John Bozzo

From: John Bozzo
Sent: December 27, 2017 9:13 AM
To: ##Clippings_Distribution_List
Subject: Morning News Summary - Wed. Dec. 27, 2017

Good morning,

The highlight today is from an uptick in coverage from the OEB's Hydro One Transmission decision. The Canadian Press had a media call into the OEB on Friday Dec. 22nd and subsequently wrote a piece on the Board's decision which has been picked up by a few outlets, including CTV News Toronto and the Peterborough Examiner. Summary of the CP below.

Hydro One ordered by Ontario Energy Board to substantially lower rate increase for 2018 (Dec. 22 and Dec 23)

- The Ontario Energy Board has ordered Hydro One to substantially lower a rate increase the large utility had been seeking for next year.
- The OEB's decision issued this week orders Hydro One to cut that proposed rate increase to just 0.2 per cent for 2018.
- The OEB mandated shareholders receive 62 per cent of Hydro One's tax savings from the 2015 IPO while ratepayers receive the remaining 38 per cent.

Toronto Sun: OPINION: You call this 'independent'? (Dec. 24)

- Columnist writes that the Independent Electricity System Operator (IESO) is clearly not truly "independent".
- Instead, the IESO serves the interests of the Ontario government.
- Mentions the OEB's MSP Goreway investigative report and the Auditor General's findings.
- Is critical of the government's handling of renewable energy programs – especially that of industrial wind farms.

The Sault Star: Thibeault explains rejection of gas price bill (article below) (Dec. 23)

- The Ontario Minister of Energy defended its decision to shoot down an opposition member's bill to regulate the price of petroleum products in Ontario.
- Energy Minister Glenn Thibeault said the Ontario Energy Board had studied the idea of regulating gas prices, and concluded it would result in higher prices for consumers.

Globe and Mail: Your tax dollars at work: Ten government megaprojects at risk of a cost spiral in 2018 (Dec. 26)

- Outlines the 10 projects to watch closely in 2018. Journalist writes that they all face rising costs, posing untold risks to taxpayers.
    1. Muskrat Falls
    2. Gordie Howe International Bridge
    3. Sturgeon Refinery
    4. Davie Shipyard
    5. Phoenix Pay System
    6. Hudson Bay Railway
    7. **Darlington Nuclear Generating Station:** "There isn't anything inherently wrong with keeping Ontario's fleet of nuclear reactors running for a few more decades, particularly as the province strives to curb greenhouse-gas emissions. But the massive cost – Ontario Power

Generation is spending $12.8-billion to refurbish Darlington's four reactors near Oshawa, Ont. – underscores Ontario's troubled electricity future. The province has committed to long-term deals that saddle future generations with a surplus of premium-priced power and hefty debts."

8. Canada.ca
9. Site C Dam
10. Keeyask Dam

View in Browser

Morning News Clippings

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Date: Wednesday, December 27, 2017
Edited by: Paul Crawford (Paul.Crawford@oeb.ca)

Contact Editor

Clippings Summary

News - 16 Results

Hydro One ordered to cut rate hike; 4.8% transmission rate hike rejected by OEB

Peterborough Examiner - Sat Dec 23 2017
Tone: Negative
Ad Value: $252
Reach: 13988 **Page:** B2

The **Ontario Energy Board** has ordered **Hydro One** to substantially lower a **rate** increase the large **utility** had been seeking for next year. **Hydro One** ...

Focus Ontario | Global News

globalnews.ca - Tue Dec 26 2017
Tone: Neutral
Permalink

Paul Crawford noted on Tuesday, December 26, 2017
Around the 6:40 mark, Rob Benzie (Toronto Star) and Allison Jones (Canadian Press) discuss hydro in the context of being one of the big Ontario political stories of 2017. They also talked about the PC's "people's guarantee" as well as touching on political trials, including the Sudbury by-election controversy.

You call this 'independent'?; Ontario's electricity system operator falling down on the job

Toronto Sun - Sun Dec 24 2017
Tone: Negative
Byline: Jimmcpherson

Ad Value: $4,596
Reach: 222184 **Page:** A18

To many Ontarians, the province's **Independent** **Electricity** System Operator (**IESO**) is clearly not truly "**independent**". Not when its political masters won't allow it to make **electricity** more ...

Thibeault explains rejection of gas price bill

The Sault Star - Sat Dec 23 2017
Tone: Neutral
Ad Value: $488
Reach: 14083 **Page:** A3

The **Ontario** **Minister** **of** **Energy** defended its decision to shoot down an opposition member's bill to regulate the price of petroleum products in **Ontario**. The bill, which failed to pass its second ...

One year later, few details on $655,000 St. Catharines Hydro phishing incident

Niagara This Week - St. Catharines - Sat Dec 23 2017
Tone: Negative **Page:** 1

ST. CATHARINES - It's been more than a year since St. Catharines **Hydro** Inc.'s board of directors gathered for an emergency meeting to tackle a breach in the organization's bank account and in that time, little has been publicly ...

Wynne Keeps Fighting

Ottawa Sun - Wed Dec 27 2017
Tone: Positive
Byline: Larry Comeau

Ad Value: $231
Reach: 45442 **Page:** A18

She may be the least popular premier, but Kathleen Wynne is not going down without a fight. Her vote-buying knows no end. After having shelled out billions in unaffordable **hydro** rebates to win back voters, raising the minimum wage that ...

