

Question	Hansard Excerpt	Undertaking	The Request(s)	Proposed Response
October 4, 2017				
1) Rate Regulated Accounting	Mr. Delaney: Okay. I know from some of my travels during the summer that some of the state legislatures in the Great Lakes area are, in fact, grappling with issues very similar to this. It sounds very much like the type of assets and liabilities that other independent system operators would have. For perspective, could you talk about how IESO's accounting policy compares to its peers' in this regard, to the limit of what you can, given the early stage in the development of where we're going? Ms. Marshall: Are you asking in terms of how our policy compares to how others approach it? Mr. Delaney: That sums it up rather well. Ms. Marshall: In terms of the actual details—I'd have to get back to you on specific details. We were looking for trends, and we did do some work in terms of how others are defining their rate-regulated assets. I don't have that at my fingertips. Mr. Delaney: Do you have anything to say about how these accounting changes would impact electricity ratepayers? Ms. Marshall: It's very important to note that these changes have no impact on the ratepayer; there's actually no impact in terms of what a ratepayer gets charged. What was there before in terms of the collection of the smart meter or in terms of our settling of the market—nothing has changed. It's simply the presentation on our financial statements.		Mr. Delaney: How does the IESO's rate-regulated accounting policy compare to how other independent system operators are defining their rate-regulated assets?	
2) Quebec-Ontario	Mr. Smith: Could you provide the committee with a copy of that letter that you sent Minister Arcand on	Yes	Mr. Smith: Could the Minister of Energy	

Energy Agreement	June 13? Would that be something you could do for us? Hon. Glenn Thibeault: I'm sure we can try to see if we can get that. I have a copy of the letter that we sent here on the 27th of July, as you said, which is the wet blanket. I thought I was a little more polite than that in the letter, but it was that. 1640 When it comes to the deal with Quebec, you're right: We do have a deal with Quebec that was signed last year. I don't know if you want me to get into the details of that deal, but when it comes to looking at the best interests of the ratepayer, we'll have a conversation with our neighbours. But, again, it's got to meet the needs of our rate-payers. We've got to make sure that it's affordable and that it meets our system needs. This did not. Mr. Smith: Okay, so I'll take it as a yes, then, that you'll provide the committee with that June 13 letter to Minister Arcand. That's something that you can provide? Hon. Glenn Thibeault: I said that I'll try to find that, yes. Mr. Smith: Okay. I'm sure you can. And that's been made a note of by the committee?		provide the Committee with a copy of his June 13, 2017 correspondence to the Hon. Pierre Arcand, then Quebec Minister of Energy and Natural Resources, about a Quebec-Ontario energy deal?	
3) Consultant Expenses	Mr. Smith: The public accounts for this year show \$73,507 expensed to Ernst and Young and then a second \$145,243 expensed to Deloitte. Can you be a little bit more specific—other than advice—on what these two expenses correspond to regarding the services rendered by these companies? Mr. Imbrogno: I'd have to get back to you on E and Y. Just off the top of my head, they weren't involved in the discussions with Quebec. Deloitte would have been brought in later just to provide this general		Mr. Smith: What services did consultants at Ernst and Young provide for the Ministry, in reference to the \$73,507 item in the Public Accounts?	

	advice, but not to do any of the analysis. So it would be to provide advice and strategy, but not to do any specific analysis.			
4) Quebec-Ontario Energy Agreement	Mr. Smith: If you're going to come out and make that kind of a statement, that you're saving the province \$10 million, then we should be able to say, "Okay, well, this is the deal" and be able to measure it against—you can't have it both ways. You can't say, "We're saving you \$10 million but we're not going to tell you how much we're paying per megawatt hour." So how much are we paying per megawatt hour on that deal? Mr. Imbrogno: Well, I think we'd have to get Hydro-Québec to allow us to provide those details. It would be inappropriate for me to provide them right now. We can go back and ask Hydro-Québec if they're at that point. Maybe with the passage of time it would be a different story. Mr. Smith: So what's the price? Can you tell us? Mr. Imbrogno: I don't want to repeat myself, but we'd have to get permission from Hydro-Québec. Mr. Smith: Can we try and get that? I think it's very important that we know that. The minister, with all due respect, was very transparent and open about publishing his mandate letter, but I believe we, as legislators and Ontario electricity customers, have the right to know the details of these backroom deals. This was another sole-sourced, backroom deal with Quebec. This was not something that went through a competitive procurement. There's only one Hydro-Québec. I think it's only fair that we know what the price is per megawatt hour, and if we can have that information, I think it would go a long way to providing you with a much more sturdy	Yes	Mr. Smith: What is the cost per megawatt hour of the two terawatts of electricity that Ontario contracted to import from Quebec in the fall of 2016?	

