

Radio Transcript - AM900 Interview With Patrick Brown:

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*As requested by Clancy Zeifman

AM900 INTERVIEW WITH PATRICK BROWN

Date: March 3, 2017
Station: CHML (Hamilton)
Length: 5:04 minutes
Speaker(s): Patrick Brown, Ontario PC Leader

AM900: Bill Kelly Show 900CHML. We are joined now by Patrick Brown, the Ontario Progressive Conservative Party Leader, and of course opposition leader in the Ontario Legislature. Patrick, great to have you back on the program. Thanks for the time today.

PATRICK BROWN: Always a pleasure to be on your show.

AM900: First and foremost, I guess, what was your reaction to the Premier's announcement from yesterday?

PATRICK BROWN: It's a Band-Aid on a bullet hole. This is the Premier that's created this Hydro mess we're in. I respect the fact that she said, six times yesterday, that they made mistakes and she was apologetic, but what I'm frustrated about in this plan is: one, we're going to be paying \$1.4 billion a year, just in interest, to pay for her mistakes, and I'm glad that there's some relief coming, but what I don't like is that the mistakes that caused this are going to continue. Here we are today, and the government is still signing more bad contracts. Fit Five proceeded to the next stage today. LRP 1, which is a larger group of procurement, is just going full steam ahead. So we have this massive surplus. We charge people for their global adjustment; we're giving it away to our competitors. And, not only is Kathleen Wynne not willing to look at the 30 big (inaudible) bad contracts, but she's also continuing to sign more. It's the definition of insanity when you keep on making the same mistake.

AM900: There are a lot of people that, I think, share the frustrations that you're talking about right now and the concern. I don't think anybody is arguing with the fact that rates are going to be lower, that's a good thing, but how we're getting there, obviously, is going to be a problem. But the obvious question though, Patrick, is we've heard from Andrea Horwath the NDP plan, and it sounds like they just tore a few pages out of Howard Hampton's book for public power from a few years ago. We've heard the Premier's plan. What's the Progressive Conservative plan? What's your approach, what's your strategy to try to deal with this problem?

PATRICK BROWN: So in the near future, we're going to be releasing a detailed plan of some of the fixes that we believe are out there. In terms of – I'll make sure I'm on your show that day when we launch our Hydro plan.

AM900: Looking forward to it.

PATRICK BROWN: But I would say the problem with the Liberal and NDP plans is they're just shell

games; they're not looking at the structural problem. Generation is about 60 per cent of the bill, and we're not – over 60 per cent – and we're not dealing with the generation problem. And so, I feel that the other two plans are shell games. The NDP is forcing shareholders to sell shares that have already been sold, and it includes getting Justin Trudeau to take the HST off Hydro bills when he hasn't agreed to that. It's a wish list. It's not realistic, and it continues to support the disaster that is the Green Energy Act. The Liberal plan is just boring into the future. And so, what I really want to see happen, is for us to look at the structural cost of Hydro. I want to see if this global adjustment fee is a huge issue, and it is because it affects everyone's bill. Then, we have to look at the surplus generation, and not only look at these bad deals, but to make sure that there's no further deal being signed.

AM900: Here's the problem with what you're saying. Philosophically, it sounds wonderful, but the practicality of this, Patrick, and we've heard this before with campaign promises that were made. We were going to scrap the contract with the 407, that was what Dalton McGuinty promised at one time, and that's hasn't happened. We're going to go over and do this, we're going to change this over. Once you're dealing with contracts, you know as well as I do that could be problematic. You can't just rip them up as some politicians like to promise. There are usually penalties involved in this, and it could end up costing us a whole lot more. Have you looked into that? I mean, have you considered that as a possibility?

PATRICK BROWN: That's definitely a fair comment. The reason that we're being very detailed in assessing all the damage that is out there is, of the 30 mega contracts, we only have one copy of one contract. We're missing the 29 others, and the government won't disclose them. (Inaudible) so it's more difficult to unravel what they put together. Under the 30 big, mega renewal contracts, the one copy we have has an exit clause for a \$1.5 billion. If there are similar exit clauses in the other contracts, if we can get out of billions of dollars in surplus, that in itself would save a lot of money. The other thing I'd say is, aside from these bad contracts, the ones coming forward: legally, if the Notice To Proceed has not gone out on the construction – because there's going to be this massive new construction under LRP 1 over the next five years – if this Notice To Proceed hasn't gone out, then you can cancel it with minimal cost. But what I can't allow to continue is the fact that we've given away \$6 billion in surplus electricity to our competitors, and we charge Ontarians for it. I can't continue that – We can't allow that to continue, and that's why we have to really push back against them.