Only fix for Ont. deficit: Raise taxes or spend less

Norwich Gazette - Wed Dec 27 2017
Tone: Neutral
Byline: David Reevely

Ad Value: $282
Reach: 1080 **Page:** A4

Ontario is facing years of worsening deficits because none of the major parties has a **plan** to make the province's spending line up with its income, says the government's Financial Accountability Office. "To the extent the ...

Wynne proud of minimum-wage hike, drug benefit; In year-end interview, Ontario Premier extols 'big changes' that will come into effect on Jan.1

The Globe and Mail - Wed Dec 27 2017
Tone: Neutral
Byline: JUSTIN GIOVANNETTI

Ad Value: $18,906
Reach: 309154 **Page:** A9

If Ontarians aren't sure what Kathleen Wynne stands for after nearly five years as Premier, she says they should look forward to Jan. 1. She certainly is. While the Premier faces a tough re-election battle in 2018, Ms. Wynne told The Globe and Mail ...

Your tax dollars at work: Ten government megaprojects at risk of a cost spiral in 2018

The Globe and Mail - Tue Dec 26 2017
Tone: Negative
Byline: BARRIE McKENNA

Ad Value: $24,312
Reach: 309154 **Page:** B1

There is a distressing and predictable pattern many government megato projects. The future is never rosier for these schemes than when politicians and bureaucrats first hatch them. And then it's all downhill. Costs soar, delays mount, and the ...

Hydro rebates are old ideas

The Brockville Recorder & Times - Wed Dec 27 2017
Tone: Positive
Byline: Robert Webb

Ad Value: $155
Reach: 11133 **Page:** A6

The Wynne Liberal government again announced grants and incentives for upgrading insulation, windows, furnaces and thermostats. The latest wealth of funds are said to be from the windfall of carbon tax credits. That renovation segment has been ...

Hospitals, hydro, turbines, soccer goals highlight 2017 for MPP - Quinte News

www.quintenews.com - Tue Dec 26 2017
Tone: Neutral
Permalink

We continue our look back at 2017, and we had a chance to talk with Hastings Prince Edward MPP Todd Smith. He is now the PC energy critic and says his main focus was holding the province accountable for rates and what he calls the hydro mess.

To meet commitments, we need energy strategy

Sudbury Star - Sat Dec 23 2017
Tone: Negative
Byline: Steve May

Ad Value: $851
Reach: 15423 **Page:** A10

What's becoming increasingly clear is that a lack of federal leadership on **climate change** is undermining Canada's Paris commitment to reduce greenhouse **gas** emissions 30 per cent from 2005 levels by 2030. The ...

'Landmark'wind farm in works

Sudbury Star - Wed Dec 27 2017
Tone: Neutral
Ad Value: $1,622
Reach: 14934 **Page:** A1 / Front

About Pattern Development Pattern Development has developed, financed and placed into operation more than 4,500 MW of **wind** and **solar power** projects. The **renewable energy** company has offices in ...

'There's going to be some ups and downs': Premier Brian Gallant looks back on 2017 - New Brunswick | Globalnews.ca

globalnews.ca - Wed Dec 27 2017
Tone: Neutral
Permalink

Paul Crawford noted on Wednesday, December 27, 2017
Energy East is mentioned.

New Brunswick Premier Brian Gallant doesn't deny that 2017 had its share of challenging moments, but the Liberal leader maintains that despite setbacks, his government was still able to remain focused on the priorities of residents.

The right's resurgence and the NDP's pipeline push: The year in Alberta politics - Politics - CBC News

www.cbc.ca - Wed Dec 27 2017
Tone: Neutral
Permalink

Paul Crawford noted on Wednesday, December 27, 2017
Energy East is mentioned.

Jason Kenney's byelection victory in Calgary-Lougheed on Dec. 14 might have been easily foreseen, but the freshly minted MLA's path to the race was anything but.

Notley says Alberta breakup with national NDP isn't in the cards | Calgary Herald

calgaryherald.com - Tue Dec 26 2017
Tone: Neutral
Permalink

Paul Crawford noted on Tuesday, December 26, 2017
Energy East is mentioned.

The Alberta NDP is at odds with both federal and British Columbia New Democrats over pipelines, but Premier Rachel Notley says breaking up isn't in the cards.

Clippings Summary

Full Articles

Hydro One ordered to cut rate hike; 4.8% transmission rate hike rejected by OEB

Peterborough Examiner - Sat Dec 23 2017
Tone: Negative
Ad Value: $252
Reach: 13988 **Page:** B2

The Ontario Energy Board has ordered Hydro One to substantially lower a rate increase the large utility had been seeking for next year.

Hydro One wanted to be able to raise its transmission rates by 4.8 per cent in 2018.

The Opposition Progressive Conservatives slammed the proposed increase, but Energy Minister Glenn Thibeault said all rate increases will be held to the rate of inflation for the next four years, as set out in the Liberal plan to cut hydro bills.

The OEB's decision issued this week orders Hydro One to cut that proposed rate increase to just 0.2 per cent for 2018.

The OEB also rejected a Hydro One proposal to give shareholders all of the tax savings generated by the IPO in 2015 when the Liberal government first began partially privatizing the utility.

The regulator instead mandated shareholders receive 62 per cent of the savings while ratepayers receive the remaining 38 per cent.