	platform to say, “We’re actually saving \$10 million,” because otherwise we just have to take your word for it. No offence, but we don’t. Would it possible to try and work on that? Is that something you could potentially talk to your folks in Quebec about and provide the committee with that in-formation? Mr. Imbrogno: Yes. I think because the contract is between the IESO and Hydro-Québec, we can ask the IESO to talk to Hydro-Québec to see if they’re willing release the details of the— Mr. Smith: Sure. I think you understand why. We have hydroelectric producers here in Ontario that are providing clean renewable energy at four cents a kilowatt hour, who claim they can provide a lot more than they are currently providing. They’re wondering why we’re going outside to Quebec when we can be doing so much more here in Ontario with the infrastructure that we already have. Hon. Glenn Thibeault: I appreciate your questioning. I don’t think we want to keep answering the same question over and over again, but I look at it from the deputy’s point of view as well. We’ll ask.			
5) Intertie Upgrades	Mr. Tabuns: Are you not concerned about intertie capacity to bring that power from Quebec to Ontario in 2024? Mr. Imbrogno: With the intertie report update, we can get that additional 1,000 megawatts by investing that \$20 million. That \$20 million would also help when could also bid into the capacity market through that. It could be an investment that Ontario would make, to the benefit of the Ontario system. If you make	Yes	Mr. Tabuns: What would be the cost of upgrading Ontario’s intertie (or interconnection) capacity in order to import up to 1,000 megawatts of capacity from Quebec?	

	that investment, then it would take time. You've got to go through regulatory approvals; you actually have to do the upgrading. So if you move forward on that, that won't be ready until the 2021-22 time frame as well. But it would line up to allow Quebec to be a more active player in the Ontario market. Mr. Tabuns: So you don't see a significant investment obstacle to bringing in 1,000 megawatts of capacity from Quebec with that intertie upgrade? Mr. Imbrogno: It's not an intertie upgrade; it's an investment in the Ottawa area to reduce congestion. But yes, that would be the estimate now. It would go through the regulatory process, but our best estimate from Hydro One now is it's in that \$20-million range. It's in an update of the IESO report. That's publicly available. We could share that with you or you could go on the website and it's there. Mr. Tabuns: In fact, I thank you for the offer of sharing that with me. I just hope that research gets that down, and I look forward to getting it from you. Thank you. Mr. Imbrogno: Okay.			
October 17, 2017				
6) Ontario Power Exports	Mr. Walker: Can you tell me, in the last 14 years, how much the government has paid Quebec and the US to take our surplus power? Hon. Glenn Thibeault: Deputy, would you have— Mr. Walker: If not, for the sake of time, I would just ask that you provide that information. I'll ask the Clerk to record that and ensure that we have that information. Hon. Glenn Thibeault: I'm more than happy to talk about how that system works over the last little— Mr. Walker: No, I don't need you to do that,	Yes	Mr. Walker: Over the past 14 years, how much has the government paid to US states and Quebec in the course of exporting Ontario's excess power?	

	Minister. I want the answer to that question. I want to understand how much—because when you tell me that you’ve found a 25% reduction, I want to understand why you went to 25%. I want to understand that you knew exactly what the issue was and how much that has cost. I want to ask you if you can tell us how much the hydro electricity rates have increased over the last 14 years— Hon. Glenn Thibeault: I’m happy to give you an answer. There are a lot of questions in that.			
7) Darlington Nuclear Refurbishment	Mr. Tabuns: I’m going to come back to the Auditor General’s report—but I asked this morning about the release of reports requested through freedom of information and the Information and Privacy Commissioner. Deputy Minister, you were going to look at that. I know you’ve been busy, but I understand you have ADMs. I’ve heard; there are rumours that there are people working under you. Were any of them— Mr. Imbrogno: And ADMs were with me as well, but I have asked— Mr. Tabuns: They’re a hard-working lot, sir. Mr. Imbrogno: I have asked. I just want to confirm. I believe we have released the Mike White—but I want to get back to you, for sure. But we will respond tomorrow. Mr. Tabuns: You’ll respond tomorrow. Mr. Imbrogno: Yes. Mr. Tabuns: Let the record show. Okay. It’s been an interesting day so far, and it’s not over yet.	Yes	Mr. Tabuns: Can the Ministry elaborate on the status of the Freedom of Information request to access the recent reports of the independent auditor overseeing the Darlington nuclear refurbishment?	
8) Consulting Fees	Mr. Tabuns: The Auditor General noted that you have spent something like \$2 million on external consultants. “The government’s ongoing spending		Mr. Tabuns: The Auditor General reported that the	

