

## Competitiveness and a cleaner energy grid

By: Sandra Dueck, Policy Analyst, Greater Peterborough Chamber of Commerce

A few weeks ago I had the opportunity to travel to Queen's Park to talk about the impact of Cap and Trade on the business community.

Before heading off, the Peterborough Chamber of Commerce distributed a brief survey on the issue to its almost 900 members asking for their thoughts on the Cap and Trade program. The survey was sent on a Thursday afternoon and by Friday morning we have almost 45 responses and 60 by the time the survey closed the following week. We believe the number of responses in that timeframe highlights the importance of the issue to the Peterborough business community.

Of those who responded, 52.5% felt that cap and trade was not the best program to deliver results around reducing greenhouse gas (GHG) emissions, while 37.2% were unsure whether the program was the best measure.

When it comes to energy bill impact, about 24% of respondents saw their hydro bill increase \$25-\$75 in January 2017. Over the course of a year that would be an extra cost to business of between \$300-\$900.

At the same time, Peterborough has the potential to benefit from the Cap and Trade revenues with the clean tech emphasis at the new Trent Research and Innovation Park, as long as the funds generated are used as an incentive. While most of the respondents felt it was too early

Ontario's installed generation capacity totals 36,070 MW which includes\*:

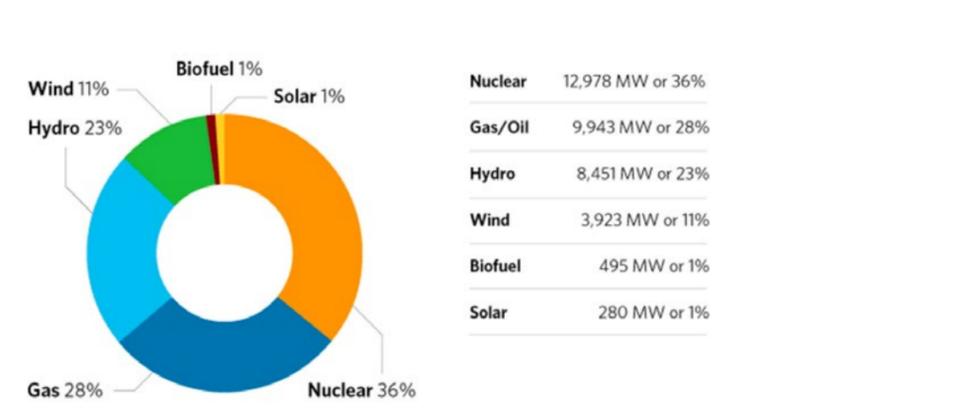


Image from: <http://www.ieso.ca/power-data/supply-overview/transmission-connected-generation>

to tell the impact of the Cap and Trade program, many felt the money gained through the program should be returned through government grants, tax cuts or be used for other transparent measures to achieve a cleaner environment. A challenge on this front would be if the Cap and Trade auction for credits failed to generate the predicted amount of money. In its analysis of the program, the government plans to bring in about \$2 billion a year through the Cap and Trade credit auctions. If those goals were not to be realized, what is Plan B? How is the money that is raised through the auction process with large emitters recycled back into the economy?

In the end, the message we took forward to meetings with the Ministry of the Environment and Climate Change and with the Office of the Premier at Queen's Park was around competitiveness. How do

we keep Ontario competitive in a worldwide business market?

The province took a very big step in 2004 by eliminating coal fired plants. As a result, the Ontario grid is cleaner than most including many of our neighbouring grids to the south. In Ohio, coal is used to generate 59% of the electricity in that state. In Michigan, natural gas is the main source of energy with coal second at 46.4%. In New York State, natural gas is the main energy source. While China has halted construction on new coal plants and is considering a push on renewable energy, the country's dependence on coal continues with nearly 80% of its electricity generated with the fossil fuel.

The challenge we see with the cost to business of the Cap and Trade program is that it is not creating an environment that celebrates our clean grid, but has the potential to

push businesses onto dirtier grids in other markets to stay competitive. The increased attractiveness of dirtier grids also doesn't help achieve global goals around climate change.

The provincial and federal governments are shouldering Canada and Ontario's piece of the burden however, the question of how that change is managed is very important. In the recent Peterborough Chamber of Commerce survey, 90% of respondents were either against the program or unsure if a cap and trade program was the best option.

If the province celebrates and incentivizes the use of Ontario's cleaner grid, which still has capacity to meet demand, it will create the opportunity for more businesses, especially those in the clean tech space, to consider this province as a competitive place to set up shop.

## CCC: What to expect when you're expecting (a federal budget)

Excerpt from the latest "5 minutes for Business" written by Hendrik Brakel, Senior Director, Economic, Financial & Tax Policy, who will be the guest speaker at our AGM later this month.

\*Note the federal budget will be presented on March 22, 2017

Can you feel the excitement in the air? A brand new federal budget is about to be delivered into the world. A precious bundle of joy, full of hopes, expectations and the future of the Canadian economy will come screaming into the House of Commons in a couple of weeks. So what should we expect?

Last year's budget was hit by a sharp decline in oil prices and an economy that was weaker than expected. This year's budget is upended by Hurricane Trump—normal expectations around trade and business investment are out the window.

We're excited about the innovation program, but it's that last promise that has us most worried. The government announced an internal review of all federal tax credits, with a view to eliminating poorly targeted and inefficient ones. A panel of external experts is in place, but there has been no consultation.

We certainly support simplifying the tax system, but some of these tax credits are very important to business and Canadians. For several months, we campaigned vigorously to oppose a plan to tax employer-sponsored health and dental plans. The plan would have cost workers thousands of dollars and was only abandoned by the government after tens of thousands of emails and negative media.

I'm worried this baby could be adorable and smiling on the surface but with some smelly surprises hidden away.

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**Local graphic design, video and publishing company adds another division**

Inspirtainment is owned by Mary Giuffre and Paul Clark. They've just launched a new division called Great Drone Videos.

Paul recently received his certification to fly UAVs (Unmanned

Aerial Vehicles) from Transport Canada, and both Paul and Mary bring extensive broadcast TV and advertising background to their new division.

Congratulations!  
More: [greatdronevideos.ca](http://greatdronevideos.ca) or [inspirtainment.com](http://inspirtainment.com)

Mary Giuffre Paul Clark R.C.D.

**New Pita Pit restaurant makes a difference for Five Counties Children's Centre**

The Pita Pit Lansdowne opened recently at the corner of Lansdowne

and the Parkway.

Owners Matt and Stephanie Brown (above right) are proud to be a part of the local business community and recently presented Dave Adams (above left) with a cheque for nearly \$3000 for Five Counties Children's Centre.

Congratulations and well done!  
More: [pitapit.ca](http://pitapit.ca) or call 705-743-7482

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Walton Wood Farm and 2 others Retweeted  
Meghan Moloney @MeghanMoloney - Mar 3  
Went to @amusecoffeeco for a treat, left with a treat for my hands!  
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