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Focus Ontario | Global News

globalnews.ca - Tue Dec 26 2017
Tone: Neutral

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You call this 'independent'?; Ontario's electricity system operator falling down on the job

Toronto Sun - Sun Dec 24 2017
Tone: Negative
Byline: Jimmcpherson

Ad Value: $4,596
Reach: 222184 **Page:** A18

To many Ontarians, the province's Independent Electricity System Operator (IESO) is clearly not truly "independent".

Not when its political masters won't allow it to make electricity more affordable for Ontario ratepayers.

Rather than serving the citizens of Ontario, the IESO appears to be serving the political interests of Ontario's Liberal government and multinational corporations.

Consider these controversies: The IESO's "Demand Response" program needlessly forked over $100 million to a small group of large energy consumers, as reported in the Financial Post on Aug. 15.

The IESO's lack of oversight allowed a Japan-funded private gas plant in Brampton to inappropriately bill Ontario's electricity system for another $100 million, according to the Ontario Energy Board, as reported by CBC News on Dec. 5.

According to Ontario Auditor General Bonnie Lysyk's annual report, released Dec. 6: "The IESO has not implemented some important recommendations made by the Ontario Energy Board's Market Surveillance Panel over the last 15 years that could have saved Ontarians millions of dollars on their hydro bills."

Overall, Lysysk found, as reported by the Toronto Sun, that between 2006 and 2015, the IESO paid out up to $260 million in ineligible expenses to natural gas and coal power generators of which only $168 million has been recovered.

Progressive Conservative Energy Critic Todd Smith has asked the Ontario Provincial Police to probe the circumstances surrounding these inappropriate billings although the police have not specified whether they will do so.

On its web site, the IESO says it manages Ontario's electricity system to make it more efficient and cost effective.

Really? A more efficient and cost effective electricity marketplace presided over by the Liberals'wasteful, inefficient and dictatorial 2009 Green Energy Act, the government's administration of which has been repeatedly criticized by two Ontario auditors general? For example, the truth is Ontario does not need any more high-cost, inefficient and intermittent wind energy, because we have a huge energy surplus.

Nevertheless, the IESO has not welcomed opportunities to avoid long-term commitments to more expensive and unreliable wind energy, which frequently displaces cheaper and carbon-free hydroelectric power and nuclear energy.

Why, for example, won't the IESO simply cancel a 20-year contract with wpd Canada in Prince Edward Country after a provincial Environmental Review Tribunal downsized its 29-turbine White Pines project to a mere nine turbines last spring, because of its potential impact on local wildlife? Why are the IESO and Wynne government continuing to commit Ontario electricity ratepayers and taxpayers to paying for expensive wind power we don't need? Unlike its scandalous gas plant cancellations in Oakville and Mississauga, which the auditor general has estimated will cost the people of Ontario up to $1.1 billion over 20 years, termination of the White Pines contract would be fiscally prudent.

It might even boost the Liberal government's credibility, which has been sorely damaged by the Green Energy Act and its handling of the entire renewable energy file.

Wind factories are not wanted by many local residents and local governments across Ontario.

The Liberals'answer to that was to take away the planning powers of local municipalities under the Green Energy Act.

Two auditors general have reported Ontario's Liberal government failed to conduct proper cost-benefit analyses, or draw up proper business plans for its renewable energy program, including industrial wind farms.

Scores of rural municipalities have declared their unwillingness to host them.

Encumbered by the Liberal legislation that severely limits local planning rights and grounds for appeals, one citizen's group has now asked for a judicial review of the entire process in federal court.

It challenges the constitutionality of processes by which the Liberal government has forced wind factories upon rural residents and alleges serious violations of civil rights.

For now, the Wynne government and the IESO should terminate the White Pines deal.

Let Prince Edward County be the final battleground in the war against Ontario's wasteful and unneeded wind energy.

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Thibeault explains rejection of gas price bill

The Sault Star - Sat Dec 23 2017
Tone: Neutral
Ad Value: $488
Reach: 14083 **Page:** A3

The Ontario Minister of Energy defended its decision to shoot down an opposition member's bill to regulate the price of petroleum products in Ontario.

The bill, which failed to pass its second reading in Queen's Park last week, was put forward by Timmins-James Bay MPP Gilles Bisson (NDP -Timmins -James Bay).

Energy Minister Glenn Thibeault said the Ontario Energy Board had studied the idea of regulating gas prices, and concluded it would result in higher prices for consumers.

"As Sudbury's MPP and Ontario's Minister of Energy, I'm committed to ensuring a fair, reliable and affordable supply of energy for people across the province," Thibeault said in a statement regarding Bisson's private member's bill.

"In the North, and in my community of Sudbury, gasoline and diesel are especially vital for transporting families and goods where they need to go -to work, to schools, to the grocery store and the doctor's office. Unfortunately, as we Northerners know, the price we pay often seems higher than in other parts of the province.

"I want to make sure that our government does everything it can to ensure that gas prices are as transparent as possible across the province, which is why last November I asked the independent Ontario Energy Board to study the gasoline market in the province. I wanted to better understand the price at the pump, and price variations between different parts of the province. The report is the product of broad consultations with industry, stakeholders and consumers.

"Most importantly, the report finds that consumers in other Canadian provinces with regulated gas prices pay more for gas than they likely would without regulation. The report confirms that regulating gas prices, as opposition has called for, would hurt consumers right across the province."

