

Summary of Question Period for Tuesday November 21, 2017

From: "Flowers, Robert (TBS)" <robert.flowers@ontario.ca>
Date: Tue, 21 Nov 2017 12:22:20 -0500
Attachments: Q.P.SummaryNov21-17.docx (17.41 kB); 20171121 - Provincial Legislature Question Period Transcript.doc (107.52 kB)

Please see the select or full summary of today's Question Period.

MPP Smith (PC) and MPP Coe (PC) to Minister Thibeault (Energy) re: management of electricity

>>MPP Smith: Thank you very much, Speaker. My question this morning is for the **Premier**. Research completed by the Ontario society of professional engineers really shines a light on the mismanagement of Ontario's electricity system. They poured over data issued by the independent electricity system operator and the Ontario energy board, and what was revealed was wildly disappointing, Speaker. It showed the province exported electricity at a net financial loss of up to 1.25 billion with a B dollars, billion, \$1.25 billion. Will the **Premier** confirm that to the Liberal government –

>>**Premier** Wynne: Mr. Speaker, the I.S.O. Estimates that electricity exports reduce costs for Ontarians by hundreds of millions of dollars every year, so those are cost savings, Mr. Speaker, and this net benefit to Ontario was \$236 million last year, Mr. Speaker. That's a net benefit to the people of Ontario because of taking part in importing and exporting electricity to the benefit of their ratepayers, Mr. Speaker. On top of regular trade, we also pursued firm agreements wherever it makes sense in the province, Mr. Speaker, and I know that the the Minister of energy will want to speak more to this in the supplementary.

>>MPP Coe: So Speaker, the government is saying that the experts, the engineers are wrong and they know better. This Liberal spin is ridiculous. It's like costing \$20 to make a pizza, selling eight slices at \$11 a piece and saying you're making money. It's ridiculous. It's absurd. Europe not makingh money. We just wanted the government to come clean here this morning and start to tell the truth on this. Okay, so sure the government found an export partner, but these numbers here are staggering. The numbers from the engineers are staggering. We're subsidizing power for Michigan and New York and other neighbouring jurisdictions and they're poaching our jobs to make matters worse, because they're taking our electricity at a low cost. Mr. Speaker, will the **Premier** admit this government lost over \$1 billion exporting power?

>>Minister Thibeault: Thank you, Mr. Speaker. So it is important to note that today Ontario is a net exporter of power, and in 2016 the net benefit, Mr. Speaker, of those exports to ratepayers was \$236 million as estimated by the independent system operator. These benefits translate into reduced costs --Thank you, Mr. Speaker. And so

since 2013, the net benefit of our exports has been over \$1 billion, Mr. Speaker, in savings to Ontario ratepayers. Before, Mr. Speaker, back in the early 2000s, Ontario used to be an importer of electricity and what was the result? That was when our system was dependent on unreliable and expensive electricity from neighbouring jurisdictions, often forcing us to overpay for electricity. Now, Mr. Speaker, we're making money, we're making sure we put that back into the system to keep costs –

>>MPP Coe: Mr. Speaker, this political spin is absurd. These numbers don't lie. They come from the engineers here in Ontario. In 2016, the province exported a total of 21.9 terrawatt hours of electricity at a net financial loss of more than \$500 million, and most of this was clean, green energy, spilled over the dams at Niagara Falls and other hydroelectric facilities across the province. The engineers know that over the last few years, the total exports represent nearly enough electricity to power every home in Ontario for the entire year. That's the legacy of the mismanagement on the electricity file from the Liberal government. Mr. Speaker, how can this government continue to gouge electricity customers, at the same time exporting enough electricity at a loss to power every home in the province?

>> So Mr. Speaker, I know the member opposite used the word legacy. So let's talk about their legacy when it comes to electricity. In 2002 and 2003, Ontario paid \$900 million to import electricity. From 1996 to 2003 -- From '96-2003 overall installed generation capacity fell 96%, that's like running Niagara Falls dry, at the same time demand grew by 8%, Mr. Speaker. That's their legacy. Our legacy? Rebuilding a system, making it clean, making it reliable, and bringing forward the fair hydro plan that makes it affordable, Mr. Speaker. We'll continue to make sure that we serve the best interests of Ontario ratepayers in hand and they'll continue to misinform those ratepayers, Mr. Speaker. - I'll withdraw. I'll withdraw.

