

Summary of Question Period for Thurs. Apr. 19/18

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Please see the attached select and full summaries of today's Question Period.

MPP Fedeli to the Premier re: Hydro One ex. salary

>> Vic Fedeli: Thank you and good morning, Speaker. My question is for the **Premier**. A backroom deal struck by the board of Hydro One raised the c.e.o.'s severance to \$10 million if there was a change in control of the company. As the largest shareholder, Speaker, I ask the **Premier**, when did the **Premier** and the Minister of energy know of this deal?

>> Minister Thibeault: Thank you, Mr. Speaker. Once again we recognize that executive salaries are high compared to the vast majority of Ontario salaries, Mr. Ker. We remain committed to Hydro One's regulation and their accountability, Mr. Speaker, to our government's involvement as the majority stakeholder and shareholder, Mr. Speaker. That said, Hydro One is now a publicly traded company, not a government entity. Hydro One's rates continue to be set by the Ontario energy board. And the board is the energy sector's independent regulator with a mandate to protect the province's electricity consumers, and it continues to deliver on its Mandate, Speaker. For instance, last fall the Ontario energy board capped the portion of executive compensation at Hydro One for electricity customers. They are required to fund 10% of base salaries, saving ratepayers \$30 million over this year and the next. Completely eliminating the C.E.O. Salary, Mr. Speaker, wouldn't even take pennies off of anyone's bills, Mr. Speaker.

>> Vic Fedeli: Back to the **Premier**. A backroom deal struck by the B of Hydro One asked up the c.e.o.'s severance to \$10 million if there was a change in control of the company. Speaker, as the largest shareholder, did the **Premier** or the Minister of energy sign off on this back room deal?

>> Minister Thibeault: Thank you, Mr. Speaker. Again decisions made regarding executive compensation are made by the board of Hydro One. You know, Mr. Speaker, when it comes to the article that is being quoted, Mr. Speaker, let's see what else the "Globe and mail" article said, Mr. Speaker. The article said the government cut hydro bills by 25%, Mr. Speaker. That's something that they voted against and have no plan on how to actually reduce rates, Mr. Speaker. Similar reductions were made for small businesses and farms. 500,000 of those businesses to be a matter of fact, Mr. Speaker. In rural areas, a number of -- were canceled and bills lowered. 30 to 50% on average. Thanks to our plantar families and small businesses are now paying less on average here than in many similar jurisdictions. And that's real relief for Ontario families and it's the relief that

they can depend on. And it's part of our plan to invest in care and create more opportunity for everyone, Mr. Speaker .

>> Vic Fedeli: Thank you and back to the **Premier**. The millionaires' club that's rning Hydro One signed off on a secret \$10 million payout should the Hydro One C.E.O. Be fired. When did the **Premier** know?

>> Minister Thibeault: Thank you, Mr. Speaker. Once again I'll reiterate for the opposition that decisions made regarding executive compensation are made by the board at Hydro One. But the one thing it is important to state, Mr. Speaker, that complete eliminating the c.e.o.'s salary at Hydro One would not even take pennies off of people's bills, Mr. Speaker, and it's up to the leader of the opposition, Mr. Speaker, Mr. Ford, to try and explain exactly how his chaotic scheme would work to benefit ratepayers. The opposition know very well Hydro One's rates are set by the Ontario energy board, the independent Ontario energy board, not Hydro One C.E.O. But compare Mr. Ford's chaotic scheme to our air hydro plan, Mr. Speaker, which has lowered bills by 25% on average for families. As many as half a million small businesses and farms have also seen that reduction, Mr. Speaker. Low-income families, they've also seen a 40 to 50% reduction if they live in rural areas, Mr. Speaker. We continue to move forward making our bills affordable for the people of this province.

MPP Macleod, Oosterhoff and Martow (PC) to Minister Thibeault (Energy) - as above

>> MPP MacLeod: Good morning, Speaker. My question is again to the **Premier**. On April the 12th, the Minister of energy said, and I quote -- ultimately the board is there to make the best decisions for Hydro One. Why did the board not take that commitment to heart when they signed off on a \$10 million payout? Did the **Premier** sign off on her Liberal insiders and hydro cronies' \$10 million deal? Yes or no?

