fairles Food Market in the small **West** Elgin town.

Jason Rehkopf and Andrea Pepper wanted the store to be a fresh start, a forever job they could take into their retirement. Instead the couple watched sales decline and **hydro** bills pile up, regardless of their efforts to cut overhead costs.

"We're paying over \$5,000 a month," Rehkopf said. "We tried to cut things back. We took out three of our freezers, we stopped baking as much, and our **hydro** would still go up."

"Sometimes you'd see we'd be using less," Pepper added. "Like, you could actually see the usage is less but what we're paying on the bill is higher."

Rehkopf and Pepper said the impending minimum wage increase would have been too much for them to handle. The couple started with 15 employees but were forced to cut back after sales dropped in the summer.

Eight of the current nine employees at the Rodney Grocery Store are being paid minimum wage. After January it would have cost Rehkopf and Pepper and extra \$1,000 per month in salary costs, they say.

The couple are from Mitchell, a small town near Stratford. They saw the Fairles Food Market posted for sale in late summer 2016.

Within a few months they were stocking the shelves of their new business.

"This is the only business we've ever owned together," Rehkopf said. "But cash is always the number one problem. No one will lend you money as a new business ... we only had so much startup cash that we could spend."

It's a tough pill to swallow for the residents of Rodney. The small town has seen most of its business leave as its population dwindles.

That trend will be hard to reverse without basic amenities like a grocery store.

"I was quite shocked," said Pat Mellen, who lives east of Rodney. "Wasn't expecting it. It's too bad, but at the same time I understand, what with rising **hydro** costs."

"I'm going to miss it," added Linda Thornton, another local from the neighbouring town of **West** Lorne.

The closest place to get healthy food is the Foodland in **West** Lorne, about 10 km away. Past that there's Dutton and Glencoe, each more than 20 km away.

It's an inconvenience to some locals. It's worse for those without a car.

"(It's) not technically a food desert by our definition of 16 km. But we recognize for individuals with mobility issues or (those) that don't have access to a vehicle it can still be very challenging," said Kendall Chambers, dietitian with the Elgin-**St. Thomas** Health Unit.

The closure hit home for nearby Progressive Conservative MPP Monte McNaughton. McNaughton's family grew up in Newbury just **north** of Rodney, and he remembers going to the old Fairles Food Market.

"That grocery store has been in business many, many years," McNaughton said. "It is unfortunately a story I'm hearing from small businesses in many small towns ... it's devastating to a community when they lose a grocery store."

"Over the last couple years we've seen car dealerships close in Rodney, along with small manufacturers ... the latest casualty is a small town grocery store,"

he added.

Local Progressive Conservative MPP Jeff Yurek also expressed his frustration in a Facebook post.

The **Ontario** government responded, citing the **Fair Hydro Plan**, an effort in the past year to lower **hydro** costs for **Ontario** residents by as much as 25 per cent.

"We are sorry to hear about the Rodney Grocery Store closing," said Colin Nekolaichuk, spokesperson from the Office of the **Minister of Energy**. "Our government is working hard every day to increase fairness and opportunity in the province."

Rehkopf and Pepper already have people inquiring about the store but say they aren't holding their breath.

Their only goal now is to sell the store and go back to Mitchell.

"We had hope," Rehkopf said.

"The dollar store came, and there was a restaurant that opened up in town, there was a furniture store ... then the restaurant closed, we're closing. A lot of people in town have come in saying they have nowhere to go because they don't drive. All we have left is a variety store."

"It's sad," Pepper added. "But it comes down to money." @STTJ_Pin
lpin@postmedia.com

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Scrapping cap and trade to cost more: Wynne

Waterloo Region Record - Sat Dec 2 2017

Tone: **Neutral**

Byline: The Canadian Press

Ad Value: \$961

Reach: 73852 Page: B9

Premier Kathleen Wynne says **Ontario** families can't afford the cost of cancelling her Liberal government's **cap-and-trade** program in favour of the Progressive Conservatives' proposed carbon tax.

Wynne, who made the comments from China where she is currently on a trade mission, says the PC **plan**, announced in the party's recently unveiled election platform, will cost families \$100 a month, compared to **cap and trade** which she says costs families roughly \$13 a month.

Wynne cites a C.D. Howe Institute study comparing **cap and trade** to a carbon tax and says the lower cost to families is why her government first chose the system to reduce greenhouse **gas** emissions in 2015.

PC Leader Patrick Brown dismissed Wynne's criticisms today saying the cancellation of **cap and trade** will allow the government to redirect money from the program to important projects like transit expansion in the **Greater Toronto Area**.

Ontario launched its **cap-and-trade** program this year and has seen three sell-out auctions, bringing in a total of about \$1.5 billion for green projects in the province.

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Ontario's power failure; Wind energy disaster came from listening to political scientists and environmentalists, not engineers

Toronto Sun - Sun Dec 3 2017

Tone: **Negative**

Byline: Duanesharp

Ad Value: \$5,136

Reach: 222184 Page: A16

Starting 14 years ago, environmental activists like Gerald Butts, along with then premier Dalton McGuinty and his Liberal government, began planning the misguided path that led to **Ontario's renewable energy** downfall.

They became the architects of **Ontario's** current and future **power** malaise.

In one of his biographical notes, Butts is credited with being closely involved in all of the **Ontario** government's significant environmental initiatives, and, as McGuinty's principal adviser, helped to develop scenarios and studies that provided a succession of **Ontario energy** ministers with the direction to phase out coal and introduce new forms of **renewable energy**.

This crew, among other green enthusiasts blinded by images of **wind** and solargenerated **electricity** strung across the province, began the program to introduce these **renewable energy** sources into the **Ontario power** grid.

In the process, they rejected expert advice on renewables, how to integrate them into the grid, where they would best be located and the impact on the **public** and the cost of **electricity**.

According to Terence Corcoran of the Financial Post in an October, 2016, column, "one of the most influential green studies leading to the greening of **Ontario**, was a 2005 report commissioned by the **Ministry of Energy**, entitled 'Cost Benefit Analysis: Replacing **Ontario's Coal-Fired Electricity** Generation'."

Eliminating four coal plants became a Liberal objective, despite warnings from other experts and **independent** government agencies that adopting **wind** and **solar** to replace coal would be unworkable.

In that context, there was never a thorough cost-benefit analysis done to consider the true economic costs of transitioning to renewables.

Among the unproven claims was a forecast the province's existing 6,500 megawatts of coal production would cost \$4.4 billion a year over the long term, if the coal plants kept operating.

More than 75% of this forecast was based on the argument that the particulate matter in coal plant pollution caused death and disease in **Ontario** cities.

This claim has since been disputed by several knowledgeable sources.

The Fraser Institutes, for example, cast doubt on the claim that improved smog conditions could be attributed mainly to **Ontario's** coal plant closures.

Further, the cheapest financial option to control pollution would have been to remove between 75% and 90% of the emissions using available technology.

Ontario's engineering community has been one of the most consistent critics of the political takeover of **Ontario's power** system.

As Corcoran noted, the **Ontario** Society of Professional Engineers'(OSPE) central message has been that the government was "hiring political scientists and environmentalists because they thought they were the experts."

In 2009, Ontario's Feedin Tariff (FIT) program was launched to encourage the development of renewable energy technology, attract investment and create new clean energy jobs in Ontario.

Unfortunately, as reported by the auditor general in 2011, this program was launched with little planning or analysis of its impact on Ontarians.

As an engineer, I understand there is a place for renewables like wind turbines, where topography, mother nature, regulatory bodies and acceptance by local residents provide a viable environment for the generation of electricity using wind power.

Several European countries generate a significant percentage of electrical energy from wind through sound planning, by locating wind farms in areas, often offshore, where the wind blows consistently, in direction and speed, making energy generation reasonably predictable.

In 2015, for example, wind energy's contribution ranged from 10% in Sweden to 42% in Denmark.

By contrast, from 2010 to 2015, according to the Independent Electricity Systems Operator (IESO), Ontario failed to deliver any more electrical energy from wind than 8%. In 2015, it was 6%.

Ontario does not offer the topography or steady winds, except in a few locations, to reliably supplement an energy system supplied primarily by nuclear and hydro power.

Wind turbines often sit idle and require backup by natural gas power generation.

A drive from Toronto to London or Windsor, or east to Kingston, or up the coastline of Lake Huron, where the wind doesn't blow at sufficient speeds to generate reliable electrical energy, demonstrates the scope of this energy fiasco.

Today, this folly has been laid bare.

Butts has moved on to bigger environmental challenges, as principal secretary to Prime Minister Justin Trudeau, where his advice will impact all Canadians as the Liberals rush to implement a complex, unproven national carbon pricing policy, imposing it on those provinces not in favour, subjecting all Canadians to Ontario's energy woes.

Sharp is a retired professional engineer and writer with an interest in communicating technology.