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One year later, few details on $655,000 St. Catharines Hydro phishing incident

Niagara This Week - St. Catharines - Sat Dec 23 2017
Tone: Negative **Page:** 1

ST. CATHARINES - It's been more than a year since St. Catharines Hydro Inc.'s board of directors gathered for an emergency meeting to tackle a breach in the organization's bank account and in that time, little has been publicly revealed about the $655,000 loss of funds.

At that Dec. 22, 2016, emergency meeting, board members were informed that $655,000 was removed from one of the board's bank accounts after an employee with access to the hydro company's banking information fell victim to an email phishing scam on Dec. 13, 2016.

Last week, St. Catharines Hydro board chair Robert Cary confirmed that the investigation into the phishing incident remains ongoing. KPMG were tapped to complete a forensic audit and were then engaged for a second stage investigation.

"That was completed some time ago and the company has taken additional steps to guard against recurrence, and has reported on a confidential basis to (St. Catharines city) council," he said in an emailed response. "There is an ongoing police investigation including into international aspects of the incident."

The funds have not been recovered. Cary would not comment further on the international aspect of the incident, instead noting the investigation is in the Niagara Regional Police Services' hands now.

"It's been a frustrating year in dealing with this aspect of St. Catharines Hydro," said Mayor Walter Sendzik, who sat on the board at the time of the phishing incident. As the result of a board restructuring earlier this year, he is no longer a director. "This was a significant amount of money that was fraudulently taken from the account."

Sendzik said he, along with representatives of the hydro board, approached TD Bank - meeting with different levels of management, including those at head office - highlighting their concerns related to the transactions in question.

"I'm disappointed with TD's response," he said, adding he felt they should haven taken more responsibility in the matter.

Sendzik personally wrote a letter requesting reconsideration in the matter but in the end, he said it didn't change anything.

"It seems like these big financial institutions don't want to deal with these issues," said Sendzik. "There is definitely a lack of responsibility taken on issues like this."

The last year has been a learning opportunity for St. Catharines Hydro Inc., he said, adding that former board member Pamela Nowina, who was chair of the board's governance and human resources committee, conducted an operations and governance review.

"They tightened a lot of their controls to prevent something like this from happening again," he said, adding it was also a learning opportunity for the City of St. Catharines who also reviewed their policies to ensure something like this didn't happen with any of its accounts.

St. Catharines Hydro is wholly owned by the City of St. Catharines and is a shareholder in Alectra Utilities, the electricity distribution company that serves customers in St. Catharines and Ontario's greater Golden Horseshoe area. St. Catharines Hydro is also a holding company for St. Catharines Hydro Generation Inc. which currently operates the Heywood Station at Port Dalhousie.

Board director and city councillor Matt Harris said he looks forward to hearing back from the NRP regarding the investigation. As a director, he has requested an update but was told he would have to file a Freedom of Information request.

"I'm interested in finding out what happened exactly. Hopefully we can find out what caused the incident," he said. "Then we can figure out a game plan moving forward, an action plan to help us recover this money."

Moving forward, there are changes coming for the hydro company. The company's only two employees, a general manager and an assistant, will both be moving on come January and there may be a reorganization of the board as well. Harris has requested Sendzik sit as the representative on Alectra's board, city chief administrative officer Shelley Chemnitz act as the sole director of the holding company and the committee of the whole act as directors of the generating company.

"We need a fresh start," he said.

The NRP did not comment by press time Friday.

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Wynne Keeps Fighting

Ottawa Sun - Wed Dec 27 2017
Tone: Positive
Byline: Larry Comeau

Ad Value: $231
Reach: 45442 **Page:** A18

She may be the least popular premier, but Kathleen Wynne is not going down without a fight. Her vote-buying knows no end. After having shelled out billions in unaffordable **hydro** rebates to win back voters, raising the minimum wage that some economists predict will mean 60,000 job loses, to cater to a specific voting group, Wynne now will spend billions more providing free prescription medications to anyone under 25.

Ontarians have repeatedly shown that they can be bought with their own tax dollars, so don't count Wynne out, especially with a recent poll showing her in the lead! LARRY COMEAU **OTTAWA** (People need to look beyond their wallets tomorrow - and years into the future)

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Only fix for Ont. deficit: Raise taxes or spend less

Norwich Gazette - Wed Dec 27 2017
Tone: Neutral
Byline: David Reevely

Ad Value: $282
Reach: 1080 **Page:** A4

Ontario is facing years of worsening deficits because none of the major parties has a **plan** to make the province's spending line up with its income, says the government's Financial Accountability Office.

"To the extent the government delays making those adjustments today, the adjustments will become more difficult in the future, and you're shifting it to future generations and to young people," said David **West**, the office's chief economist, releasing the agency's latest economic and fiscal outlook recently.

The Liberals under Premier Kathleen Wynne have put a lot of their political capital into a promise to balance the provincial budget this year, and they've done it, but it won't last, according to the watchdog's numbers.

The Liberals are selling assets, getting a big bubble of federal infrastructure money, selling carbon-market permits and booking the last year of revenues from a **debt-retirement charge** for the **electricity** system they're pledging to scrap. The province's strengthening economy will mean equalization payments that shrink after this year. The government is scrapping the **debt-retirement charge** on **electricity** bills.

The Liberals want to run the numbers in a way that makes them look good and they're not obviously wrong, but all the government's **independent** officers with anything to say about it - the auditor general, the financial accountability officer - say what they're doing is not OK.

Next year, using accounting **rules** on the politician-friendly "easy" setting, we'll run a deficit of $1.9 billion. In 2022, the deficit will be $3.7 billion, the FAO says.