MPP Smith (PC) to Minister Thibeault (Energy) re: management of electricity

>>MPP Smith: Thanks, Speaker. And again, my question is for the **Premier**. The bad news story is on the electricity file come as fast as the water flows over niagara fall, Mr. Speaker. The Ontario P.C.S believe in clean, green, renewable power. What we don't believe in, what we don't believe in is selling it to Michigan and New York at a loss. Let's be a little more specific. We have great made in Ontario power, hydroelectric, but last year the Liberals allowed 4.7 terrawatt hours of hydroelectric power to be wasted in Ontario including the station at Niagara Falls. It's the equivalent of powering nearly 500,000 homes for a year. Mr. Speaker, how does the government mismanage the system so poorly that we're letting green hydroelectric power, made in Ontario, to be shipped across the border at such a significant loss?

>>Minister Thibeault: Thank you, Mr. Speaker. So let's talk about what they're claiming, Mr. Speaker. They like to claim that power is wasted when water is spilled at hydroelectric generating station, Mr. Speaker. This just shows how little they know about the system. Our advantage of our clean, reliable and flexible system that we have built is that we're able to procure energy on an as-needed basis, this mines means we only use the energy that is produced at the cheap pest cost at that time, Mr. Speaker. Any time a generator is not producing electricity, it is because there were cheaper options available at that time. This means that a hydro facility will generate power when it can offer into the market at a low price, and it is not used when it offers too expensive power --Mr.

Speaker, which begs the question do the PCs really think we should be running these generators at a higher cost to Ontario ratepayers? Probably so, Mr. Speaker, maybe they'll do that this weekend when they come up with –

>>MPP Smith: Speaker, what we really need to do here is take the cookie jar off that Minister's desk because he's made a mock Rae of our electricity system in Ontario. It's made a complete mess of our Ontario electricity system. To make matters worse, I just want to reiterate that Ontario exported 1.9 Tera watt hours of electricity at a net financial loss of up to 1.25 billion. That number represents more than 2 million homes worth of electricity that Ontario has sold to neighbouring jurisdictions for a price less than what it costs to produce. Mr. Speaker, what is the Premier saying? What is the Minister saying to those 2 million electricity customers in Ontario that have to overpay so you can subsidize power to our neighbouring jurisdictions that are poaching our jobs at the same time.

>>Minister Thibeault: Thank you, Mr. Speaker. What do I say to all of the \$2 million customers that he was talking about, Mr. Speaker. They voted against reducing their rate by 25%, Mr. Speaker. That's what I would say to them. They have no plan on actually helping them, Mr. Speaker. And we do. But when it comes to net benefits of the export system, Mr. Speaker, every jurisdiction imports and exports electricity and we do so, Mr. Speaker at the net benefit of \$260 million in 2016. We did the same in 2015, the same in 2014, the same in 2013, Mr. Speaker. Go back and talk about their legacy, Mr. Speaker, they were imploding power at the cost of \$700 million a year, Mr. Speaker, and doing it at the same time. We increase is 27% on coal, Mr. Speaker. We actually shut down coal, when when it comes to a –

>>MPP Smith: Once again, Mr. Speaker, we have the Minister of energy ignoring the sites of experts in the energy sector for his own political spin. His own political messaging. If any other company or business sold their excess product at a loss of \$1.25 billion we know what would happen to them Mr. Speaker, they'd be fired, they'd be out of a job immediately. There's no way they would keep their job yet this company has the audacity, Mr. Speaker, everybody can see through this. They've made a mockery of their energy sector, too, Mr. Speaker. Signing regular contracts we don't need selling energy at a loss for up to \$1.25 billion at the same time.

>>Minister Thibeault: Mr. Speaker. Again, let's look at the facts. The facts are, and they still matter in Ontario, 236 million in net benefit to Ontario ratepayers, which, Mr. Speaker, since 2013 have been a net benefits of our export in over \$1 billion in savings to Ontario ratepayers. Let's talk about our trade with our electricity system, Mr. Speaker. It's managed by the experts, by our system experts, Mr. Speaker, our system operators, and it's the market that determines the price of electricity, and we only export electricity when the trade is a benefit to Ontario ratepayers. Our government, Mr. Speaker, will continue to participate in the electricity market, increasing the reliability and the cost effectiveness of our system, Mr. Speaker. It is something that we'll continue to do and something, Mr. Speaker, we'll continue to work with all of our partner, all of our Neighbours, all of our system operators and the experts to make sure that we have the best –