He has written two books on customer relationships

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Chasing The Sun; Town'S Grand Design; Becomes 'A Disaster'; Calls For An Audit; Fell On Deaf Ears

Ottawa Citizen - Sat Dec 2 2017

Tone: **Negative**

Byline: Vito Pilieci

Ad Value: \$74,517

Reach: 114495 Page: D1 / Front

This is the story of Blind River, a little town that was given \$49.5M for a project that never happened. The Citizen's Vito Pilieci explores how dreams of solar

riches turned into a financial nightmare.

Sitting on the **northern** shores of Lake **Huron** is a small, sun-soaked town called Blind **River**.

There isn't anything particularly remarkable about the town. It was mentioned in Neil Young's Long May You Run, after the singer's car died while passing through in 1966. But the mention didn't do much for its fortunes.

Its long, sandy shoreline looks like dozens of others found in communities across the province. It has a **gas** station, a hospital and a grocery store. There's a marina where you can **tie** up your boat, a handful of rundown motels and an old bar that still has separate entrances marked for men and women, though they aren't used anymore.

Blind **River** boasts a population of about 3,600 people, less than half the size of Smiths Falls.

Most of its money has traditionally come from uranium mining, logging, summer tourism and outdoor sports. The logging and mining industries aren't producing like they used to.

Residents are curious and friendly during a recent visit by the Citizen, but there's one thing no one in Blind **River** seems keen to talk about: town finances.

For more than seven years, Blind **River** has been saddled with a mountain of debt that could threaten its future.

Since 2015, the Citizen has been trying to obtain information about the debt to explain how the tiny town managed to borrow \$49.5 million of federal taxpayers' money, yet years later has seemingly little to show for it.

It turns out, the forces that brought about that debt have direct connections to the nation's capital: from free-flowing federal money from the former Conservative government's much ballyhooed Economic Action **Plan**; to **Ottawa energy** companies Plasco **Energy** Group and Menova **Energy** Inc.; to high-profile **Ottawa** consultant Brian Guest.

It's a whopping amount of money for a town that last year collected \$5.98 million in total taxes.

The town has been financially debilitated. Given its debt burden and its limited tax revenue, under **Ontario** law it should no longer be able to borrow any money for capital projects such as roads, ice rinks or community centres.

The situation is one that **Ontario's** Ministry of Municipal Affairs and Housing is keeping an eye on. Should matters deteriorate, the ministry could, potentially, send in a team to take control of the town's finances from its elected officials.

"Ministry staff is still monitoring the financial position of the municipality and has provided information to the town in relation to various financial management practices," said Mark Cripps, a spokesman for the minister's office.

"If a municipality should run into extreme financial difficulty, the minister may ask the **Ontario** Municipal Board to make an order placing responsibility for the administrative affairs of the municipality with the minister. However, this is very rare."

While the town's future seems precarious, exactly how the town ended up in this spot is the real question.

The answer involves an ambitious **power utility**, an **Ottawa** consultant who helped point the town toward its federal money before millions were paid to two companies he was involved with, and a puzzling trail of accounting that is

ultimately trumped by more questions about failed oversight at every level of government.

This is the story of Blind **River** and its hopes for **solar power** and **energy** riches - dreams that turned into a financial nightmare.

It was a sunny day in May 2010 when Greg Rickford, the local MP at the time, took to a podium in Blind **River** to applaud a \$49.5-million loan the town had received from the federal government.

As many as 600 houses were to be outfitted with rooftop **solar** panels, according to local media. They would produce **electricity** that could be fed back into the province's **electrical** grid.

On paper, it sounded like an innovative idea, a chance for the small **northern Ontario** town to think big.

Only, it wasn't nearly as ambitious as the town's original plans.

Council had taken out the \$49.5-million loan three months before Rickford's appearance based on a proposal to build a much bigger **solar** park, which was to include the installation of not 600 but roughly 45,000 **solar** panels on 285 towers over an area covering 120 acres.

But the town was never able to secure the regulatory approvals necessary to build that giant **solar** park.

With cash in hand and politicians ready to announce federal infrastructure investments, Blind **River** found itself in need of a backup **plan**.

Rickford's messaging for the announcement that day fell prey to the confusion. A release from the **Canadian** Mortgage and Housing Corp. (CMHC), touting the MP's appearance, talked about the original **plan** that promised the installation of 45,000 **solar** panels over 120 acres. The message Rickford delivered in person that day changed and focused on the loan and not the project, which was now a much smaller **solar** installation.

Graeme Lowry is the chief executive of Blind **River's** municipally owned **North Shore Power** Group. With Lowry at its helm, the **power utility** spearheaded the loan and its related project on behalf of the town.

The mayor of the town, Sue Jensen, has largely refused to comment on the loan and the project, directing questions to Lowry.

Town officials argue they initially had good reason to believe they could get approvals for the bigger **solar-power** project.

The town paid for a "connection impact assessment," Lowry said, which was one step in getting approval to begin generating and transmitting **electricity**. For the assessment, an engineer is sent to the area to examine the **electrical** infrastructure to determine if it can handle the increased amount of **energy** that will be flowing onto **Ontario's electrical** grid.

However, more steps and more approvals were required. An **application** to the **Ontario Energy Board** for a generator licence, which would have allowed the town to start producing **energy**, was put on hold on Aug. 27, 2009, because the town had failed to secure a **contract** with the **Ontario Power Authority** to sell the **energy** it would be producing.

According to an emailed statement from the **Ontario Energy Board**, a "complete **application**" for the project in Blind **River** was never actually submitted.

There were other bad signs. The town's proposal for the initial **solar** park was submitted to a Concord, Ont.-based accounting firm for **review** back in February

2010. The firm, Burghout Viola, quickly raised red flags. It homed in on the project's finances and "overall budget process," highlighting errors in reporting and "potentially incorrect expenditures."

The report, which was addressed to the town's mayor and council, and which was obtained by the Citizen, called for councillors to take a more hands-on role in the project, given the amount of money involved.

"It is our opinion that the board of directors for the NSPG (**North Shore Power** Group) be removed and replaced by council," reads the report. "The sheer magnitude of this project requires that council be aware of the expenditures and risks that are being undertaken and how they impact the town and its **ratepayers**."

However, the council did not take over the project and the non-elected members of the **utility**'s board, including Lowry, remained in place.

The town received its money from CMHC on March 1, 2010.

Robert Ambeault was a town councillor in Blind **River** between 2010 and 2014.

"My understanding of that process is that the provincial ministry had offered the town money, but hadn't got organized. Then somewhere along the line CMHC said they had some money available," Ambeault told the Citizen. "We went from negotiating with the provincial government for funding, to all of a sudden getting approved for that (CMHC) money in a very short time period. It was like, 'How does that happen?'" Ambeault said that even though the town now had the cash, officials with **Ontario's electric** grid never seemed supportive of **solar-energy** generation in Blind **River**.

"When I went to **Ontario Hydro** (now **Hydro** One), the employees there thought the whole concept of this **solar** farm was nuts. It was right out in left field," he said. "There seemed to be a total initiative within that agency to prevent any progress."

It seems doubtful that the **Ontario** government would have been caught off-guard by Blind **River**'s interest in **solar energy**.

The province, whether intentionally or not, had cultivated that interest through its **Green Energy Act**, which was announced in 2009. At that time the province promised 80 cents per kilowatt hour payouts for residential **solar energy** production, including "ground mounted" systems, like the ones Blind **River** was proposing.

The sky-high payments, which were seven times what people were actually paying for **electricity**, got municipalities thinking about ways to cash in.

Andrew Kinross, a director in the **energy** practice at management consulting firm Navigant, is an expert on **Ontario's Green Energy** and Economy Act. He has studied the impact that the **feed-in tariff** program had on the province and helped produce a research paper for Natural Resources Canada on the subject in March 2012. He would not comment specifically about Blind **River**, but speaking in general terms said that several municipalities were scrambling to take advantage of the government's promised payouts.

"There was a run on this market because the economics were so generous. So much so, that the **distribution** grids couldn't handle all of the connections and some of the projects were rejected because of that," he said. "In the rural communities, that was a great opportunity, because you could put in these 10-kilowatt systems that got a lot of **energy** output and the return on equity was extremely high."

He said the program was initially set up to encourage individual homeowners and business owners to install **solar** panels on their roofs. At some point, the

government decided to allow for ground-mounted panels as well. The ability to install a groundmounted system, especially with tracking technology that boosted output, attracted the interest of larger-scale developers, including municipalities. Many municipalities partnered with big businesses to apply to the province in a bid to secure a **contract** under the lucrative **rates** offered by the **feed-in tariff**.

Seeing municipalities leverage help from business in an attempt to create large deployments of **solar** panels, including blanketing the roofs of homes in a neighbourhood, isn't what the government had initially intended under the act.

"They preferred that a single homeowner be the applicant. Not a third-party aggregator. That was not what the government wanted," Kinross said. "They reduced the payout from 80 cents per kilowatt hour to 64 cents."

The government later reduced that **rate** even further. The reduced payout for **electricity** saw many turn away from larger projects as they were no longer as lucrative.

While the private projects dried up with the lower payout for **solar** projects, Blind **River** was different.