If we run the numbers the hard way, the deficit by 2022 is $9.8 billion.

There's no magic solution to this. The government can raise taxes and fees or it can cut spending.

"Raising tax **rates** could impact economic growth, while program restraint would place **greater** stress on (limited budgets)," **West** said.

This is happening in pretty good times. The Liberals are projecting a strong economy during the next few years and **West** and the FAO don't disagree. They're all expecting Ontarians to be well employed and the economy to grow.

Finance Minister Charles Sousa liked that part, saying, "The FAO confirms that **Ontario**'s economy is growing and he expects this growth to continue."

But, the minister went on, "(W)e know that even though our economy is growing, not everyone is benefitting from this growth. That's why we're creating fairness and opportunity by raising the minimum wage, making university and college tuition free and making prescription drugs free for young people."

Nobody ever says three years from now we'll be in a recession that'll rip through the government's books like a wildfire. Those always arrive unexpectedly, as far as the forecasters are concerned, which makes the assumption that we'll overspend even in good times even more worrying. This is when you pay debt off, not take on more.

More broadly, **Ontario** can't go on indefinitely with a government that's at war with the legislature's designated experts over billions of dollars in assets and debts the government might have, or not.

The Progressive Conservatives are a little deeper in this muck than even the Liberals are. They brandish the auditor general and budget watchdog reports and accuse the Liberals of cooking the books, and yet they're using the Liberals'numbers as the foundation for their own fiscal **plan**.

The last time a new party took **power** in **Ontario**, when the Liberals defeated the Tories in 2003, we had a similar situation: the Liberals used the Tory numbers to build their own **plan**. Then, they got into office and proclaimed their horror at the $5.6-billion deficit lurking on the desk.

Under any but the very most optimistic projections, whoever wins June's election is in for a similar reality check. What they're going to do about it should be a central campaign question.

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THE GLOBE AND MAIL

Wynne proud of minimum-wage hike, drug benefit; In year-end interview, Ontario Premier extols 'big changes' that will come into effect on Jan.1

The Globe and Mail · Wed Dec 27 2017
Tone: Neutral
Byline: JUSTIN GIOVANNETTI

Ad Value: $18,906
Reach: 309154 **Page:** A9

If Ontarians aren't sure what Kathleen Wynne stands for after nearly five years as Premier, she says they should look forward to Jan. 1. She certainly is.

While the Premier faces a tough re-election battle in 2018, Ms. Wynne told The Globe and Mail in a year-end interview that she's ready to celebrate on New Year's Day when two significant changes brought forward by her government take effect in **Ontario**. On that day, minimum wage in the province will jump to $14 an hour and the four million Ontarians under the age of 25 will get access to free prescription drugs under a new pharmacare program known as OHIP plus.

The two initiatives, too radical for some of Ms. Wynne's opponents and too timid for some of her friends, are central to the Premier's philosophy of government. "I live my political life in the activist **centre**. I've said that all along. I think that there is a lot government can do, but government can't do everything," Ms. Wynne said from her corner office at Queen's Park.

While polling has consistently shown Ms. Wynne to be the country's least popular premier over the past year, there's a spring in her step after a year of the type of activist government she says makes her most comfortable. Despite being in **power** for nearly 14 years, **Ontario**'s Liberals had a busy 2017 in which they took aim at **hydro** bills, an overheated housing market, labour reforms, police oversight, ticket bots, marijuana and municipal planning. They also balanced the budget and cut small-business taxes.

Despite all the new government programs, many Ontarians will start to feel those changes most acutely in the new year after getting a pay raise and access to free drugs. "There will be big changes for people on Jan. 1," she said.

"I'm incredibly proud of the work that we've done and the changes that we've seen here and I'm quite prepared to defend those," Ms. Wynne said as she prepares for an election that is expected in June. **Ontario**'s Liberals have trailed the Progressive Conservatives in most polls for the past year and Ms. Wynne will lose two of her most capable lieutenants next year as Liz Sandals and Deb Matthews decided not to run again.

While Ms. Wynne faced questions earlier in the year about whether she would resign and let a more popular Liberal carry the party's banner, the Premier has made it clear that she doesn't intend to step aside. Unlike the 2014 election, which Ms. Wynne won less than a year after taking over as Premier, she said the 2018 campaign will be the first time she is running on her own record and not that of a predecessor.

That's a challenge she said she's more capable of confronting during her second campaign in the top job. "I feel more confident in our ability to put in place supports for people, to change the province in a way that will make it fairer and provide more opportunity for people," she said.

Looking to topple Ms. Wynne, PC Leader Patrick Brown released his party's electoral blueprint in late November.

Dubbed the "People's Guarantee," the platform pledged to keep most of the Premier's accomplishments in place. The biggest change would dump **Ontario**'s **cap-and-trade** system and replace it with a carbon tax, which Mr. Brown would use to fund income taxes cuts.

While Mr. Brown has promised to reduce government spending by 2 per cent over his first four years in office, Ms. Wynne has said that the conservative leader would "gut health care and education." The Tories have said that they expect to find the savings by reducing government waste.

Despite an often repeated charge from some New Democrats that Ms. Wynne has only stolen and watered down many of their best ideas, the Premier dismissed the threat of the NDP in 2018 and said that the party relies too heavily on government to solve all problems.

