

Hansard: Smith to Thibeault -- AG Report on Hydro

From: "Basha, Cindy (CAB)" <cindy.basha@ontario.ca>
To: "Codd-Downey, Beckie (GHLO)" <beckie.codd-downey@ontario.ca>, "Ernesaks, Andrea (OPO)" <andrea.ernesaks3@ontario.ca>, "Forgione, Andrew (OPO)" <andrew.forgione@ontario.ca>, "Glista, Alex (OPO)" <alex.glista@ontario.ca>, "Killorn, Bill (OPO)" <bill.killorn@ontario.ca>, "Lazarus, Jordan (OPO)" <jordan.lazarus@ontario.ca>, "McPhail, Blane (OPO)" <blane.mcphail@ontario.ca>, "Sumi, Craig (CAB)" <craig.sumi@ontario.ca>
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INSTANT HANSARD

>>MPP Smith: Thank you, Speaker. Good morning. My question today is for the Premier. Last week, we learned that nine companies built Ontario electricity -- bilked Ontario electricity customers out of \$265 million. Now we know one of those companies is run by your government, Ontario power generation. O.p.g.'s turn at the trough cost electricity payers tens of millions of dollars in inappropriate expenses. That's after your government, Premier, was warned five times about the program that O.P.G. Was abusing. So, Speaker, my question to the Premier is this. Did her government ignore warnings from the energy board because they enjoyed Collecting the money that O.P.G. Was wrongfully taking from electricity customers?

>>Minister Thibeault: Thank you, Mr. Speaker. We're confident in the Ontario energy board and our system operator to run an efficient, reliable and fair electricity market for ratepayers across the province and both the real-time generation costs guaranteed program and congestion management settlement credit play an extremely important role in our electricity system, Mr. Speaker. These programs are required to keep the electricity system reliable for families and businesses across the province and stable for our Neighbours in other jurisdictions. If these programs were eliminated, reliability would be put at risk. When it comes to O.P.G., Mr. Speaker, they released a statement and what they said was, in respect of some of what they thought were eligible costs, O.P.G. Repaid certain costs, claimed amounts after discussions concluded on what constituted eligible costs. O.P.G. Promptly repaid the amount to the ieso in full in 2015.

>>MPP Smith: Speaker, back to the Premier. The Minister of energy may be confident in O.P.G., but the people of Ontario and no confidence, none in this government to keep a watchful eye on what's happening, especially in the energy sector. The energy board issued five warnings to four different Minister s of energy and two different Premiers about the program that O.P.G. Was abusing. The government ignored all of them, Mr. Speaker. Now we find out that the government benefitted to the tune of tens of millions of dollars, this at a time when electricity prices were skyrocketing. 600,000 Ontarians were hyped on their bills. 60,000 were being cut off. Speaker, four Minister s were warned and three of them are still in Premier Wynne's Cabinet. How much would electricity ratepayers have to be out before the Premier finally helps someone accountable?

>>Minister Thibeault: Thank you, Mr. Speaker. Abuses within the system are completely unacceptable and that's why the system operator has investigated those market participants and where significant wrongdoing was present, compensation has been

recovered and returned to ratepayers. 168 million of the 200 million in ineligible costs have been recovered by the ieso, Mr. Speaker. The total annual costs for the real-time costs guaranteed program are now 23 million down significantly from 61 in 2014, Mr. Speaker. And also according to the December 2016 market surveillance panel report, many of the most problematic issues associated with the congestion management settlement credit regime have been brought to an end in large measure as a result of the panel having identified these situations and the I.C.E.O having acted to eliminate them -- ieso. Our system operator doesn't act when the panel makes a recommendation but the panel itself disagrees, Mr. Speaker.

>>MPP Smith: Speaker, the energy Minister said a lot right there but what he didn't say was that he was going to go back and try and get the \$92 million that's still outstanding. Electricity customers in Ontario settle overpaid by that much, and energy Minister after energy Minister after energy Minister, four of them, and two Premiers sat by idly and did nothing despite the warnings. As late as September 2016 ISIL was still being told at public meetings that this program was a problem. When we tried to have the justice committee review the ieso this October, what did the government do? They said no and stood firmly against accountability. The Liberals didn't want electricity custom Tories know that they were benefitting from this abuse of the program. Speaker, the Premier has shown that she thinks she's above accountability. Does she actually think she's above the law, too?

>>Minister Thibeault: Mr. Speaker, as stated before, abuses within the system are completely unacceptable and that's why we have our system operator act on these programs, Mr. Speaker. And that's why the system operator investigated those market participants, where there was significant market wrongdoing present, compensation has been recovered and it has been returned to ratepayers, Mr. Speaker, and one of the most egregious they were fined a record \$10 million, Mr. Speaker, to make sure we can recoup those costs for -- excuse me for all ratepayers. But again, Mr. Speaker, more program updates are on the way in the form of market renewal, Mr. Speaker. That again is rebuilding the foundation and which will also increase the flexibility and efficiency within Ontario's electricity market, Mr. Speaker. The market renewal initiative is expected to result in more competitive marketplace. That meets our system needs while increasing flexibility and efficiencies and will always be reliable on the O.E.B. And system operator to keep the system in check.

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