The town's money was federal cash that was meant to be used for infrastructure. The loan was part of the then-Conservative federal government's \$2-billion infrastructure program under the much-touted Canada Economic Action **Plan**.

It remains an open question why the federal CMHC, which oversaw the program, would give Blind **River** nearly \$50 million for a project that was facing such stiff competition from other producers, especially when the town did not seem to be in a position to pull it off.

CMHC has placed the onus on the town, saying simply that it was up to Blind **River** to secure the approvals it needed for its project.

CMHC's oversight of this program has been scrutinized in the past. More than half of the money in that program, which was supposed to be a national infrastructure fund, ended up being paid to Montreal and Quebec City. Those cities received \$1.2 billion for infrastructure projects.

By comparison, the City of **Ottawa** was loaned \$23.7 million for eight projects. Canada's biggest city, **Toronto**, received only \$113 million of the funds.

Lowry, head of Blind **River's power utility, North Shore Power**, said the town took the money in a bid to prove to the regulators that it could afford the large **solar** project. In an email to the Citizen on July 20, 2015, Lowry said that proving the town could pay for the project was a key component in securing the needed approvals from the **Ontario Power Authority** (OPA).

"The OPA structured the (program) launch to require applicants to provide proof of project funding," he said. "For a municipality, this required having the funds in hand, so the (CMHC loan) was suited to enable our **application**."

Even with the cash in hand, the **plan** didn't work.

The final nail in the project's coffin was hammered a little more than a month after the federal cheque had been cut.

"It was not apparent that the project would not be proceeding until April 8th of 2010. Even then we battled furiously," Lowry said in a more recent emailed statement.

Lowry took the failure hard. "It was a disaster. I didn't sleep for two months," he told the Elliot Lake Standard in June of that year.

So, the town had secured nearly \$50 million from the federal government but had no project to spend it on.

Why not just give the money back? Town officials have repeatedly said that, according to the terms of the loan, there was no option for early repayment without penalty. In other words, once it was paid out, there was no easy mechanism for the return of the money, even though the project the loan was targeted at wasn't happening.

According to town officials, they were stuck: The cash was in their bank account. Interest on the loan was being accrued. Paying back the loan would have incurred hefty penalties they couldn't afford and the repayment schedule was looming.

So Blind **River** and its **power utility** went looking for new ways to use taxpayers' money. They consulted with CMHC and received approval to renegotiate the terms of the loan so the money could be spent on a different initiative. STRIKE ONE A smaller-scale **solar** initiative was pursued.

The town used some of its loan money to sign a deal with an **Ottawa solar** technology firm, Menova **Energy** Inc.

Menova said it could supply **solar** panels that would be installed on people's homes on behalf of **North Shore Power**. The installations would cost an estimated \$60,000 to \$90,000 per home. They would be installed at no cost to the homeowner, and the **electricity** they generated would be sent to the **Ontario electrical** grid. Profits from the **power** were to be split between the homeowner and the municipally owned **utility**, with homeowners getting 10 per cent of the profits generated by their rooftop systems.

The **plan** brought more promises of economic development to the area.

"We commend Graeme Lowry ... of the **North Shore Power** Group as well as the council of the Town of Blind **River** for their foresight and persistence in developing this innovative programme, as far as we know, it is the first of its kind in **Ontario**," said Dave Gerwing then chief executive of Menova.

"We're going to build our staging facility in Blind **River** because it will extend the environmental benefits of the **solar** installations to include year-round **regional** economic benefits," Gerwing added in the news release, circulated by the **North Shore Power** on July 17, 2010. "We're planning to hire aggressively so that we can start with the construction of the staging facility and commence the **solar** installations immediately."

A motion from Blind **River**'s city council on July 14, 2010, approved a payment of \$3.5 million to Menova as a "deposit on firstround systems."

But from the get-go, the **plan** also showed signs of faltering. A week later, Gerwing attended an open house to talk to residents about the project. According to reports, the event attracted about 375 people. Remember, Blind **River** was hoping to have as many as 600 people put the **solar** panels on their homes.

The program's performance turned out to be lacklustre. In an interview Lowry gave to Ecology **Ottawa** in May 2011, he said 500 homes applied for the program and only about 250 were deemed suitable to have **solar** panels installed on their property.

Some were disqualified from participating simply for having trees that cast shadows at inopportune times. Treed lots are common throughout the rural community.

Despite the promise from Menova's CEO, no staging facility was built by the

Ottawa company in the **Northern Ontario** town. According to Lowry, only eight of 18 orders were ever delivered by Menova to Blind **River**. It's unclear how many panels would be in each order.

Repeated attempts to reach Menova's former chief executive, Gerwing, have been unsuccessful. STRIKE TWO Money wasn't rolling in fast enough from **North Shore Power**'s new venture.

According to the **utility**'s financial statements, NSPG collected a total of \$674,059 as a result of its **solar**-generating efforts in 2014. That figure hit \$698,483 in 2015. Those amounts are before expenses related to running the business are taken into account.

In 2016, after years of installing **solar** panels and pursuing various other business initiatives, the company's financial statements show the **utility** turned a net profit of \$474,471. That profit is after all of the company's business initiatives are calculated.

The terms of the government loan required Blind **River** to make a \$4.5-million payment to CMHC on March 1 annually. **North Shore Power** was to be the source of the money for those payments.

But revenues from its **energy** generating efforts were nowhere near enough to meet **North Shore**'s - and Blind **River**'s - financial commitments.

"We couldn't get the installations in fast enough and the money invested fast enough to get the returns needed to make the payments back to council," said Ambeault, the former Blind **River** town councillor. "So, our options are: Give the money back; put the money in the bank and just make the payments from it; or, try and find an investment."

Officials looked for other opportunities to generate revenues.

In October 2011, city council in Blind **River** authorized \$25 million more for another investment in an **Ottawa** business that was experimenting with ways to turn garbage into **energy**, Plasco **Energy** Group.

"We needed to invest that kind of money to make a return so we could make payments," Ambeault said.

"And, if I remember correctly, if Plasco makes it work and puts it all together, there would be a pretty hefty return. As you know, greed always stimulates the brain. If I put in a million and I can get out \$10 million, that's pretty impressive.

I'm not saying those were the numbers, but that's kind of the feeling we had. It was like, 'Geez that can't be all that bad.'" On its website, Blind **River**'s **power utility**, **North Shore Power**, said its investment in Plasco came after performing extensive research into the **Ottawa** firm, which included consulting a major **Ottawa** law firm to perform due diligence into the firm's finances.

The town and the **utility** have refused to share the documents used to justify that investment. After the Citizen published an earlier article naming the **Ottawa** law firm that **North Shore Power** referred to, the law firm reached out and denied it had any role in the investment. The statement about the law firm being involved in the Plasco due diligence subsequently disappeared from **North Shore Power**'s website.

Plasco is a familiar name here in **Ottawa**. The company made headlines with its promises that its proprietary technology could use plasma - a very high-temperature **gas** - to convert garbage into **energy**.

At the time, the company was attempting to build a full-sized plant at **Ottawa**'s Trail Road Waste Facility. The company was hungry for cash.

Plasco was deep in negotiations with the City of **Ottawa** to secure a long-term **contract** for its wasteto-**energy** services, which would include a full-sized, commercial plant on the city-owned land.

Blind **River**'s deal with Plasco would see the firm return \$3.5 million annually to the town, which could be used to offset the money it owed to the CMHC.

This would turn out to be a major miscalculation by Blind **River**. It picked the wrong horse.

Plasco's dreams collapsed in 2015, despite raising \$300 million over the years from investors that included major venture capital funds such as Ares Management and Soros Fund Management Inc.

The company ultimately met its end when Plasco did not come up with the financing needed for a commercial plant.

TIMELINE: A muddy, meandering money trail with plenty of potholes Documents provided by the town of Blind **River** paint an incomplete picture of how the loan money was spent.

Two bank accounts were used to deal with the funds. The first was at the Bank of Nova Scotia, and a second was at Royal Bank of Canada.

Much of the money can be tracked as it moved between the two accounts; the remainder of the funds appears to have been paid out by cheques.

Very few specifics are available about what the money was used for, what bills needed to be paid and ultimately how the cash was spent.

The RBC account was used to transfer money to **North Shore Power**'s accounts.

Account details from **North Shore Power** were not provided since the **utility** is an arm's-length organization and does not need to comply with the province's Access to Information Act.

Officials at the town have confirmed that an audited analysis of the spending has never been undertaken by an accountant.

A timeline detailing the town's accounting of how the CMHC monies were spent (based on documents provided by the Town of Blind **River**).

MARCH 1, 2010 - Disbursement of CMHC monies to the town in the amount of \$49.5 million.

MARCH 16, 2010 - The RBC account shows a deposit in the amount of \$49.5 million.

AUGUST 2010 - \$500,000 is deposited into the RBC account.

OCTOBER 2010 - \$1 million is deposited into the RBC account.

JUNE 2010 - A cheque is issued from the RBC account for \$486,400.

