

Hansard: Brown to Thibeault-- AG Report Hydro / Goreway Exec.

From: "Pichette, Marc (MOF)" <marc.pichette@ontario.ca>
To: "Strathy, Anna (OFA)" <anna.strathy@ofina.on.ca>, "Bowie, Heather (MOF)" <heather.bowie@ontario.ca>, "Chinchon, Francisco (OFA)" <francisco.chinchon@ofina.on.ca>, "Chiodi, Victoria (MOF)" <victoria.chiodi@ontario.ca>, "Clarke-Darshanand, Jamille (MOF)" <jamille.clarke-darshanand@ontario.ca>, "Elamin, Mohamed (MOF)" <mohamed.elamin@ontario.ca>, "Garcia-Wright, Agatha (MOF)" <agatha.garcia-wright@ontario.ca>, "Georgakakos, Angie (OFA)" <angie.georgakakos@ofina.on.ca>, "Giroux Namian, Orli (MOF)" <orli.girouxnamian@ontario.ca>, "Gobeil, Diana (MOF)" <diana.gobeil@ontario.ca>, "Harten, Jayne (MOF)" <jayne.harten@ontario.ca>, "Inglis, Liane (MOF)" <liane.inglis@ontario.ca>, "Ingram, Kelsey (MOF)" <kelsey.ingram@ontario.ca>, "Kelly, Maureen E. (MOF)" <maureen.e.kelly@ontario.ca>, "Kerr, Emily (OFA)" <emily.kerr@ofina.on.ca>, "Kim, John (OFA)" <john.kim@ofina.on.ca>, "Kim, Minzi (MOF)" <minzi.kim@ontario.ca>, "Kobrinisky, Liza (MOF)" <liza.kobrinisky@ontario.ca>, "Koukoulas, Sophia (MOF)" <sophia.koukoulas@ontario.ca>, "Kwan, Ronald (OFA)" <ronald.kwan@ofina.on.ca>, "Lone, Dianne (MOF)" <dianne.lone@ontario.ca>, "Maloney, Martha (MOF)" <martha.maloney@ontario.ca>, "Martin, Jessica (MOF)" <jessica.martin@ontario.ca>, "Mayman, Gadi (OFA)" <gadi.mayman@ofina.on.ca>, "McLean, David (MOF)" <david.mclean@ontario.ca>, "Milana, Natale (MOF)" <natale.milana@ontario.ca>, "Moore, Brynne (MOF)" <brynne.moore@ontario.ca>, "Shewaramani, Deepika (MOF)" <deepika.shewaramani@ontario.ca>, "Spadoni, Peter (MOF)" <peter.spadoni@ontario.ca>, "Tekle, Jonathan (MOF)" <jonathan.tekle@ontario.ca>, "Thompson, Scott (MOF)" <scott.thompson@ontario.ca>, "Tiburcio, Daniel (MOF)" <daniel.tiburcio@ontario.ca>, "Zahid, Usman (OFA)" <usman.zahid@ofina.on.ca>, "Weir, Mike (MOF)" <mike.weir@ontario.ca>
Date: Wed, 13 Dec 2017 10:54:37 -0500

INSTANT HANSARD

>> **Patrick Brown:** Mr. Speaker, my question's for the Premier. We all know that Goreway was among the companies that damed the system for over \$260 million of ineligible expenses and Goreway executive Rob Colbeck has been at the centre of this latest scandal. Rob Colbeck's December 1st resignation letter states he is resigning as the co-chair of the market renewal working group, not as a member. According to theieso website, he remains a member. Mr. Speaker, why is an executive from Goreway allowed to remain on the board given the scandal of inappropriate expenses, the same people who gained the system should not be the ones rewriting the rules. So directly to the Premier, will this be addressed and addressed immediately?