>> Minister Thibeault: Thank you, Mr. Speaker. What this government and this **Premier** signed off on is a 25% reduction for all families right across the province, Mr. Speaker. It's that party that voted against it. It's that party, Mr. Speaker, that has no plan on actually how to bring forward any further savings for the people of Ontario. Weo, Mr. Speaker, and we continue to work hard to make sure that we have a clean system, a reliable system system and affordable system, Mr. Speaker. But let's take a look at what they're talking about, Mr. Speaker. They're going to fire the C.E.O. Of Hydro One. That will not do a thing, Mr. Speaker, will not do a thing for actually taking off anything, even pennies off of the bills for rate payers. We have the best interest at heart of rat pay NERs this province. That's why we brought forward a system and a plan that hased rates by 25%. We actually made sure that we eliminated coal and we've got the cleanest system, one of the cleanest systems in North America, Mr. Speaker. That is something we should be proud of.

>> MPP Oosterhoff: For the **Premier**. Mr. Speaker, it's reported that the severance -- the \$10 million severance was signed off on in November. When did the **Premier** know about the deal?

>> Minister Thibeault: Again, Mr. Speaker, it's our government that the understands that affordability is critical for families and businesses, and that's why, Mr. Speaker, we launched an Ontario fair hydro plan, reducing rates by 25% on average for all residential

customers and as many as a half a million small businesses and farms. Our plan is working, Mr. Speaker. Monday's report by the Environmental Commissioner reconfirmed that Ontario's families and small businesses pay less on average here than in many other North American jurisdictions. Families in cities like New York, Boston, San Francisco, for example, pay more than double the average Ontario bill, and custom NERs charlottetown, Regina, Halifax and moncton are paying more than the Ontario average. By bringing prices down -- For customers, Mr. Speaker, we're continuing to increase fairness and create more opportunity for Ontario families.

>> MPP Martow: Thank you very much, Mr. Speaker, and back to the **Premier**. The **Premier** can't sweep another scandal under the rug. Did the **Premier** try to hide the \$10 million severance for the last five months?

>> Minister Thibeault: Thank you. Thank you very much, Mr. Speaker. Again Hydro One's rates Mr. Speaker -- and I know the opposition know this, but they pretend not to know a lot of things, Mr. Speaker. Hydro One's rates continue to be set by the Ontario energy board. And the board is the energy sector's independent regulator with a mandate to protect the province's electricity consumers and it continues to deliver on that mandate, Mr. Speaker. So when we're looking at Hydro One and their so-called scheme, Mr. Speaker, it actually will do nothing to reduce the rates for ratepayers right across our province. And that being said, Mr. Speaker, Hydro One is now a publicly traded company, not a government entity. And so while we recognize, Mr. Speaker, that executive salaries are high -- Compared to the vast majority of Ontario salaries, Mr. Speaker, we remain committed to making sure that we keep our system clean, reliable and affordable.

MPP Yakabuski (PC) to Minister Thibeault (Energy) – re: Hydro One CEO and his salary

>> MPP Yakabuski: Thank you, Speaker. Speaker, it's great that the **Premier** has decided to answer a few questions. Perhaps you'll answer this one. This is directed to the **Premier**. Perhaps you'll answer this one. Give a straightforward honest answer to this question. The Hydro One board secretly, recently secretly agreed to pay the Hydro One C.E.O. Over \$10 million in severance should he be fired. Now the **Premier** had to know of this deal because she has said herself that the province retains control of the board. The question is this. When did he know and why would she sign off on this kind of secret obscene deal?