JUNE 2010 - A cheque is issued from the RBC account for \$550,000.

JULY 2010 - \$45 million is transferred from the RBC account to the Bank of Nova Scotia account.

JULY 2010 - A cheque is issued from the RBC account for \$3.5 million.

AUGUST 2010 - A cheque is issued from the RBC account for \$21,200.

SEPTEMBER 2010 - A cheque is issued from the RBC account for \$127,901.03.

OCTOBER 2010 - A cheque is issued from the RBC account for \$1.02 million.

OCTOBER 2010 - The first entry in the Bank of Nova Scotia account shows the balance at \$43.5 million.

DECEMBER 2010 - A cheque is issued from the RBC account for \$67,264.88
DECEMBER 2010 - Bank balance in the RBC account stands at \$284,991.98 on New Year's Eve.

JANUARY 2011 - \$5 million is transferred from the Scotia account back to RBC.
\$3 million is then transferred from the RBC account to **North Shore Power**.

FEBRUARY 2011 - \$1 million is transferred from the Scotia account back to RBC; \$2.7 million is transferred from the RBC account to **North Shore Power**.

MARCH 2011 - \$5 million is transferred from the Scotia account back to RBC.

MARCH 2011 - \$2 million is transferred from the Scotia account back to RBC;
\$2.7 million is transferred from the RBC account to **North Shore Power**.

APRIL 2011 - \$4.2 million is transferred from the Scotia account back to RBC;
\$4.6 million is transferred from the RBC account to **North Shore Power**.

OCTOBER 2011 - \$26.84 million is transferred from the Scotia account back to RBC.

OCTOBER 2011 - A cheque is issued to law firm Blakes Cassels & Graydon for \$25 million (for the investment in Plasco).

NOVEMBER 2011 - The Scotia account shows a balance of \$365.96.

DECEMBER 2011 - That \$365.96 is transferred from Scotia to RBC. Leaving the RBC account with a balance of \$1.875 million.

That failure led to the collapse of a deal with the City of **Ottawa** that would have paid Plasco \$9.1 million a year to take as much as 300 tonnes of garbage a day.

The same day the city announced it was done with the company, Plasco sought creditor protection, leaving investors such as Blind **River** facing uncertainty regarding their investments.

Blind **River** had secured its investment against Plasco's assets, which included the company's intellectual property and its demonstration plant in **Ottawa**. The land the plant sat on, it's worth noting, belonged to the City of **Ottawa**.

So Blind **River** was left with a demonstration plant in **Ottawa** - but not the land the plant sat on - and some intellectual property whose merit had yet to be fully proven. STRIKE THREE As for the rest of the loan money? It's not entirely clear.

Documents received from the town of Blind **River** include numerous council motions approving "disbursements" to **North Shore Power**, some totalling millions of dollars. Some of the minutes include detailed breakdowns of what the money was spent on. Others do not.

After a lengthy fight before the Information and Privacy Commissioner of **Ontario**, the town provided the Citizen with a spreadsheet showing money moving from two city-run accounts into **North Shore Power's** bank accounts.

The spreadsheet has very few specifics regarding what the money was used for. Town officials have admitted that an official audited financial breakdown of all the spending, detailing specifically how the entire \$49.5-million loan was spent, does not exist.

What is clear is that more than half of the money received by the town from the federal loan went to two **Ottawa**-area technology firms located more than 650 kilometres away from the tiny municipality.

What's the connection between Plasco, Menova and Blind **River**? Enter **Ottawa** political consultant Brian Guest.

Guest is well-known in the halls of **power** in this city. He was a key member of cabinet minister Bob Chiarelli's inner circle when the **Ottawa** MPP was **regional** chair and mayor in the early days of amalgamation. Guest has consulted for Mayor Jim Watson and the city, and worked in **Ottawa's** lightrail office as recently as February.

Former Plasco chief executive Rod Bryden has told the Citizen that Guest was a consultant for the **Ottawa** waste-to-**energy** business. And according to officials in Blind **River**, it was Guest who first alerted **North** Shore to the possibility of borrowing almost \$50 million from the federal loan program.

North Shore **Power** and Plasco "got connected through Brian Guest, actually, who was helpful in us getting our loan from CMHC.

He was aware that Plasco was looking for investors, and then I met Rod (Bryden) and things kind of went from there," **North** Shore **Power's** chief executive, Lowry, told a **crowd** of onlookers at a **public** meeting to discuss the CMHC debt in 2015.

Lowry later backtracked on that initial statement. In an email to the Citizen in June 2015, Lowry said it was NSPG who managed the loan **application** and that Guest simply pointed out the availability of the funds.

"I said he was helpful because, had he not mentioned it to us, we would not have even known the program existed," Lowry said at that time. "That was all of his help in this matter."

Guest told Blind **River** about the program through which it could borrow nearly \$50 million.

Then, within months of getting its millions, after the project fell through, it was Guest who connected the Blind **River energy** company with Plasco.

Guest was aware of Plasco because, at the time, he was working for Plasco.

Guest had been under **contract** with Plasco between 2005 until at least late 2011.

Former Plasco chief executive Bryden has told the Citizen that Guest was still part of the "senior executive team" as late as November 2011. **North** Shore **Power's** \$25-million investment in Plasco was made in October of that year.

According to Lowry, the town was always aware of Guest's involvement with Plasco.

"At the time that Mr. Guest suggested Plasco as an investment opportunity, he certainly did tell us of his work with the company," said **North** Shore **Power's** Lowry.

Not only did his employer benefit from Blind **River's** money, but so did Guest himself.

Guest's consulting firm, Boxfish, sent an invoice to **North** Shore **Power** dated June 3, 2010, requesting payment of \$140,700 for "services provided for the establishment and financing of the Blind **River Solar** Development project."

A city council motion authorized the payment, referring to the services provided

as "Gov't relations."

A second amount, \$13,560, was paid to the Guest consulting firm in March 2011. That payment was simply referred to as an "initial payment" on "gov't relations" services.

Repeated attempts to reach Guest for comment have been unsuccessful.

Guest also has a connection to Menova **Energy**, the company Blind **River** found to build its **solar** panels that were to be placed on hundreds of homes.

According to the Office of the Integrity Commissioner of **Ontario**, Guest and at least one other consultant with Boxfish were registered as consultants, or lobbyists, for Menova as early as Aug. 19, 2009.

Lowry, the head of Blind **River's** **North** Shore **Power**, said he was also aware that Guest had been involved with Menova.

"We knew from the outset that Brian (Guest) had been working with innovative green tech companies, and from the very beginning I knew Brian had worked with Menova in the past," Lowry said in an emailed statement to the Citizen.

After its ill-fated investments, **North** Shore **Power** eventually played a key role in pushing both Menova and Plasco into bankruptcy protection in a bid to claw back money from the struggling businesses.

In the case of Menova, "**North** Shore **Power** Group made an **application** to Court for a Bankruptcy Order on the 24th day of July 2012," according to documents filed with the Office of the Superintendent of Bankruptcy Canada.

According to other documents filed with the government, **North** Shore was owed a total \$3.02 million by the **Ottawa** firm but was only able to recoup \$103,651.58 of its money.

The town's investment in Plasco was also lost.

Plasco filed for protection from its creditors in February 2015 after it realized it couldn't afford an annual \$3.5-million payment to **North** Shore that was due Feb. 1.

By 2015, the amount left owing on the Blind **River** investment totalled more than \$17.9 million.

The company's assets at the Trail Road landfill were sold to a liquidation company for US\$487,000 in August 2015. It's not clear how much of that made it back to the people of Blind **River**.

What remained of Plasco, which was basically just the firm's intellectual property and patents on its technology, were bought back from NSPG and one other creditor by the firm's founder, Rod Bryden, for \$1 late in 2015.

The deal left Bryden without a majority of the debt that Plasco had racked up over the years.

However, Bryden has agreed to pay **North** Shore **Power** back the monies it is owed plus four per cent interest in 2026 if Plasco is in a position to do so. Bryden made this agreement with **North** Shore **Power** as part of his re-purchase of Plasco in 2015. He made the agreement by issuing a "promissory note," which spells out how much he will pay, when he will pay it and under what conditions.

Bryden told the Citizen that the firm has attracted new investment and is working to retool the company's business model and attract new clients. The company has been paying around \$1 million annually, from the new money invested in

the business, to **North Shore Power**. That money is being used to help **Blind River** meet its CMHC loan payments.

However, there is no guarantee that Plasco will keep making those payments. If the company can't begin selling its waste-to-**energy** technology, there's no telling how long the new-Plasco will continue operating and making payments to the town. The company had no clients, Bryden said in September.

Even more uncertain is what will happen in 2037, when the town is required to make a lump-sum payment of \$22.5 million to the CMHC to discharge the loan.

That money is supposed to come from earnings generated by the municipality's **utility**. However, in its most recent financial statements, for fiscal year 2016, **North Shore Power's** accountant, Freelandt Caldwell Reilly, warns that things look uncertain.

