

Hansard: Fedeli to Thibeault -- Avista Acquisiton

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INSTANT HANSARD

>> **MPP Victor Fedeli:** Well, thank you and good morning, Mr. Speaker. My question is for the Deputy Premier. We now know that Hydro One has signed a deal to make \$50 million worth of payouts to US Energy executives. The Liberals are once again missing in action as the latest Hydro rip-off occurs. People are struggling to pay their bills. Families are deciding to heat or eat. Mr. Speaker, how can the Liberals be prepared to spend \$50 million worth of payouts to US Energy executives?

>> **Minister Thibeault:** Thank you, Mr. Speaker. Everything in that question, Mr. Speaker, is not accurate. Hydro One customers have not paid one penny, not one penny to US Hydro executives at Avista, nor will they in the future, Mr. Speaker. Doug Ford doesn't seem to know what he's talking about when it comes to this issue, Mr. Speaker, or any issue which is troubling from a self-described sound businessman, Mr. Speaker. Either that or he is deliberately trying to talk to something that is not accurate for the people of Ontario, Mr. Speaker. Regardless, Mr. Speaker, that is not true. In 2017 alone, a US Company that the Hydro One is purchasing, Avista, turned a profit of over \$150 million US, Mr. Speaker. Salaries and severance payments do not come from Hydro One customers. As the opposition should well know, this acquisition of Avista will not cost Ontario customers a dime. In fact, Mr. Speaker, this acquisition will benefit Ontario customers, employees. And shareholders and rates in Ontario will not be impacted.

>> **MPP Victor Fedeli:** Thank you very much. Back to the Deputy Premier. You know, Speaker, they can

sav all they want. but the Liberals read the same documents we read. where the Avista executives said they will now be able to spread their costs over their new Ontario partners. That's the Ontario ratepayers, Speaker. Deep and buried in the document is a series of US Securities filings where the evidence is absolutely clear. The secret millionaires' club at Hydro One would be making \$50 million worth of payouts to their US Energy executive counterparts. First Hydro One changes their own severances, adding in a \$10 million poison pill, and now secondly they agree to pay out \$50 million to their US Coal company. Mr. Speaker, are these US Energy executives really worth another \$50 million?

>>Minister Thibeault: Thank you, Mr. Speaker. Once again the question isn't accurate. Mr. Speaker. Hydro One customers have not paid one penny to actually US Hydro executives at Avista, Mr. Speaker, nor will they in the future. In fact, Mr. Speaker, this acquisition will benefit Ontario customers, employees and shareholders and rates in Ontario will not be impacted by this purchase, Mr. Speaker. Similar acquisitions are increasingly common practice for Canadian owned utilities, Mr. Speaker. This includes for example both Newfoundland and Labrador based Fortis' purchase of Michigan based I.T.C. and Edmonton-based F4 utilities' purchase of two US Water utilities, Mr. Speaker. Sadly one of the things that Mr. Ford admitted last week but unreported by his personal media team was that his headline-grabbing plan to fire the C.E.O. And board of Hydro One doesn't affect hydro rates directly, Mr. Speaker, and that was said at the Thunder Bay rally, Mr. Speaker .

>>MPP Victor Fedeli: Well, thank you. Back to the Deputy **Premier**. As usual, Speaker, the Liberals say one thing, but in this case the US Securities tell us the real truth. Speaker. Their filings reveal that the Hydro One management and board have authorized more than 36 million in payouts to the top five managers of their US Energy company, and an additional \$14 million in payouts were authorized to another eight Avista executives. This is all part of an arrangement that is explicitly referred to as a golden parachute. Speaker, this is literally a golden parachute. The worst part about this is that at the same time this government is mailing out disconnection notices, they are agreeing to a \$50 million payout. Mr. Speaker, does the Liberal government -- Support this golden parachute?

>>Minister Thibeault: Again, Mr. Speaker, he's making it up as he goes along. Hydro One is actually extending the actual disconnection ban, Mr. Speaker, until further into June, Mr. Speaker. So they don't even know what to talk about when it comes to Hydro One, Mr. Speaker. What they're talking about with Avista as well, Mr. Speaker, is absolutely not true. As I've said of this I'll say it again, Mr. Speaker. **Hydro One customers have not paid one penny to US Hydro executives. Or add to this, Mr. Speaker, nor will they in the future.** This is common practice when similar acquisitions that have been done with Canadian owned utilities. This includes for example, Mr. Speaker, when Newfoundland and Labrador based Fortis, when they purchased Michigan-based I.T.C., and when Edmonton-based F4 utilities purchased two US Water utilities, Mr. Speaker. We'll continue to advocate. And work on behalf of the people of Ontario. They can continue to make things up as they go along, Mr. Speaker .

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