MPP Tabuns (PC) to Minister Thibeault re: hydro management

>>MPP Tabuns: We're have he a very Seger and pen jet particular group here, Speaker, as you're well-aware. Speaker, to the Premier, yesterday I was listening to the Minister of energy respond to questions about Hydro One to rate increase applications. The

Minister praised Hydro One for finding savings but Hydro One is not passing any savings onto ratepayers by decreasing rates. Instead Hydro One want as 20% distribution rate increase. The Minister said Hydro One is doing a great job as a company, even though Hydro One is currently taking Ontario energy board to court in order to keep 100% of a 2.6 billion tax break than rightly belongs to ratepayers. Why would the Minister think his job is to praise Hydro One and not deaf the interest of ratepayers?

>>Minister Thibeault: Thank you, Mr. Speaker, we were very pleased to bring forward the fair hydro plan which defended ratepayers by reducing their bills by 25% and are that member and be that party voted against it, Mr. Speaker. So it's this party, this party, Mr. Speaker, that is actually defending ratepayers. It's this party that's actually working with companies, Mr. Speaker, to make sure that we can continue to reduce bills for ratepayers, Mr. Speaker. When it comes to Hydro One, they've seen their bills and r2 and r1 designations, Mr. Speaker, drop by 40% to 50% and it had nothing to do with that party, Mr. Speaker. It had nothing to do with that member. It had to do with, Mr. Speaker, the company, the government, and ratepayers all working together to come up with solutions, Mr. Speaker. That's what we have done on this side. On that side, Mr. Speaker, they've done nothing. They have a plan that is pie in the sky that didn't even talk about helping low income individuals Mr. Speaker and that is something we've done. With all organizations to help –

>>MPP Tabuns: Thank you, Speaker, again to the Premier. The Minister of energy cheered when Hydro One applied to buy vista. Even though this \$6.7 billion purchase will do nothing to improve service for Ontario ratepayers. This purchase will divert resources away from I am proving the reliability on the grid towards the cost of building an empire for Hydro One. The Ontario energy board says Hydro One was making poor use of its existing funds for capital improvements and told to reduce its revenue requirements. Hydro One basically refused. Privatized Hydro One is putting private profits ahead of the public interest. Will the Minister stop cheerleading for Hydro One and start protecting the interests of Ontario families and rate payers?

>>Minister Thibeault: Again, Mr. Speaker, it's this party that actually protected it ratepayers by bringing forth a fair hydro pan plan, that party that voted against ratepayers but making sure they didn't support the plan, Mr. Speaker. When it comes it Hydro One the acquisition of Avista benefits customers, employees, shareholders and ratepayers, Mr. Speaker. Rates will not be impacted, it won't even affect local jobs, Mr. Speaker. Similar acquisitions are increasingly common, Mr. Speaker. Ford has purchased Michigan based ITC and EPCOR purchased two water utilities. When it comes to making sure, Mr. Speaker, that the government is on the side self the rate pay, he, it's this Premier, Mr. Speaker, it's this government that will continue to work with our stakeholders, will continue to work with the O.E.B., will continue to work with the I.S.O. To have a clean, reliable and affordable system up like the opposition parties that have no plan to do that, Mr. Speaker .

MPP Rinaldi (LIB) to Minister Thibeault (Energy) re: nuclear refurbishment project

>>MPP Rinaldi: Thank you, Speaker, my question is also to the Minister much energy. Minister, in my riding I often hear from constituents on the work of this government on the energy file. But O' constituents in my riding know how critical clean and reliable energy system is in Ontario being a great place to live and work. Refurbishing at the

Darlington and Bruce nuclear generating station will assure we have affordable, clean reliable energy for years to come, however my constituents sometimes worry that the projects might go over the set-out budget and will be delayed. Today the financial accountability officer who released a report about the province's refurbishing project, Mr. Speaker, could the Minister please update the House in my constituency how the refurbishing project is going? Thank you.