Following a year when Ontario posted some of the most robust economic growth in the G7, a number of challenges face the province in 2018, none larger than the continuing renegotiation of the North American freetrade agreement and fears the vital trade pact could be torn up by U.S. President Donald Trump.

A number of proposals put forward by American negotiators in recent months, judged unacceptable by Canada and Mexico, have left a cloud over the talks.

While Ms. Wynne vowed to continue meeting with U.S. governors and talk publicly about the merits of free trade, she admitted to growing worry about NAFTA's future. "I'm less optimistic than I was a few months ago, that's for sure. What's happening at the table, with these very untenable proposals by the United States, has made it feel less like we'll get there," she said.

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Your tax dollars at work: Ten government megaprojects at risk of a cost spiral in 2018

The Globe and Mail · Tue Dec 26 2017
Tone: **Negative**
Byline: BARRIE McKENNA

Ad Value: $24,312
Reach: 309154 **Page:** B1

There is a distressing and predictable pattern many government megato projects. The future is never rosier for these schemes than when politicians and bureaucrats first hatch them.

And then it's all downhill. Costs soar, delays mount, and the promised economic benefits fizzle. Then one day, taxpayers wake up with a nasty and unexpected bill.

By that time, the leaders who sold everyone on the wondrous benefits of the projects have typically moved on, retired or vanished from public view. But the projects keep on giving - and not necessarily in a good way. We present the 10 projects to watch closely in 2018.

They all face rising costs, posing untold risks to taxpayers.

1. MUSKRAT FALLS

For former Newfoundland premier Danny Williams, developing Muskrat Falls on Labrador's lower Churchill River was never just about hydroelectric generation. It was about sticking it to Hydro-Quebec, which still buys power from the original Churchill Falls project at 1960s prices. Unfortunately, the $12.7-billion Muskrat Falls project has become a curse that could triple the cost of electricity in Newfoundland and endanger the province's solvency. It is destined to produce high-cost power Newfoundland doesn't need and can't easily resell. The province is already in damage-control mode, launching a public inquiry to find out what went wrong and who is to blame.

2. GORDIE HOWE INTERNATIONAL BRIDGE

The new Windsor-Detroit bridge was supposed to ease traffic congestion at the busiest crossing on the Canada-U.S. border. A series of unfortunate events now risks turning the $4.8-billion bridge into a white elephant when construction begins in 2018.

The recession badly dented Canada's manufacturing exports and sent truck traffic plunging. The U.S. balked at paying any of the cost. Then along came U.S. President Donald Trump, whose push to renegotiate NAFTA could further hobble trade. Truck and car traffic is way down since 2008, a trend that could undermine **Ottawa**'s **plan** to make the bridge pay for itself through tolls.

3. STURGEON REFINERY

Alberta's first new refinery since the 1980s is poised to go into full commercial production in 2018, turning oil sands crude into diesel fuel. The $9.3-billion refinery will be coming online at least a year late and almost $1-billion over budget. Ostensibly, it's a private project, but the downside risks mainly belong to the province, which has committed to supply crude, pay refining tolls and guarantee construction debt. The deal was struck when diesel was in short supply and the price of crude was much higher. Alberta could be forced to produce diesel no one wants - at a loss.

4. DAVIE SHIPYARD

The federal and Quebec governments have sunk hundreds of millions of dollars over the decades into the Levis, Que., shipyard - all in the name of keeping shipbuilding alive in the province. Privately owned Davie recently finished converting an old container ship into a Royal **Canadian** Navy supply vessel. The company wants to do a second supply ship, which **Ottawa** insists it doesn't need. Without it, 800 jobs could be cut. The job-loss extortion racket has been going on at Davie since the 1980s, when **Ottawa** steered work its way on a fleet of frigates in a bid to appease Quebec, which owned the shipyard at the time.

5. PHOENIX PAY SYSTEM

It's bonus time for many **Canadian** workers. Not, however, for a number of federal employees who will get nothing at all this pay period - the latest snafu to hit the Phoenix payroll system. Two years on and the new system still can't seem to pay thousands of federal workers what they are owed. Some are getting too much; others not enough. Half of all government employees have experienced errors, creating what is now a half-billion-dollar accounting mess. The federal Auditor-General says the government's cost estimate of $540-million to fix it is way too low. The choice now for **Ottawa**: repair Phoenix or ditch it altogether.

6. HUDSON **BAY** RAILWAY

The railway was built in the 1920s as an alternative to shipping grain to foreign markets via the Great Lakes. But the line to Churchill, Man., and the deepwater Arctic port there have been chronic money-losers - first for the federal government, then **Canadian** National Railway and now Denver-based Omnitrax. Floods last spring knocked out a section of the track, and now **Ottawa** and Omnitrax are locked in a legal fight over who should pay for the repairs.

Fairfax Financial Holdings and other investors are looking at buying the assets. Chances are it will take fresh subsidies to get the train and port running again.

7. DARLINGTON NUCLEAR GENERATING STATION

There isn't anything inherently wrong with keeping **Ontario**'s fleet of nuclear reactors running for a few more decades, particularly as the province strives to curb greenhouse-**gas** emissions. But the massive cost - **Ontario Power Generation** is spending $12.8-billion to refurbish Darlington's four reactors near **Oshawa**, Ont. - underscores **Ontario**'s troubled **electricity** future. The province has committed to long-term deals that saddle future generations with a surplus of premium-priced **power** and hefty debts.