"These conditions indicate the existence of a material uncertainty that may cast doubt on the company's ability to operate as a going concern regarding its ability to extinguish its liabilities as they become due in the year 2037," reads the report. "There remains significant uncertainty regarding the company's ability to discharge the deferred portion of the long-term debt upon its maturity in 2037 if the promissory note receivable from Plasco **Energy** Group Inc. is not collected."

North Shore Power had \$1.19 million in cash on Dec. 31, 2016, according to its most recent financial statements.

The annual payment to CMHC, of \$1.1 million, is due every year in March.

The town's **utility** has made some progress on its **solar** park, located on a 120-acre swath of land that also contains a large office building that houses **North Shore Power** and was built as a result of a \$650,000 grant from the **Ontario** government. While it has set up some of its own **solar** panels on the property, the **utility** has decided to lease the land to other **solar** generating businesses so they can set up **solar** panels there. **North Shore Power** is collecting land usage and maintenance fees from those companies.

The municipally owned **utility** is also selling some of the land.

In 2013, **North Shore Power** acquired 62 acres of land in the **solar** park from the municipality in a deal that would require the **utility** pay the town "10 per cent of the annual gross revenue derived from any **energy** project developed on the property." According to the company's 2016 financial statements, the most recent available, it has since entered into an agreement to sell a portion of that property for \$1.8 million.

North Shore Power has agreed to pay the town \$180,000 over 20 years as a result of the sale. The town will receive around \$9,000 per year from **North Shore Power**, according to the agreement.

TIMELINE: A post-mortem of Blind **River's** challenges AUG. 27, 2009 - **Ontario Energy Board** places **North Shore Power** Group's **application** for a generator licence on hold. File never reopens, JAN. 2010 - CMHC approves Blind **River's** loan.

MARCH 1, 2010 - Disbursement of CMHC Monies to Town (\$49.5 million).

MARCH 16, 2010 - Town of Blind **River** opens an account to deposit \$49.5 million.

APRIL 8, 2010 - Town receives further confirmation that the **solar** park will not be allowed to be built.

MAY 2010 - CMHC notified that Town's plans for **solar** park will not happen.

JUNE 21, 2010 - \$140,700 paid to Brian Guest's consulting firm Boxfish for the "establishment and financing of" **solar** park.

JULY 14, 2010 - \$3.424 million payment to Menova **Energy** as "deposit on first round of systems."

JULY 17, 2010 - Dave Gerwing, CEO of Menova **Energy** appears in Blind **River** for a **solar fair** to promote new rooftop **solar** panel **plan**.

MARCH 1, 2011 - "Initial payment" paid to Brian Guest's firm Boxfish of \$13,560.

JULY 2011 - Blind **River** identifies Plasco investment as possibility. Asks CMHC for approval.

OCT. 21, 2011 - Cheque for \$25 million sent to Plasco.

JULY 2012 - **North Shore Power** pushes Menova into bankruptcy.

FEB. 1, 2015 - Plasco misses its \$3.5-million payment to NSPG.

FEB. 10, 2015 - Plasco enters creditor protection under the **Canadian** Companies Creditors Arrangement Act.

MARCH 2015 - Blind **River** and **North Shore Power** **restructure** the payment schedule for the loan. Instead of paying \$4.4 million annually, payments will be \$1.1 million annually with a lump-sum payment of \$22.5 million owed in 2037.

SEPT. 28, 2015 - Plasco is bought back from creditors, without much of the debt it has accumulated, for \$1 when no other buyers materialized to buy the company's assets.

DEC. 31, 2016 - **North Shore Power** reports \$474,471 in net profits in its annual financial report. The company also reported it had \$1.19 million in cash.

MARCH 2017 - Company transfers \$1.1 million in cash to the Town of Blind **River** so the Town can make its annual payment to CMHC.

MARCH 2037 - Lump sum payment of \$22.5 million due to be paid to CMHC.

Meanwhile, the **utility** appears to have further borrowed to support its operations. The company secured a \$500,000 loan from Richmond Hill-based lender CWB Maxium Financial in December 2014.

North Shore Power's Lowry had repeatedly claimed that no taxpayer money has gone toward making the annual CMHC payments.

However, in February 2015 a motion was carried by Blind **River's** town council to set aside \$215,324, noting: "whereas NSPG may not have enough funds to cover the entire (CMHC) payment therefore be it resolved that if required, council authorize an advance to NSPG."

"This was the only instance of a late payment to the town," Lowry said. "We were 16 business days late on the payment of \$215,324 out of a total payment of \$1,115,324. But, we had the current assets to back up the entire payment, we just needed to make some of them liquid."

North Shore Power's Lowry also says the principal amount owing to CMHC has dropped from the initial \$49.5 million to \$26.2 million today.

However, there is interest of 4.03 per cent being levied against a portion of the principal amount owed to CMHC.

"The CMHC payments are not an issue for us to pay, and we are saving up for the 2037 terminal instalment in a special sinking fund account, especially now

that there are revenues from Plasco. Our operations have expanded into water **power** plants," he said in an email.

The town of Blind **River** has transferred a local **hydro** dam and a **wind turbine** to **North Shore Power**. The **utility** has also dabbled in other generating projects, including a proposal to put a biomass generating facility on the campus of medicinal marijuana producer Tweed in Smiths Falls. The project, which was supposed to be completed by an **Ottawa** company called C3 Acquisitions Inc. in September, has not started at this point.

After all its efforts, **North Shore** employs 14 people, Lowry says.

In 2016, **North Shore Power**'s paid wages and benefits totalled \$95,636, according to its financial statements for that year. The company paid an additional \$111,553 for professional fees and \$28,800 for **contract** services.

When asked whether the **utility** needed the \$49.5-million loan to accomplish the construction of its various **electrical** generating initiatives, Lowry said: "We don't know ... That's not a really valid question. It took a company, not just a loan, to accomplish what we have done. And, we are very proud of the 14 young people who conduct NSPG's daily operations now."

It also paid \$180,000 in a management fee to a **corporation** related to an unspecified director of the company for "**contract** management services provided in the ordinary course of business." This is at least the second consecutive year the company has made that payment to a director for those services, according to its financial records.

Blind **River**'s former councillor, Ambeault, blames the situation the town now finds itself in on an ill-equipped council that put too much confidence in city staff to help steer the town's financial decisions.

"I will be the first to claim that I have no engineering experience or experience in managing money of that magnitude," he said, adding that with more than \$300 million already invested by others in Plasco, many on town council thought the investment was a home run.

"I don't recall it ever being said that the \$300 million on the table, they were prepared to lose it. That was never discussed as a standard process with these venture capital initiatives."

He said criticism from within the community has been loud.

"You're not sitting at the meetings. You're not getting the information. You're not asked to make a decision and it's real easy to criticize when you're not asked to make a decision. To say that we should have done something different. To say that as a newly elected mayor and council at that time, that had to get up to speed about what the hell was going on," Ambeault said. "Any board or council I've ever been on, your first initiative is to go along with whatever's being put forward, rather than drive some nails in the table."

Ambeault also blamed provincial officials, who repeatedly informed town council that funding for municipalities was being cut back and that all **Ontario** towns and cities needed to find new ways to fund their infrastructure needs. He said with no money coming from the province, it seemed that making the investment was the best bet to raise some much needed funds for municipal development.

"I go to these seminars held by the ministry where they say, 'We're not going to be able to fund you anymore. We're going to cut back on your funding. You have to find private sector ventures to generate more income to survive.' Why are they saying that?" he said. "I'm thinking, 'Well how can you say that to me? Why don't you say that to the **public** at large. 'We're going to ask your municipalities to do partnership funding.' This should be the provincial government's initiative, to put this on television every five minutes."

Ambeault continued his criticism of the **Ontario** government, saying there should be more oversight for municipalities to ensure that elected officials aren't making poor decisions.

"I didn't hear anyone coming to the table saying, 'We screwed up,'" he said. "I think the ministry really wasn't effective in terms of leadership. They come in once or twice a year to **review** your numbers. The ministry should have said, 'You're not doing this.'" "I think if the ministry is concerned with the way these councils are running, I think they should be appointing or have an audit company or an audit set of people that watch our meetings streamed on the internet and **review** them with mayor and council and administration."

The situation in Blind **River** is one **Ontario's** Ministry of Municipal Affairs and Housing has been monitoring for some time. According to Ambeault, shortly after the town accepted the monies from CMHC, the ministry sent a letter to town officials saying Blind **River** wouldn't be allowed to borrow any more money for capital projects.

"It was like the ministry got mad at us," he said. "They said ... you can't borrow any more money, you're done."

In Canada, unlike in the United States, municipalities are not eligible to declare bankruptcy.

Should a municipality find itself unable to pay its bills, the province is responsible for sending a management team to the town. The team takes over the town's finances from the elected officials. The team then manages the finances, including making cuts to services and infrastructure projects, until the town returns to a financially secure position.

Calls from residents of the community for more transparency regarding how the \$49.5 million was actually spent have been rebuffed by town officials.