>>Minister Thibeault: Thank you, Mr. Speaker, I also want to thank the member for that question and of course for the hard work he does each and everyday for his constituents and his riding. I also want to thank the financial accountability office for providing their portant analysis the refurbishment project. The F.A.O. report confirms that our government has carefully considered the financial risk of nuclear refurbishments and has built in strong protections and oversight measure, Mr. Speaker, to prevent cost overruns. The F.A.O. Report makes it clear that there is no alternative clean generation which could replace nuclear generation at a comparable cost for Ontario ratepayers. It's the most cost effective, low emission-ed available to meet Ontario's base-load requirements. Mr. Speaker, I want to reassure the member and his constituents the refurbishment of the nuclear fleet remains on budget and on time.

>>MPP Rinaldi: Thank you, Minister, not only will the refurbishment ensure we have a safe reliable clean energy, where and when we need it will bring our province and communities in mine like Northumberland and quinte west significant benefits. When it comes to providing a boost in a growing economy,4 the refurbishment will recognize the globally recognized supply chain with more than 180 companies in 70,000 jobs across the province. This will have a significant positive riding in quinte west being adjacent to darling it ton it a few weeks ago, our government released a 2017 long-term energy plan in which we committed to a major mandate letter objective -- In Ontario and Darlington Bruce. Minister, what measures are we taking to ensure this project remains on time and on budget..

>>Minister Thibeault: Thank you, Mr. Speaker, in order to prevent costs or schedule overruns our government has implemented strong protections and oversight measure, Mr. Speaker. Bruce power has invested approximately \$13 billion of its own funds and has agreed to take the full risk of cost overruns on refurbishment of their nuclear utilities. The unit 23 refurbishment at Darlington is progressing very well and is on track to be completed on time and on budget. In any case, the government has established off ramps that maybe used in the event of O.P.G. Or Bruce power to adhere to the schedule and budget. We've been clear, Mr. . System we've built here in Ontario.

MPP Thompson (NDP) to Premier re: Trip to Asia and TPP

>>MPP Thompson: Thank you very much, Mr. Speaker. My question is for the **Premier**. Speaker, this weekend the **Premier** will be heading to Asia on a trip to China and Vietnam. It was in Vietnam where under two weeks ago the Prime Minister failed to show up at a meeting with ten other world leaders and jeopardize Canada's position and a trans-pacific partnership next. Given how important the TPP will be for Canadian agriculture, including Ontario farmer, has the **Premier** raised concerns with the Prime Minister over what has been interpreted by other TPP nations as a snub at the APEC summit.

>>**Premier** Wynne: Thank you very much, Mr. Speaker. And on the second part of that question, I would just assure the member opposite that we are in regular communication,

we work very closely with our federal counterparts on all of the trade negotiations, Mr. Speaker, as we did on CETA as we are doing on NAFTA and as we are doing on the TTC conversation. And as the member opposite know none of those provisions will be finalized and we will continue to work very closely with the federal government and I will say to the member opposite, I'm very pleased to be able to take about 100 companies with us, Mr. Speaker, to China and Vietnam. Companies that want to develop partnerships, Mr. Speaker that will mean more jobs in Ontario, more investment in Ontario Mr. Speaker, which will again continue to help our economy to grow.

>>MPP Thompson: Thank you very much, Mr. Speaker. The **Premier** has actually lost the point of my question, and that is that TPP, I agree, presents a great opportunity for Toronto's agriculture sector to break into new markets. The **Premier's** government website advertises her up - coming trade mission directly and references Ontario's and Vietnam's participation in the TPP as a key business tie. So Speaker, I have to ask the **Premier**, why is she not pushing back at the Prime Minister to get the tpp talks back on track so that Ontario farmers and agri food businesses will not miss out on a tremendous market opportunity?

>>**Premier Wynne**: Mr. Speaker, the TPP talks are on track, Mr. Speaker. You know, we're very pleased that there was a a agreement in principle, Mr. Speaker, and we will work very closely with the federal government, and you know, Mr. Speaker, as we have done, as we are doing now in the NAFTA conversations, Mr. Speaker, I'm acutely aware of two things. First of all the opportunities for markets in the expansion of market, that's why I am travelling with companies to China and to Vietnam, Mr. Speaker. It's why I'm so engaged with businesses here to make sure that they understand what the opportunities are abroad, Mr. Speaker, but secondly to make sure that in these trade negotiations, in these conversations we protect our industries, Mr. Speaker, that we protect and stand up for workers here in Ontario and make sure that when there is a next, of a trade deal, Ontario and Ontario's workers benefits