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Transcript for Metro Morning is below. This was one of the tougher interviews today, and the Minister's points didn't land as well as in others. Overall, it went relatively well.

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Program:	Metro Morning	**DATE:**	2017-May-12 6:00AM	**Time:**	6:00AM - 7:00AM
Station:	CBC Radio 1 (Toronto) - CBLA FM	**Network:**	Canadian Broadcasting Corporation	**City:**	Toronto

HEADLINE: Interview with Energy Minister Glenn Thibeault

MATT GALLOWAY (Host) Over the next four year hydro bills in this Province will rise sharply by a total of

sixty one percent by 2028. That according to a leaked cabinet document obtained by the progressive Conservatives. The CBCs Jan Lakes spoke with Ontario PC Energy Critic Todd Smith about this document.:

TODD SMITH: It came from a bureaucrat, and it was a whistle blower who is very unhappy about the state of affairs when it comes to the electricity sector and the Ministry of Energy over the last several years, and so we thank him very much for providing us the document. The leaked cabinet document confirms that the fair energy scheme that the Liberals have trotted out is anything but fair for the people of Ontario. What happens after the next election is that electricity prices are going to skyrocket to the highest rates that we have ever seen. The document shows that by 2024 we are at record electricity bills once again in the Province of Ontario. So, this is only a temporary fix. Unfortunately, what the Government hasnt done is actually fix the reason as to why our electricity prices are as high as they are. They are continuing to make the same mistakes, and they are not actually dealing with the underlying problem as to why we have the highest electricity bills in North America.

GALLOWAY: Thats Todd Smith. He is the Ontario PC Energy Critic speaking about a leaked cabinet document that shows hydro bills will spike in the next decade. The Liberals, as I say, are questioning at the very least the information in that document. Glenn Thibeault is Ontarios Energy Minister.

GLENN THIBEAULT: Good Morning.

GALLOWAY: How much higher are our energy rates going to be in five years?

THIBEAULT: Right now they are going down by twenty five percent with the legislation that we brought forward. In five years, you know part of what we do is project where we see bills going, and thats what weve done with the long term energy plans in the past. The twenty ten, the twenty thirteen and now the twenty seventeen long term energy plan, which is being worked on, is whats going to guide us in where we are seeing our projections. But, you know what came out yesterday were documents that we have been working on for months. And you know we have been talking about this plan for months, and the calculations evolved. And so many that the numbers that were shared by the PCs yesterday they are completely inaccurate because we are continuing to evolve to find ways to take costs out of the system.

GALLOWAY: As you can imagine there are a lot of people who are alarmed by what has come out yesterday, given how difficult hydro rates have been for people in this Province and how people put the blame right at your doorstep. Are prices going to rise ten percent between twenty twenty seven and twenty twenty eight?

THIBEAULT: Theres absolutely no projection that ever talked about seeing the rates go up by ten percent. But lets you know kind of put this into perspective. So, in twenty ten the long term energy plan said that our monthly bill today should have been one hundred and seventy eight dollars. Our twenty thirteen long term energy plan projected that our bills should be at around one hundred and seventy dollars. And today, before the Fair Hydro Plan takes effect bills are around one hundred and fifty six dollars across the Province on average. So, when you take the twenty five percent reduction that we are bringing forward, that is going to be one hundred and seventeen dollars. So, we have seriously reduced those bills, and I can understand peoples concerns right, I get that, but you know we have been saying all along that we had to spend fifty billion dollars to rebuild our system, and you know you cant rebuild a system quickly. So, you go back to 2003 when we had those blackouts, we made a choice then to rebuild our system, make sure that it was reliable and clean, and as many of your listeners would know, by eliminating coal that came at a cost (overlap)&

GALLOWAY: With respect though thats not what people are talking about it when it comes to these documents. What they are talking about is the fact that people believe based on these documents that hydro rates are going to, in the words of the Progressive Conservatives, skyrocket in the years following the election. That yes you have reduced rates and people are thankful that you have reduced rates, but its short term pain for a lot of long term gain. Is that fair?