>> **Minister Thibeault:** Thank you, Mr. Speaker. As we've said over the last week since the auditor brought forward her report, any abuses of the system, Mr. Speaker, are completely unacceptable, and that's why we're pleased that the system operator has investigated those market participants and where significant wrongdoing was present, Mr. Speaker, compensation has been recovered and returned to the ratepayersment there's \$168 million, 200 million in ineligible costs. As also mentioned by the leader of the opposition, Mr. Speaker, there have been resignations from the market renewal committee, Mr. Speaker. The two chairs have moved off of that committee, Mr. Speaker, and moving forward looking at Goreway, Goreway also made changes after they found that they were -- they weren't

complying with the system, Mr. Speaker. They were fined a record \$10 million, Mr. Speaker. And \$100 million of that money was recouped by the IESO. We're making sure that we have a system that is going to be rebuilt – Made significant changes millimetre ant ieso is constantly monitoring.

>>Patrick Brown: Mr. Speaker, again to the **Premier**. My question about why that individual is still a member was not answered but I'll try a different angle. One of the companies in the auditor general was the government-run O.P.G. Amid the scandal. Yesterday the Minister told us that O.P.G. Repaid all of their ineligible expenses by 2015. And we know the former C.E.O. Was given a half-a-million-dollar bonus the following year. Why was he given this half a million-dollar bonus? Was it to keep quiet on the scandal? By the way, Mr. Speaker, it wasn't that the government found it. They got caught. That's how it came out. They didn't -- by the auditor general.

>>Minister Thibeault: Thank you, Mr. Speaker. The innuendo that's coming from the opposition continues to just fester, Mr. Speaker. It just shows that they really don't understand how this system is working, Mr. Speaker. O.P.G. Actually stepped forward when they recognized, Mr. Speaker, that they were claiming ineligible expenses. They worked with the ieso. That's why there was no fine imposed by the ieso on O.P.G. At the time, Mr. Speaker, to make sure that they actually recouped those costs, making sewer that they could understand the rules moving forward, and as O.P.G. Said, Mr. Speaker, the audit did determine that there were differences in understanding what constituted eligible costs under the program, Mr. Speaker. In respect of some of what were thought to be eligible costs, O.P.G. Repaid certain claimed amounts after d Both O.P.G. And the ieso had come to a conclusion with, Mr. Speaker, way back in 2015 discussions concluded on what constituted eligible costs.

>> Patrick Brown: Mr. Speaker, again to the **Premier**. The Minister of energy says we don't know how it's working. I know exactly how it's working. This government has allowed executives, power executives to expense Raccoon traps and scuba gear. It's ridiculous. It's disgusting, Mr. Speaker. And while nearly tens of millions of dollars has -- tens of millions of dollars --Mr. Speaker, there's still tens of millions of dollars inappropriate expenses that have yet to be repaid. So my question to the **Premier**, hopefully the **Premier** will actually answer this time, Mr. Speaker. Can we get a guarantee that tens of millions of dollars inappropriate expenses that have not been retrieved by the taxpayers. That the taxpayers will get those funds back by December 31st? Yes or no to the **Premier**?

>>Minister thibeault: Thank you, Mr. Speaker. So the important thing to understand, and I think we can all agree, Mr. Speaker, is that, any abuse of the system is completely unacceptable and that's why, Mr. Speaker, we were pleased to see the ieso act on the recommendations not only from the auditor general, Mr. Speaker, but from the market surveillance programs and committees that are done both by the O.E.B. And by the ieso, Mr. Speaker. They've made sure that they've brought forward new practices and new principles to make sure things like this, abuses like this, Mr. Speaker, don't happen again. Because we on this side of the House want to ensure that we continue to bring forward programs that help ratepayers lower their bills, Mr. Speaker, and that's what we have done as a government. We've brought forward the fair hydro plan which brought forward a 25% reduction helping all families right across the province and many, many other programs. But when it comes to these two programs, Mr. Speaker, the ieso has put in place new changes that are making sure things like this will not happen again, Mr. Speaker

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