At a **public** meeting in April 2015, numerous residents in attendance demanded the town do a forensic audit of all of the spending in relation to the CMHC loan. However, Blind **River's** mayor, Sue Jensen, said an exercise of that nature would be too costly.

"The town is certainly not ordering the audit," she said at the time. "It would cost between \$100,000 and \$200,000. If someone out in the **crowd** would like to order one, by all means, go ahead. But you are paying because the town will not. There is no need for it." SO WHAT WILL HAPPEN? Officials with the town have mused openly that if the town can't pay back the funds, that the CMHC should simply opt to forgive the debt.

"Should no recovery be earned by (**North Shore Power**), and this amount remains at its original value, then it is our view that it may be reasonable to expect CMHC may choose to provision for a loan writedown over time. As a national lender, this is normal course banking and all loans include risk pricing," reads a statement from the town that was sent to the Citizen in March 2015.

To receive a loan, the **Ontario** government requires any town to calculate its maximum Annual Repayment Limit (ARL), which is based on the amount of revenue the town is able to drum up on a yearly basis. Think of it like a credit limit, but for municipalities.

In 2013, the amount of new debt the town could take on (something towns commonly do to pay for things such as new road construction, ice rinks and community centres) sat at minus \$775,422.

With a negative repayment limit, the municipality shouldn't be able to take on any more loans. However, in 2016, the most recent year that an ARL has been

calculated for the town, that amount fell even further to minus \$1.102 million.

Walking through the picturesque town on a recent afternoon produced several stories from concerned residents about their experiences with municipal officials who they claim are simply ignoring the financial calamity that looms over the municipality.

However, with neighbours or family members working either at the **utility** or for the municipality, finding someone from the small town to speak out publicly about their concerns is difficult. Most fear reprisals that could affect their businesses or family life.

What started out as a promise of opportunity has ended as a heavy anchor that threatens to pull down the small town and its residents over the decades ahead.

It will likely take far more than the 122 days of **electricity**-generating sunshine that the **northern** community gets annually to battle its way out of this situation.

The CMHC, meanwhile, refuses to provide an update on the current status of the loan.

Officials now say the details of the disbursement, between the federal government and a municipality, are protected by privacy and information laws, and as a result, no information will be shared. That marks an about-face for the federal department. In the past it has provided detailed updates about the status of this very loan.

Emilie Gauduchon-Campbell, press secretary for Jean-Yves Duclos, the minister responsible for the CMHC, responded to questions about ensuring the repayment of the \$49.5 million of taxpayers' money as follows: "This program has been put in place by the Conservatives and is no longer active," she said in an emailed statement. "Our government is currently working hard on developing the first National Housing Strategy in Canada's history, and we are showing the most ambitious federal leadership in almost a half-century. We are back in housing - with more ambition, more money and a **greater** desire to collaborate."

The government announced its National Housing Strategy on last week.

Guest, the **Ottawa** consultant, did not respond to repeated requests for comment on this story.

Lowry, who remains the head of **North Shore Power**, continues to collect an undisclosed salary. He doesn't live in the municipality. He has a home about seven hours away in **London**, Ont., and commutes to the town as needed. He declined to tell the Citizen how long he has been living in **London**.

As for Ambeault, the town councillor, it's easy to spot the potholes that brought the town to where it is today while looking back. However, he has hope that the town, which was **incorporated** in 1906, will still pull through this situation unscathed.

"Did the \$25-million investment in Plasco work well for us? No. Did we anticipate this? No. To say that we lost it? Not really. If Mr. Bryden is making the payment then there is still some hope that he can pull it off," Ambeault said.

"What are the statistics in **Canadian** business? Ninety-five per cent go bankrupt in the first five years. Why does that happen? I guess everybody is chasing a dream." vpilieci@postmedia.com

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Dirty dollars; Since 2010, dozens of companies across Canada that have violated environmental rules have received more than \$2.6 billion in public money. The penalties they faced were not just offset but dwarfed by government largesse. In effect, critics say, taxpayers paid the firms' fines.

Toronto Star - Sat Dec 2 2017

Tone: **Negative**

Byline: DAVID BRUSER AND JESSE MCLEAN

Ad Value: \$85,401

Reach: 500678 Page: A1

The cabinet minister beamed as she announced a major corporate gift - \$44 million from the **public** purse to the steel mill on the Hamilton lakeshore.

This financial aid, the proud official said in 2011, would help bankroll major equipment upgrades that would maximize production at the ArcelorMittal Dofasco factory while reducing its environmental footprint.

Company officials had already launched a "Blue Skies" campaign to curb pollution in Hamilton's air, and on this celebratory day the CEO was again emphasizing the firm's focus on "environmental protection."

But during the years that followed this multimillion-dollar government handout, the plant was one of **Ontario's** most prolific polluters, with its smokestack plumes repeatedly violating regulatory limits designed to protect human health and the environment.

For four straight years, the steel factory violated a key emissions standard nearly day after day, unabated.

What happened in Hamilton, the Star has found, is business-as-usual across Canada: big companies with poor environmental records are getting rich **public** payouts.

A Star investigation found that since 2010, more than \$2.6 billion in **public** money has flowed to dozens of companies that had repeated or significant violations of environmental **rules** designed to keep the **public** safe. Those companies in total were fined about \$15 million. Critics note that, in effect, taxpayers paid their fines, and in many cases, the companies continued to pollute.

The ArcelorMittal steel mill, a mainstay of the Hamilton economy, was prosecuted and penalized by the provincial government.

But the \$666,000 the company was ordered to pay in fines and penalties - most of which was levied after ArcelorMittal pleaded guilty to six pollution charges - was not just offset but dwarfed by the largesse already sent their way by a different arm of that same government.

"If a company is going to have its hand out, then the **public** has a reasonable expectation that it should behave in the **public** interest," said former **Ontario** environmental commissioner Gord Miller, when presented with the Star's findings.

ArcelorMittal said in a statement that it continues to significantly invest in repairs, maintenance and upgrades that have lessened the plant's emissions, improved fuel efficiency and **energy** consumption, and that show its "corporate commitment to continuous improvement in every aspect of its operating procedures and performance." It said that it is "dedicated to operating within the regulations."

Miller, as well as two former **Ontario** environment ministers, told the Star change is needed, that government officials in charge of handing out taxpayer

dollars should first be required to scrutinize a company's environmental record to determine if any conditions should be attached to the money.

A city of **Toronto** program could serve as a model: industrial companies can get significant deductions on their municipal water **rates**, but if their wastewater has unacceptably high levels of contaminants, the special water **rates** can be, and are, cut off.

"If you separate environmental compliance from government largesse, you are cultivating contempt for environmental regulations," Miller said.

While the provincial government says it has been putting environmental compliance clauses in funding agreements for a decade, it could not provide one instance where **public** funds were stopped or clawed back.

The **Ontario** government told the Star it will now be looking at measures that would ensure one ministry is not handing companies money while another ministry is trying to rein in their polluting.

"We anticipate improved communication could complement the already strong **rules** we have in place to prevent persistent environmental problems and make polluters pay," said a spokesperson for Brad Duguid, Minister of Economic Development and Growth.

The factories in this story make products Canadians rely on - from oil and cement to the steel used to make cars and the pulp needed for paper and diapers. They employ thousands of workers in small towns and cities nationwide. Their success matters to politicians, their constituents and the economy.

Company managers and spokespeople say they react promptly when there is a pollution problem and have invested millions upon millions of dollars on improving their facilities while trying to achieve compliance. Many of the firms tout themselves as stewards of the environment.

At oil producer Suncor, where \$354 million in **public** funds has flowed, there have been hundreds of spills and other environmental violations since 2012 - including an emission of potentially toxic hydrogen sulfide, at nearly 10 times the limit - at **Canadian** facilities from the Alberta oil sands to its operations off the **coast** of Newfoundland.

Suncor said that while its violations are "unacceptable," **public** money it received helped the company increase biofuel and **wind energy** production in Canada.

On Canada's east **coast**, New Brunswick-based Irving Pulp and Paper was convicted in 1998 and again in 2010 after pleading guilty to violating the federal Fisheries Act. The fines totalled \$125,000, and the company landed in a federal environment offenders registry. The 1998 conviction stemmed from an incident where about 15,000 gallons of green liquor - a pulp production byproduct - discharged into the Saint John **River**. The company is before the courts on new charges that the mill once again violated the Fisheries Act. Irving has pleaded not guilty.

Irving said the company has worked hard to meet and surpass environmental regulations. A spokesperson pointed to the mill's solid waste reductions, **energy** efficiency and the tens of millions of dollars spent by the company on environmental initiatives, including efforts to reduce air emissions.

Both companies received vastly more from governments than they paid in pollution fines.

The **public** money is most often given to companies as interest-free loans, subsidies intended to make the plants more competitive or environmentally friendly, **electricity** rebates, payments for services and research grants.

In some cases, polluters have taken their rural host communities to tribunals and court to win corporate tax breaks.