THIBEAULT: No, I dont think thats fair. We have been talking about holding rates down to the cost of inflation for the next four years. We are also talking about pulling costs out of the system by working with our System Operator to look at changing the way our energy is procured, our market reform, our capacity option, thats pulling costs out of the system. One of the ways that we were able to pull costs out of the system when the twenty thirteen long term energy plan said we were about to be at one hundred and seventy, and we are now at one hundred and fifty six on average, we did that by renegotiating the Samsung contract, by saving three point five billion dollars, you know the suspending of the LRP2 contract, which pulled out billions of dollars. We are going to continue to do that, and thats why you know the documents that were talked about yesterday they are only projections right. We go through this over and over again and ask you know our officials to do better, we talk with our stakeholders. We make sure that we find ways to pull those costs out of the system to keep it as affordable as possible. And with the twenty five percent reduction we are now starting at a much lower place, especially on average for looking at about one hundred and seventeen dollars.

GALLOWAY: The timing of this though is whats key. This is people believe a way of cutting rates to save your political skin. That after that election the elections overs and you are not worried. Right now you are facing a lot of political heat if the polls are to be believed. Your Party is in big trouble for a number of reasons, but in large part because of what people are paying for electricity. So, youre denying that this has anything to do with politics?

THIBEAULT: What weve brought forward is a plan that, as I said, is reducing everyones rates by twenty five percent. In you know the northern part of the Province where Im from we are reducing rates, I think some of those stories that we heard about folks that were spending eight to nine hundred dollars. So, in my opinion in politics its never you know an issue to do the right thing. And, bringing forward this bill was the right thing to do, and you know what I am actually very proud of this bill in the sense that how its actually going to structurally change the way we deliver electricity, procure power and make sure that we help families not have to make that choice between eating and heating as has been used.

GALLOWAY: When those families have been having to make that choice, and when a document comes out saying top secret cabinet document, and it suggests that rates are going to skyrocket, in many ways its a trust issue. And people wonder why they should trust your Government when it comes to setting energy rates that are affordable. Why should we trust you?

THIBEAULT: Well, you know I understand why people are very concerned on that. And when it comes to trust I also try to make sure that people look to other stakeholders that are trusting what we are doing. And the Ontario Energy Board, which is our quasar judicial regulator, that is we have no say right, they are the regulator. In anticipation of the fair hydro plan in which we reduced bills by twenty five percent, they brought forward a nine percent reduction in anticipation of our legislation. So, they trust what we are doing when it comes to making sure that we are reducing bills, and they also trust that our long term energy plan, the ones that we have brought forward in the past are projections that are finding ways that we can continue to take costs out of the system, but work with stakeholders to continue to make our energy and our capacity in our generation as affordable as possible.

GALLOWAY: And so for those who say that itll be us in the future but also our children, perhaps grandchildren, thatll be paying for the drop in hydro rates in the year before an election, what do you say to them?

THIBEAULT: Well, its important to look at what weve done right. So, when weve refinanced the global adjustment we are refinancing many of the generating capacity, the pieces of equipment right, our solar panels, our windmills, those types of things. When we first financed those we financed those over twenty years. That meant that we were paying it off quicker, but that we were actually paying a lot more (overlap)&

GALLOWAY: But that doesnt (overlap)&

THIBEAULT: These pieces of equipment will actually last a lot longer than twenty years (overlap)&

GALLOWAY: I dont mean to interrupt but one of the things when you talk about those terms, they dont mean things to anybody. What they mean to a lot of people is they dont understand why it is that their rates are so high. Why we pay some of the highest rates for electricity in North America?

THIBEAULT: Well, so theres two things to that. We dont pay some of the highest rates. We are right smack dab in the middle, and with this twenty five percent reduction we are going to actually get those costs reduced. But what I was getting to Matt was we are making sure that there is fairness. Everyone that actually is going to be using these assets paid for these assets. We have always said yes its going to cost us more and yes its going to be taking longer to pay off, but it is a fair thing to do for now and for the future.

GALLOWAY: Alright, we will leave it there. I do appreciate you walking us through this. It is important as you well know. Glenn Thibeault thank you.

THIBEAULT: Thanks Matt, it was a pleasure talking to you and your listeners.

GALLOWAY: Cheers goodbye.

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