>> Minister Thibeault: Mr. Speaker, I find it very ironic that the opposition talks about not answering questions, when their own leader refuses to answer questions of the media -- This **Premier** answers questions in the House. This **Premier** answers questions to the media. But what we saw yesterday was Mr. Ford take one question and then do the duck and dash, Mr. Speaker. He needs to put on running shoes, not dress shoes. Yet the man refuses to answer questions. Mr. Speaker, it's appalling that the opposition has no plan. Thank you, Mr. Speaker. I'll take no lessons from the opposite party when it comes to making sure. That we take questions, answer questions and make sure that we put forward a platform and a policy that makes a difference to the people --

>> MPP Yakabuski: Speaker, we look forward to the opportunity to answer questions in this chamber. Back to the **Premier**. We'll try again. If the C.E.O. And the board of Hydro One have any respect for the taxpayers, for Ontario or for the people, they would resign today. Will the **Premier** March over to Hydro One, demand and subsequently accept the

resignation of the board?

>> Minister Thibeault: Thank you. Thank you, Mr. Speaker. So how will that help ratepayers, Mr. Speaker? Right now we brought forward a plan that's reducing rates by 25%. 25% on average for all residences across the province and for 500,000 small businesses and farms, Mr. Speaker. The c.e.o.'s salary wouldn't take pennies off of anyone's bills, Mr. Speaker. So that's why we brought forward the fair hydro plan, and the fair hydro plan, Mr. Speaker, takes that 25% off and actually helps many Hydro One customers, customers from Chapleau, from Atikokan, customers from Innisfil Hydro, from northern Ontario wires just to name a few, Mr. Speaker. They're seeing their rates reduced somewhere between 35 and 50% on average, Mr. Speaker. That is something that we actually put in place and is something that they voted against. Once upon a time, Mr. Speaker, they snuck that into the people's guarantee. Now we know where the people's guarantee went. That went to the trash, Mr. Speaker. But the fair hydro plan, this is a program that's working for the people of Ontario. They recognized it once. They should recognize it again, Mr. Speaker.

MPP Gates (NDP) to Minister Thibeault (Energy) – re: as above

>> MPP Gates: Thank you, Mr. Speaker. My question's to the **Premier**. Mr. Speaker, the C.E.O. Of privatized Hydro One now makes over \$6 million. About eight times what the previous C.E.O. Made when Hydro One was a publicly owned company. The board of Hydro One must have known how outrageous this looks to the people of Ontario because they changed the rules to actually increase the payout and protect the C.E.O. If a cap is placed on his salary or he is fired. Instead of protecting ratepayers and the public, the board protected their executives. They also protected themselves, because to fire the board, the government must first fire the board. Why did the **Premier** privatize Hydro One and handpick the board that protects its executives and itself but not the Ontario ratepayers and the public?

>> Minister Thibeault: Thank you, Mr. Speaker. Once again I will say that we recognize that executive salaries are high compared to the vast majority of Ontario salaries. We remain committed to Hydro One's regulation, accountability and transparency through our government's involvement as a major shareholder, Mr. Speaker. But that said Hydro One is now a publicly traded company, not a government entity. Decisions made regarding executive compensation are made by the board of Hydro One but, Mr. Speaker, let's be clear. Completely eliminating the c.e.o.'s salary would not even take pennies off of people's bills. Our fair hydro plan did take money off of people's bills. It took 25% off, Mr. Speaker. And in other parts of the province, we saw anywhere between 35 to 50% off for those individuals that live in rural or northern parts of our province, Mr. Speaker. And included in the fair hydro plan is an enhanced Ontario electricity support program as well, Mr. Speaker, making sure that low-income individuals actually can save more on their bills, Mr. Speaker. We eliminated the first nations delivery charge, Mr. Speaker, making sure that those that live on reserves. Actually didn't have to pay that delivery charge helping them with their bills as well, Mr. Speaker. We brought forward a plan that actually worked for the ratepayers.