8. CANADA.CA

What could be so difficult about creating a single e-mail address for federal employees? Apparently, a lot. **Ottawa** decided in 2011 to unify 550,000 federal government e-mail addresses, across 63 separate systems and 43 departments and agencies, under a single domain, @Canada.ca. The $245-million effort is now roughly two years behind schedule, and most e-mail addresses have not been migrated to the new system. Several departments are now balking at moving their addresses.

9. SITE C DAM

Every big project reaches a point of no return, where the cost of scrapping it exceeds the cost of proceeding. B.C.'s new NDP government reversed a campaign promise and announced this month that it will go ahead with the $10.7-billion Site C dam on the Peace **River**. With $2-billion already spent, the government said cancellation would have been too costly - a $4-billion writedown, steep **hydro** **rate** hikes and a possible credit downgrade. Of course, going ahead with the project will also likely push up **rates**. Much depends on export demand and prices upon the project's completion in the mid-2020s.

10. KEEYASK DAM

Not to be outdone by Newfoundland, **Ontario** and British Columbia, Manitoba has its own entry in the **energy**-excess sweepstakes: the $8.7-billion Keeyask dam. Located 725 kilometres **north** of Winnipeg on the lower Nelson **River**, the project has already doubled in cost. And that means **ratepayers** will have to pay roughly 8 per cent more for **electricity** over the next five years to fund the dam and a new **transmission** line.

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Hydro rebates are old ideas

The Brockville Recorder & Times - Wed Dec 27 2017
Tone: Positive
Byline: Robert Webb

Ad Value: $155
Reach: 11133 **Page:** A6

The Wynne Liberal government again announced grants and incentives for upgrading insulation, windows, furnaces and thermostats. The latest wealth of funds are said to be from the windfall of carbon tax credits.

That renovation segment has been supported for 25 years with similar federal and provincial programs such as the very old CHIP program that insulated houses and removed urea formaldehyde foam. Furnace and window grants are old news.

Clearly in 2017 there are many new initiatives that have much **greater** value in our province, albeit stretching the idea of spending the cash derived from an **energy** concept. **Greater** needs include supporting the hospital crisis, infrastructure, mental health care, even the magical **plan** of a high-speed rail system.

But again Wynne accepts the old ideas and encourages her old supporters.

Robert Webb

London

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Hospitals, hydro, turbines, soccer goals highlight 2017 for MPP - Quinte News

www.quintenews.com - Tue Dec 26 2017
Tone: Neutral

We continue our look back at 2017, and we had a chance to talk with Hastings Prince Edward MPP Todd Smith.

He is now the PC energy critic and says his main focus was holding the province accountable for rates and what he calls the hydro mess.

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To meet commitments, we need energy strategy

Sudbury Star - Sat Dec 23 2017
Tone: Negative
Byline: Steve May

Ad Value: $851
Reach: 15423 **Page:** A10

What's becoming increasingly clear is that a lack of federal leadership on **climate** change is undermining Canada's Paris commitment to reduce greenhouse **gas** emissions 30 per cent from 2005 levels by 2030. The so-called 'Pan-**Canadian** Framework on Clean Growth and **Climate** Change', which still hasn't been greenlighted by Manitoba or Saskatchewan more than a year after it was unveiled by the feds, will establish a $50 per tonne price on carbon pollution by 2022 - a price far less than what experts tell us is needed to compel consumers to switch to lowcarbon goods and services.

Missing entirely from the framework is any mention of border tax adjustment, necessary to protect Canada's industries from competition based in jurisdictions that haven't priced carbon. If Canada was serious about getting in the clean tech investment game, we've got to start sending the right market signals to investors.

Instead, what we've seen in this past year is a federal government approving the Kinder Morgan Trans-Mountain bitumen pipeline, and the premier of Alberta giving speeches to the wellheeled business community about expanding production in the tar sands. Meanwhile, Canada continues to lose ground in the booming global clean tech market.

A new report from the Organization of Economic Co-operation and Development (OECD) outlines the magnitude of the mess we're in. The OECD report indicates that while emissions have fallen from 2005 levels in most provinces - and Canada as a whole, thanks largely to **Ontario**'s decision last decade to phase out coalfired **electrical** generation - emissions are continuing to rise in Alberta to the point that this one province is now responsible for 40 per cent of our nation's overall emissions. The growth of the Alberta tar sands threaten to undermine the entire greenhouse **gas** reductions achieved by the rest of Canada.

Alberta's "**Climate** Leadership **Plan**", which has been touted by oil patch leaders and more than a few misguided environmentalists, is a recipe for our failure to meet our Paris targets. While there are many good measures included in Alberta's **plan**, including a commitment to phase out coal by 2030, the **plan** nevertheless contemplates offsetting those gains by allowing oil and **gas** emissions to grow by over 40 per cent.

That's something the OECD says simply can't happen. According to the report, "Without a drastic decrease in the emissions intensity of the oilsands industry, the projected increase in oil production may seriously risk the achievement of Canada's mitigation targets."

But since Canada lacks a national energy strategy or a carbon budget, it's not at all clear which provinces are going to be on the hook to do more than their fair share to reduce emissions so that Alberta can continue to grow the tar sands. And without a serious price on carbon pollution externalities, we can't rely on the invisible hand of the market to help make necessary course corrections.

