

Hansard: Brown to Thibeault -- Hydro-Rate Reduction Plan

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INSTANT HANSARD

>> Patrick Brown: Mr. Speaker, my question is for the Minister of finance. The government has currently been dodging questions about gas plant 2.0. There are almost \$80 million that will belong to ratepayers that are still missing. The Minister knows that electricity companies bilked ratepayers for over \$260 million of ineligible expenses and the Minister knows that there is still nearly \$80 million worth every ineligible expenses that have yet to be repaid to the ratepayers and taxpayers. So, Mr. Speaker, my question is clear and direct to the Minister of finance. Will he commit to this legislature to recoup that money on behalf of Ontario ratepayers?

>>Minister Thibeault: Speaker, you know we take market oversight of our electricity system very seriously, and any instance of wrongdoing will be investigated and dealt with accordingly, Mr. Speaker. We are confident in the Ontario energy board and our system operator to run an efficient, reliable and fair electricity market for ratepayers across the province. There are strong measures in place under Ontario's electricity market rules that allow the system operator to identify and take action on false claims under these market programs, our system operator has the authority to conduct audits of claims made by generators and other market participants, and if needed, Mr. Speaker, our system operator can impose fines and seek the recovery of amounts that were

incorrectly claimed. I know, Mr. Speaker, in the past Goreway was an example. A record cost 10 -- \$10 million fine was imposed and \$100 million in payments were recovered from the generator's total claims and 168 million. Of the \$200 million has been claimed so far. Patrick Brown: Mr. Speaker, back to the Minister. We know that one of those companies gaming the system was the government-run O.P.G.. We know that they are doing this at the same time that hydro rates are skyrocketing, seniors couldn't afford their hydro bills, were being disconnected and families were afraid, petrified to open their hydro bills. How did the government respond? They ignored warning after warning after warning, and then they rewarded -- this is unbelievable Mr. Speaker -- they rewarded the former C.E.O. Of O.P.G. With a bonus of half a million dollars. A half-a-million-dollar bonus while the system was being played like a fiddle. Taxpayers, ratepayers abused. So my question, Mr. Speaker, is who signed off on this half-a-million-dollar bonus while O.P.G. Bilked the system and ratepayers had their --

>>Minister Thibeault: Thank you, Mr. Speaker. O.P.G. Is Ontario's low-cost provider of electricity and they take the responsibility to Ontarians very seriously, Mr. Speaker. O.P.G. Works every day to ensure they act in an appropriate and fully compliant manner that respects the rules that govern Ontario's electricity system, Mr. Speaker. With regard to their participation in the real-time generator cost guarantee program, O.P.G. Believed they were acting in compliance with the program's policies as set out by the system operator. O.P.G. Has said in a statement they did not intentionally misuse the market rules and O.P.G. Was not sanctioned as a result of their participation in that program. The audit did determine that there were differences in understanding of what constituted eligible costs under the program. So in respect of some of what some of those eligible costs were O.P.G. Repaid certain claimed amounts. After discussions concluded. What were eligible costs, O.P.G. Promptly repaid all of the amount to the ieso in full in 2015.

>> Patrick Brown: Mr. Speaker, again to the Minister. The response that some of the ineligible expenses have been repaid isn't good enough. The front bench of the Liberal caucus has sat idly by while this has all happened. They let these companies claim expenses that were completely ridiculous. You look at -- hear stories of expensing scuba gear in Raccoon traps. Scuba gear in Raccoon traps. I'm asking about expenses like that in the legislature, and they have the audacity to say everything is fine. Everything is rosy. For the life of me -- and this is the reason I asked the question to the Minister of finance -- is I can't understand why four Minister s of energy and two **Premiers** have allowed this to happen. Mr. Speaker, four Liberals of energy, two Liberal **Premiers** have been asleep at the switch while this has Hammed. Will the Minister of finance tell us how this has been allowed?

>>Minister Thibeault: Thank you, Mr. Speaker. I think everyone in this House would agree that abuses within the system are completely unacceptable, Mr. Speaker, and that's why our system operator has investigated those market participants and where significant wrongdoing was present, Mr. Speaker, compensation has been recovered and returned to the rate payers. \$168 million of the \$200 million in ineligible costs have been recovered by the ieso, Mr. Speaker. The \$32 million that is remaining, those are still in discussions. An example, Mr. Speaker, is Goreway. Goreway was caught gaming the system, Mr. Speaker. They were fined a record \$10 million, Mr. Speaker, and they recovered \$100 million of those costs, Mr. Speaker, and they brought those back to the ratepayers. We all agree that the abuses of the system -- are unacceptable. That's why we continue to ensure that we've made the changes so things like this will never happen again, Mr. Speaker .

N.B.: Transcripts are captured by a closed captioning system and may contain errors.