>> MPP Gates: My question back to the **Premier**. No C.E.O. At hydro should make \$6 million when people can't afford to pay for their hydro bills. Privatization has made Hydro One more efficient or reliable. It has not. It has not lowered hydro costs. Privatization has allowed the C.E.O. To extract over \$6 million to Ontario ratepayers. It has allowed

Hydro One to borrow billions, billions to pay -- to buy up a coal plant in United States and expose Ontario rate payers to even new debt risks. It has allowed the Liberals to Collect campaign donations from bay street. Who are in turn now ccting hundreds of millions in Hydro One profits that used to belong to the people of Ontario. Will the **Premier** finally admit that her privatization of Hydro One was a mistake --

>> Minister Thibeault: Thank you, Mr. Speaker. Once again, Hydro One has become a better-run company, Mr. Speaker. They found \$114 million in savings last year. They actually moved forward and eliminated winter disconnections on their own, Mr. Speaker, before we had to implement that legislation, Mr. Speaker. They've actually increased their customer service and they've seen their calls to their customer service offices drop significantly, Mr. Speaker. They have been doing a lot to become a better-run company and I understand that, Mr. Speaker, that, you know, the costs that are out there can be concerning to some pple, but it's -- Mr. Speaker it's this government that brought forward a plan to reduce rates by 25%. But, Mr. Speaker, when you're looking at electricity platforms there are pie-in-the-sky platforms, Mr. Speaker, and that party has one of them when it comes to this sector. Buying back billions in shares of Hydro One will not take one cent off electricity bills for Ontario families and businesses. They should know that, Mr. Speaker. They're choosing ideology over the people of Ontario and not even reducing rates one cent.

MPP Jones (PC) to Minister Thibeault (Energy) re : as above

>> MPP Jones: My question is for the Minister of energy. When Hydro One board changed the compensation package to pay the Hydro One C.E.O. Over \$10 million in severance, did the **Premier** know about this deal and why did she support this exorbitant severance package?

>> Minister Thibeault: Thank you, Mr. Speaker. Again, I understand executive salaries are high compared to the vast majority of Ontario salaries, Mr. Speaker, and I know they're quoting a "Globe and mail" article today, Mr. Speaker. So let's see what else, Mr. Speaker, was in the "Globe and mail" article that they were talking about. That article says, Mr. Speaker, that the government cut hydro bills by 25%, Mr. Speaker. Similar reductions were made for small businesses and farms, 500,000 small businesses and farms, Mr. Speaker. In rural areas the number of fees were cancelled and bills were lowered even further. We're talking, Mr. Speaker, somewhere between 35 and 50% reductions on average. And so it's thanks to our plan, Mr. Speaker, Ontario families and small businesses are now paying less on average here than in many other similar jurisdictions, Mr. Speaker. And all of that being said, I understand, Mr. Speaker, that, you know, what they have is no plan when it comes to reducing rates and even talking about the C.E.O. Salary eliminating it wouldn't take pennies off the bill, Mr. Speaker. We brought forward a plan that took off a lot more than that, about 25%.

>> MPP Jones: Completely is surrounding respect for the taxpayers, something you seem to have forgotten how to do. The Minister continues to suggest the government has majority control of Hydro One. If that's the case then he needs to explain why he allowed changes that would give the C.E.O. A \$10 million severance package. Did the Minister ask the board to roll back this change? And if not, why not?

>> Minister Thibeault: Mr. Speaker, it's interesting she says they have a plan. They have

no plan. They're not even bringing forward a platform, Mr. Speaker. It was this government actually brought forward a plan to reduce rates by 25%. We actually then enhanced that even further, Mr. Speaker, and brought forward changes to the rrrp, making sure we could reduce rates for individuals that live in rural or northern parts of our province anywhere between 35 and 50%, Mr. Speaker. We made sure that our plan lked at everyone in this province and brought all families and 500,000 small businesses and farms, Mr. Speaker. That 25% reduction. We also enhanced the Ontario electricity supports program and we also made sure that first nations were part of this plan, Mr. Speaker, making sure that they actually had their delivery credit or charge removed, Mr. Speaker. Saving them about \$80 a month on their bill on average as well, Mr. Speaker. Our plan worked for the people of Ontario, Mr. Speaker. They voted against it.