Pulp and paper company Domtar, which had 1,800 pollution violations in **Ontario** from 2011 to the end of 2014, challenged tax assessments, arguing its mills in Dryden and **Espanola** were valued too high. The cash-strapped towns in the **north** had to give up huge refunds. Dryden had to pay back nearly \$7 million to South Carolina-based Domtar, a company with \$5 billion in annual sales. And just this year, the city of Prince Albert, Sask., settled a property valuation dispute with Domtar, resulting in \$2.25 million that had been earmarked as education funds going back to the company.

A Domtar spokesperson stressed the money was not a tax break but a refund for overpayment of tax that the company was obligated to seek. "A publicly traded company must always operate in the best interest of its shareholders."

In **Ontario**, where subsidized plants have routinely violated pollution standards, companies self-report when they exceed a limit. The Star found that government's most common response is to either assess the situation and conclude the problem was already resolved by the company, or leave it to the company to fix voluntarily.

Environmental advocacy groups say it's rare for regulators to fine or prosecute these companies, especially in industry-heavy **Ontario**. Some citizens, tired of waiting for government enforcement, take it upon themselves to collect evidence and file complaints.

That these firms repeatedly soared past pollution limits with little punishment reveals the conundrum regulators face when trying to protect the environment:

How tough do you get on environment violators when they are also large employers operating in towns and cities that depend on them for jobs and a tax base to fund schools and other essential services?

In Terrace **Bay**, Ont., the mayor, who also worked at the pulp and paper mill for 38 years, understands this tension better than most.

In this town of 2,000 people east of **Thunder Bay**, the mill is the main employer. It is also an emitter of about 30 chemicals, including nitrogen oxides and sulphur dioxide, which can contribute to smog, as well as benzene, a toxin that in large or chronic doses may cause serious diseases. The mill also has the most violations of any factory in **Ontario**, the Star found.

"Truth be known, it was particularly bad last year - the emissions from the mill. People were complaining," said Mayor Jody Davis, who once worked at the plant as an **electrician**.

From 2011 through 2014 the mill surpassed provincial pollution limits nearly 2,500 times, **Ontario** data show. Many of these violations were of odour limits on total reduced sulfur, a chemical blend that makes the air near pulp mills stink like rotten eggs. The mill also violated a dirty smokestack regulation more than 300 times in 2014.

Since 2010, the company has been fined a total of \$324,000 for numerous environmental violations, including one case where the company pleaded guilty to seven water pollution offences and paid a \$250,000 fine in 2015. During the same time as this pollution streak, the factory owners received a \$113-million bonanza of **public** cash, including a grant to get green.

The Star left messages with company managers by phone, email and then in-person at the mill, and received no response.

"The mill is the economic driver here," said Mayor Davis, adding that it accounts

for about half of the town's tax base.

"It's not like **Toronto** where you can shut down a business. The impact here would be devastating. The air quality ... is a problem that they're working on. I would hope if there's any stalling (at the mill) that the government is gently persuading them instead of bold action."

Across the country, laws and industrial operating permits regulate what factories belch into the air and the wastewater effluent they pour into rivers and lakes.

"Pollutants may have adverse effects on humans and the environment, such as possibly contributing to cancer development," said University of **Toronto** chemical engineering professor Charles Jia. "Limits on them are important, and it is justifiable and straightforward to say there are possible adverse effects as a result of violating a standard."

While Jia and other scientists agree pollution is potentially harmful, even at low but sustained levels, they also agree that to try to trace dangerous air pollution to certain factories is difficult as there can be multiple sources of dirty air, not just industry.

What is generally known is that pollution is a big, costly problem.

Smog led to \$36 billion in health care and other costs in 2015 and more than 7,700 deaths in Canada were attributed to various components of smog, according to a recent report by the International Institute for Sustainable Development.

One of those components - fine particulate matter, made up of particles about 30 times smaller than a hair follicle and can burrow deep into lungs - comes from, among other sources, auto emissions and industries, including pulp and paper. It also contributes to an estimated 560 new lung cancer cases each year, **Public Health Ontario** has reported. Hamilton had the highest fine particulate matter concentration in the province in 2014, according to Cancer Care **Ontario**.

Tracking this inhalable particulate matter to individual factories is tough for another reason: While certain smokestack pollutants like sulphur dioxide and nitrogen oxides may become fine particulate matter, it is only after they leave the smokestack and undergo chemical reactions in the atmosphere, said experts at the University of **Toronto** and provincial **public** health agencies.

Most of the plants the Star reviewed for this investigation emit both sulphur dioxide and nitrogen oxides - a total of thousands of tons of them each year, according to federal Environment and **Climate** Change Canada records.

Visit these firms' websites and a theme emerges. Most believe in "sustainability" and trumpet their environmental stewardship.

Cascades Canada says on its website that it is "Green by Nature." In **Ontario**, this maker of recycled packaging and tissue products had 785 violations over four years, all of them at the firm's beleaguered and dirty mill in Trenton.

Vice-president Hugo D'Amours said that when Cascades bought the Trenton mill it was one of the oldest in Canada. Though "Cascades inherited a difficult environmental situation with the Trenton mill," a shutdown would have meant 150 lost jobs, he said. He added that the mill was an "exceptional situation" that was not reflective of the company's overall environmental performance, and that staff worked hard to fix the problem.

"Protecting the environment through sustainable development has always been at the core of our business model," D'Amours said. "Cascades' track record is not perfect but we certainly are a leader in our industry."

Many of the companies said they have spent millions of their own and the

public's money on updated equipment and conservation efforts that have benefitted the communities in which they operate.

Suncor, a crude oil and diesel fuel producer that has had hundreds of spills and environmental violations since 2012, told the Star that much of the \$354 million it got from the **public** purse went toward projects intended to develop **renewable energy** or reduce the company's "**carbon footprint**." The funds included \$135 million that went toward biofuel production at the company's **ethanol** plant near Sarnia. **Ethanol** is a cleaner burning, renewable resource, Suncor said. The company also said that \$40 million more went toward **wind power** projects.

"**Climate** change is one of the biggest challenges of our time and as a company we will do our part - looking at ways we can reduce emissions while providing the **energy** the world needs."

A few companies - like Peter Kiewit Infrastructure Co., which got \$1.4 million from **Ontario's transportation** ministry, promotes its "environmental stewardship," and in 2012 released e coli into the environment at 8,500 times the permitted limit - refused to comment. Escherichia coli, also known as e coli, is a bacteria that is not always dangerous. The company had a total of 68 **Ontario** industrial wastewater violations, most of them in 2012 and 2013.

Meanwhile, a food ingredient manufacturer that had hundreds of industrial wastewater pollution violations at a plant in Port Colborne, refused to disclose why it got \$1 million in **public** provincial funds, citing a "confidentiality" agreement. The province told the Star the money was to help the company buy equipment that will "boost productivity" and create jobs at another of the firm's facilities.

One of the subsidies that repeat polluters have received in abundance is an **electricity rebate** given to big **electricity**-consuming plants in **northern Ontario**. The provincial government says the money is handed out so that **forestry**, mining and steel companies - "cornerstones of the **Northern Ontario** economy" - can stay competitive and keep jobs. Each eligible firm is required to develop and implement an **energy** management **plan** in an effort to become more **energy** efficient.

Mining company Glencore has received \$59 million in these rebates and said the program has resulted in **electricity** consumption reductions at all its sites. In 2013, Glencore acquired mining firm Xstrata, which had taken in at least \$20 million in **electricity** rebates.

Together, the companies have run afoul of more than 10 different environmental standards.

Between its operations in **Sudbury** and the mine in Timmins, the companies violated provincial limits on air emissions for arsenic and lead, and at one point in 2012 emitted a level of suspended particulate matter that was nearly 39 times the **Ontario** limit.

A Glencore spokesperson said the company has made significant investments on environmental programs, including \$180 million in the last decade on improving the **Sudbury** smelter.

"We are proud of our track record of reducing pollutants," the spokesperson said. The company's website notes its "operations can have direct and indirect impacts on the environment. We work to minimize our potential effect, complying with or exceeding relevant regulation."

Xstrata, prior to the merger with Glencore, also failed a water pollution test known as acute lethality trout.

This test is performed at about 20 government and privately run labs across the country.

It is simple in design and difficult to watch. A sample of industrial effluent, a cocktail of contaminants discharged from the factory into a **river** or lake, is put into a tank with rainbow trout. The fish are young and usually just a few inches long.

If at least half of the trout die within four days, the company fails the test.

The standardized test focuses on rainbow trout, which are found in waterways across Canada. The test is also performed on water daphnia, which are pinhead-sized water fleas and critical links in the aquatic food chain.

The pulp mill in Terrace **Bay** failed the test 16 times over a three-year period, including a spate of six failed tests in the spring of 2013. While the company was prosecuted and fined - after an acute lethality trout violation and other offences - the \$250,000 punishment was a small fraction of the \$100 million coming in from other arms of the same government around this time.

Seemingly undeterred, the mill went on to have nine more trout test failures in the first three months of 2014, without any punishment.