	on private sector external advisers had exceeded \$2 million when we completed this special report.” Have you gone over the \$2 million? Mr. Imbrogno: I’d have to check what we provided to the auditor. We would have sent the auditor all the Blakes contracts to date and the cost of our financial advisers—any financial advisers through the IESO, OPG, Treasury Board and so on. There was a list of those, and we would have provided that information to the auditor. Mr. Tabuns: And precisely what was the work that they were doing for that two million bucks? Mr. Imbrogno: Well, Blakes was our law firm, so they would have been integrally involved in providing advice on the legislation. They had expertise in securitizations that were done in the US, so they would have provided that advice to us. OPG would have had their own advisers looking at different structures, advising on—		Ministry spent approximately \$2 million on private-sector external advisers for the Fair Hydro Plan. Since the release of the Auditor’s report, has the Ministry accrued additional consulting expenses?	
9) Consulting Fees	<i>*Continued from above (Question 8)*</i> Mr. Tabuns: Can I just halt you for— Mr. Imbrogno: Sure. Mr. Tabuns: Did OPG have a separate legal bill from you, or was that \$2 million consolidating all the entities— Mr. Imbrogno: I’d have to check, Mr. Tabuns. Mr. Tabuns: Could you check and let us know? Thank you. Please resume. Mr. Imbrogno: Then the IESO would have had their experts as well, providing whatever advice. That would have been the work that we did. It cut across all the ministries, Treasury Board and finance, with OPG, IESO all working together on providing advice on the legislation as it was crafted.	Yes	Mr. Tabuns: Does OPG have a separate bill for external consultants for the Fair Hydro Plan or is it included in the \$2 million figure stated in the Auditor General’s Report?	

October 18, 2017

10) Climate Change Adaptation	Mr. Tabuns: Minister, you can ask the deputy minister to do this – If you could give me even two links to climate change adaptation plans by IESO or Hydro One or OPG just so I can see what you consider to be a proper adaptation plan that would be extremely useful. Mr. Tabuns: I’m not asking for every plan that you’ve ever had. I’d just like links to two plans that I could review. Can you make a commitment to do that? Mr. Imbrogno: That sounds like a reasonable request. Mr. Tabuns: I agree. Mr. Imbrogno: I just want to make sure—it might not be labelled, “Here’s our climate change adaptation plan,” so I’ll try to find you an appropriate link that I think is appropriate and answers your question. Mr. Tabuns: If I could have two, that would be great, so I could have variety. Mr. Imbrogno: I will try my best and get Carolyn to help me as well.	Yes	Mr. Tabuns: Could the Minister provide links to two exemplary climate change adaptation plans of either the IESO, Hydro One, OPG, or an LDC?	
11) Industrial Conservation Initiative	Mr. Smith: This was a very strange summer. Typically, I think you would probably agree that in the past, all of the peaks have occurred during the summer months, have they not? How many of them actually occurred during summer this year? Mr. Hume: Off the top of my head, I don’t have that answer; I can get it for you. But it was an unusual summer. It was, as we know, quite cool. We’ve seen more of the August-like temperatures in September and October. But off the top of my head, I don’t have		Mr. Smith: In terms of the Industrial Conservation Initiative, how many of the peaks occurred during the summer of this year?	

	that information.			
October 24, 2017				
12) Hydro One Mergers & Acquisitions Budget	Mr. Tabuns: What's the mergers and acquisition budget for Hydro One? Mr. Imbrogno: I don't know off the top of my head. Mr. Tabuns: Could you provide that to this committee? Mr. Imbrogno: I'm not sure if they do have a mergers and acquisition budget. We can look at what they've submitted to the OEB. Mr. Tabuns: If you could do that and report back to this committee, I would appreciate it. Mr. Imbrogno: If there is such a thing. I don't know, but we can look at their application to the OEB. Mr. Tabuns: Legislative research has that; that's good.	Yes	Mr. Tabuns: What is the mergers and acquisitions budget of Hydro One?	