What's needed is real leadership at the federal level. That means border adjustment taxes to protect Canadian businesses from a hefty national price on carbon pollution, starting in the range of $80 to $120 per tonne and rising. It means putting a mechanism in place to return pollution revenue to citizens so that families are insulated from rising prices. And it means finally getting serious about developing a national energy strategy tied to our climate change commitments and caps total annual emissions through provincial carbon budgets, leaving high-carbon assets stranded safely in the ground as unburnable carbon.

Subsidies for fossil fuels must be ended, along with public investments in fossil fuel infrastructure. Those are the kinds of market signals that investors are looking for from our federal government. That's what climate change leadership has to look like, going forward. Steve May is a member of the Green Party in Sudbury.

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'Landmark'wind farm in works

The Sudbury Star

Sudbury Star - Wed Dec 27 2017
Tone: Neutral
Ad Value: $1,622
Reach: 14934 **Page:** A1 / Front

About Pattern Development Pattern Development has developed, financed and placed into operation more than 4,500 MW of wind and solar power projects. The renewable energy company has offices in San Francisco, San Diego, Houston, New York, Toronto, Mexico City, Santiago, Chile, and Tokyo, Japan. For info, visit www.patterndev.com.

An international energy company has secured $1 billion in financing to build the largest wind project in Ontario on a reserve south of Sudbury.

Pattern Development revealed plans Tuesday to construct a 300-megawatt wind project located on Henvey Inlet First Nation Reserve No. 2 on the northeast shore of the Georgian Bay.

Pattern Development and Nigig Power Corporation, a wholly owned subsidiary of Henvey Inlet First Nation, are joint venture partners in the project.

"This landmark project is a first on many fronts: largest wind project in Ontario, largest onreserve wind installation in Canada, highest hub heights in North America, and the first to develop a First Nation Environmental Stewardship Regime under the First Nations Lands Management Act," Mike Garland, CEO of Pattern Development, said in a release.

"We are proud to be partners with Henvey Inlet First Nation. Together we're excited to kick off construction on this historic project that will harness the strong and steady winds blowing across the Georgian Bay to create hundreds of local jobs and provide a significant new source of revenue for Henvey Inlet First Nation."

Henvey Inlet is an Anishinabek community comprised of three separate reserve properties. Henvey Inlet Reserve No. 2 is on the northeast shore of the Georgian Bay, 90 km south of Sudbury and 71 km north of Parry Sound. French River

Reserve No. 13 is 11 km **north** of the Reserve No. 2 and includes Cantin Island. There are about 900 enrolled members of the Robinson-**Huron** Treaty band, with about 200 of those residing on-reserve "This will be the first **wind** **power** project on First Nation land, representing an economic turning point in which we are creating a prosperous future," said Chief Wayne McQuabbie of Henvey Inlet First Nation. "This project's watershed permitting and **real estate** regime sets an example for responsible economic development that protects and preserves First Nation land while also generating revenue for future generations. The project also benefits Magnetawan and Shawanaga First Nations with income and employment opportunities."

Magnetawan and Shawanaga are located near Henvey Inlet.

Nigig **Power** **Corporation** is wholly owned by Henvey Inlet First Nation. Nigig was mandated in 2010 to develop the Henvey Inlet **Wind** project, intended to provide economic benefits for community and the surrounding area. The net proceeds will be managed by a community trust that will conduct extensive consultation to determine the use of funds through a membership referendum.

"We aren't just building a **wind** farm, we're building an economy," said Ken Noble, president and CEO of Nigig. "The net proceeds over the next two decades of operations will provide the financial resources to transform the local economy, expand all community services, relieve poverty, and create employment." Henvey Inlet **Wind** will use 87 Vestas 3.45 MW turbines with a 136-metre rotor diameter and 132-metre hub height. The project has a 20-year **power** purchase agreement with the **Independent** **Electricity** System Operator for 100 per cent of its production.

The project will create up to 500 jobs during construction. Once operational, the project will employ about 15 permanent fulltime workers and also create more than 100 ongoing indirect jobs.

Once operational in the first half of 2019, Henvey Inlet **Wind** will generate clean **power** for approximately 100,000 **Ontario** homes each year. It is expected to generate lease royalties of more than $8 million annually for the Henvey Inlet First Nation, in addition to significant income from project distributions.

Henvey Inlet **Wind** is being jointly developed and will continue to be jointly owned and operated by Pattern Development and Henvey Inlet First Nation.

Pattern Development owns a 50 per cent interest in the project, and Nigig **Power** **Corporation** owns the other half. sud.editorial@sunmedia.ca

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‘There’s going to be some ups and downs’: Premier Brian Gallant looks back on 2017 - New Brunswick | Globalnews.ca

globalnews.ca - Wed Dec 27 2017
Tone: Neutral

New Brunswick Premier Brian Gallant doesn’t deny that 2017 had its share of challenging moments, but the Liberal leader maintains that despite setbacks, his government was still able to remain focused on the priorities of residents.

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The right's resurgence and the NDP's pipeline push: The year in Alberta politics - Politics - CBC News

www.cbc.ca - Wed Dec 27 2017
Tone: Neutral

Jason Kenney's byelection victory in Calgary-Lougheed on Dec. 14 might have been easily foreseen, but the freshly minted MLA's path to the race was anything but.

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Notley says Alberta breakup with national NDP isn’t in the cards | Calgary Herald

calgaryherald.com · Tue Dec 26 2017
Tone: Neutral

The Alberta NDP is at odds with both federal and British Columbia New Democrats over pipelines, but Premier Rachel Notley says breaking up isn’t in the cards.

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