Mark Mattson, an environmental lawyer and founder and president of Lake **Ontario** Waterkeeper, a charity dedicated to protecting **Ontario** waters, said that in this case, the pulp mill does not appear to have felt any significant pressure from the government for its repeated violations.

"The best environmental laws in the world won't protect our waters or fisheries if we don't give them meaning and force," Mattson.

A more commonly violated provincial standard is "opacity," which is a relatively simple measure of smokestack plumes that, in many communities, can be seen from nearby residential cul-de-sacs and schools.

In simple terms, if the plume looks dark, the likelier a factory is to fail the standard.

An opacity violation may be an indicator of poor combustion or that the plume could impact the environment or human health, depending on what chemicals are in the plume and their concentrations, the **Ontario** environment ministry says.

In Hamilton, ArcelorMittal Dofasco's smokestack violated opacity standards nearly every day of every month for four straight years.

"There's particulate pollution that is making up that opacity. And if we're talking about making coke from coal for the steel industry, then you're talking about contaminants like benzene and benzo(a)pyrene, both very potent . . . carcinogens," said Lynda Lukasik, head of an environmental group that took on the company over its emissions and pushed the province to prosecute.

Information from a company slide presentation shows emissions from several areas of the plant also contain fine, inhalable particulate matter.

In a written statement, ArcelorMittal Dofasco said it has spent hundreds of millions on its operations since 2010, including facility repairs that have resulted in "significant improvement to the efficiency and environmental performance" of the plants that make coke - a fuel made from coal. The company also said its efforts have led to reductions in smokestack opacity, benzo(a)pyrene emissions and a 55 per cent reduction in benzene emissions from 2010 to 2016.

For some companies that repeatedly violate pollution limits, the problem doesn't lie within their plants, they say, but with **Ontario's** environmental regulations themselves.

At Domtar, where nearly 1,300 of the company's 1,800 violations occurred in 2013 and related to excessive emissions of a mixture of sulphur compounds known as TRS, executive David Struhs said the upward spike was caused by a change in "a rulemaking process in which the environmental ministry was recalibrating ... reporting standards."

The **Ontario** pulp and paper industry has since received a special technical standard, which is given to industries struggling to meet air standards because they don't have the technology or the money for upgrades.

Under these special agreements, facilities can breach an environmental standard as long as they're working to lower their air pollution and reduce the risks the emissions pose to local communities.

Since 2010, Domtar has received more than \$200 million in federal green subsidies, provincial **electricity** rebates and to build and maintain **public** forest roads, while its regulatory fines totalled a comparatively paltry \$96,000.

The company said it employs experienced environmental managers, "routinely and rigorously" audits mills to help ensure environmental compliance, and makes capital investments to keep the company in compliance.

Essar Steel **Algoma** in Sault Ste. Marie said when **Ontario** introduced opacity legislation, "the limit was set well below the industry's operating capacity."

Steel manufacturing requires chemical reactions that produce emissions that are "both irreducible and unavoidable," a company spokesperson said, and curbing them requires "breakthrough technology which does not exist today."

Like the pulp mills, **Algoma** has also received special government relief from pollution limits, though it works differently. In **Algoma's** case, it is called a site-specific standard. It allows the plant to emit higher levels of specific contaminants.

At least 10 other factories in **Ontario**, including ArcelorMittal in Hamilton, also have such permits. Here's how they work:

If a company can't get its pollution below **Ontario's** air standards, the province's regulations allow it to apply for a looser standard for five, and up to 10, years, as long as it is working to reduce its emissions as much as possible.

In ArcelorMittal's case, the company and province inked an agreement that let the steelmaker emit benzo[a]pyrene as high as 1,700-times the legal limit for three years, then upwards of 1,100 times the limit until the agreement expires in 2021.

The company said these are necessary exemptions from provincial pollution targets that are "aggressive," "aspirational and not yet achievable by industry given available technology."

The special standards allow "for companies to move towards the target in an achievable and sustainable way," the company said.

ArcelorMittal had requested their personalized pollution limits in the fall of 2014. It was around this time it pleaded guilty to numerous smokestack violations and was fined \$390,000. It was also collecting the last of the instalments of a \$44-million cash injection from the province that began in 2011.

"To be honest, I was enraged," said environmentalist Lukasik, whose complaints led to the ministry prosecuting the steel company. "They were handed \$43.6 million for a new production line so they could generate more profit ... when the company is clearly struggling with all these other issues."

This disconnect is perhaps no more noticeable than in the pulp and paper

industry.

The federal government launched a program in 2009 that saw cash-strapped mills across the country get **public** money for environmental upgrades to reduce emissions as well as **electricity** and fuel consumption.

More than \$400 million in green money was paid to pulp and paper companies that had, or went on to violate pollution laws by spilling toxic wastewater into rivers and emitting dirty emissions into the air. Those violations led to 15 provincial and federal convictions - and a total of \$2.1 million in fines.

Natural Resources Canada said the green money was for specific projects, not for controlling overall environmental practices at mills.

Meanwhile, another arm of the federal government is concerned about the industry's pollution. Environment and **Climate** Change Canada is considering regulatory changes, according to an internal government document obtained by the Star that says wastewater effluents from mills "are still impacting fish and fish habitat."

It's not just subsidies and rebates that polluting companies collect at the **public's** expense. The Star also found some sought tax relief, such as Domtar's successful battle for property reassessments, as well other breaks and benefits:

In Terrace **Bay**, the province gave the pulp mill a \$24-million desperation loan in 2010 to restart the idle mill and get hundreds of people back to work. The mill closed anyway, and then went into bankruptcy proceedings. When the current owner, an India-based conglomerate, bought it in 2012, the province forgave the loan and canceled the mill's debt to the **public**.

In Quebec, the government has what is known as a **cap-and-trade** system to curb greenhouse **gas** emissions. Companies can buy "emission units" at auction if they pollute over their total allowable emissions. The starting price at auction for one of these units has been as low as \$10.

The government also gives away millions of these units to companies in competitive industries to dissuade them from moving to jurisdictions without carbon pricing. In 2016 alone, Quebec gifted nearly 18.5 million emission units - each good for one ton of greenhouse **gases** - to 51 companies, from mining firms to pulp producers such as Domtar to petrochemical factories.

A Domtar spokesperson said effective **cap-and-trade** programs allow companies "to find the least expensive pathway to achieving the government's emission reduction goal."

Essar Steel **Algoma** stopped paying property taxes.

The steelmaker owes the city of Sault Ste. Marie more than \$30 million in unpaid property tax and interest, money that would be used to pay for schools and other municipal services, according to a city council report from September.

After **Algoma**, the largest employer in Sault Ste. Marie, went under creditor protection in 2015, the city, dependent on the mill's taxes, had to turn to the courts to secure payments from the company just to stay afloat.

The steelmaker has received \$78 million in government handouts, some through **electricity** rebates and the rest to help pay for a facility modernization.

Meanwhile, **Algoma's** smokestacks emitted dark plumes that violated environmental standards more than 800 times from 2011 through 2014. Since April 2015, the company has received 27 **public** complaints about its particulate emissions.

In a statement, a company spokesperson said **Algoma** has made significant

strides in reducing emissions in a challenging industry and since 2003 has spent \$140 million on environmental initiatives that have led to a 65 per cent reduction in particulate emissions.

"Government largesse should be focused on supporting jobs in **Ontario** and Canada where environmental standards are the toughest," **Algoma** said.

"We can either make steel more cleanly here in Canada and reap the economic returns associated with its production, its good middle-class jobs and its supply chain impacts, or we can support the production of steel abroad and use imported steel at a much **greater** cost to the global environment and to the detriment of the **Canadian** economy."

Lukasik has heard the same argument in Hamilton.

"We've got to think about jobs, too. I get that," she said. "But where do you draw the line?"

ArcelorMittal is in court again, charged with pollution offences stemming from an incident in February 2015 when the blast furnace allegedly belched contaminants, spewing black particles into the nearby neighbourhood.

When asked whether the company is fighting the charges or working to settle the case, a spokesperson refused to comment.

The trial is scheduled to begin in January.

DATA ANALYSIS BY ANDREW BAILEY

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THE TRIBUNE

Hydro One plan reminder of 1940s technology

Welland Tribune - Sat Dec 2 2017

Tone: **Neutral**

Byline: Steve McGlennon

Ad Value: \$90

Reach: 10214 **Page:** A6

Regarding the Point of View 'Pre-paid **hydro plan** morally repugnant' (Nov. 25) Growing up in England, my grandmother had a box on the wall. It was a pre-paid "leaky box" in which we would insert 10-pence coins in order to have toast and tea in the morning.

How progressive of **Hydro** One, in conjunction with our esteemed, progressive government, to take us back to the Second World War with this "new" payment-up-front **plan**.

Steve McGlennon

Midland

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How solar-energy dreams became a nightmare for the small Ontario town of Blind River | Ottawa Citizen

ottawacitizen.com - Fri Dec 1 2017

Tone: **Neutral**

Sitting on the northern shores of Lake Huron is a small, sun-soaked town called Blind River.

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