

Hansard: Smith to Thibeault -- Hydro Rate Reduction Plan / Accounting

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Date: Mon, 16 Apr 2018 10:50:32 -0400

INSTANT HANSARD

>> **MPP Smith:** Thanks, Speaker and good morning. Glad to see you made it ok. **My question is to the Minister of energy.** After the auditor general raised concerns about the government's hydro scheme, which will end up costing billions and then Jack up electricity rates to record highs in a few years, the Minister of energy said, quote -- **our plan has been approved by her peers, speaking of the auditor general, at some of Canada's top cat accounting firms like KPMG, Ernst & young and deloitte.** The auditor general has said, as of March 19, that Q deloitte L.L.P. And Ernst & young L.L.P. Have confirmed to us that they provided no formal opinions, no formal opinions approving the accounting of the so-called fair hydro plan that the government planned to use for its consolidated financial statements, end quote. So, Mr. Speaker, who's telling the truth here?

>> **Minister Thibeault:** Thank you, Mr. Speaker. As we've said all along, we know, Mr. Speaker, that families in this province asked for real and immediate relief on their electricity bills and that's what we delivered, Mr. Speaker. We made a policy choice -- Thanks, Mr. Speaker. We made a policy choice to ensure that we continue to have a clean, reliable and affordable electricity system for the ratepayers of today and that ratepayers of tomorrow. Mr. Speaker. **The fair hydro plan keeps the cost of borrowing within the rate base, not the tax base, because that's the logical thing to do, Mr. Speaker. Electricity financing**

should remain with the electricity system. So officials from the treasury board, finance, O.P.G., the IESO and the Ontario financing authority, along with external advisors. That included Ernst & young KPMG and Deloitte worked on accounting related to the fair hydro plan. They along with the office of the provincial Controller, Mr. Speaker, ensured that this plan was in accordance with the public sector, Mr. Speaker .

>> MPP Smith: Mr. Speaker, I know there's a lot of ice across Ontario this morning, but the Minister sure skated around that question. Mr. Speaker, the auditor said KPMG told it that it has not provided an opinion on the accounting of fair hydro plan in the government's consolidated financial statements. On March 26, the Minister said this. KPMG and Deloitte worked on the accounting related to the fair hydro plan. They along with the office of the provincial controller ensured that this plan was in accordance with public sector accounting. That was the quote from the Minister of energy. Mr. Speaker, my question is, is he telling the truth?

>> Minister Thibeault: Thank you, Mr. Speaker. The truth is 25% of this population have seen a reduction of 25%, Mr. Speaker, on their hydro bills. The truth is that they voted against it, Mr. Speaker. When it comes to telling the truth, it's this government that makes sure that we're transparent and we make sure that we bring forward everything on behalf of the people. On that side of the House, Mr. Speaker, they vote against everything that we put forward to build Ontario up, Mr. Speaker. Minimum wage. We make sure that we bring that forward, Mr. Speaker, to help the province of Ontario. They vote against it, Mr. Speaker. 25% reduction through the fair hydro plan. They vote against it, Mr. Speaker. 50% reduction on average for those families that are in Hydro One areas, Mr. Speaker, and six other jurisdictions. They voted against that as well, Mr. Speaker. When it comes to looking after the people of Ontario, we will take no lesson from that party, Mr. Speaker .

>> MPP Smith: Mr. Speaker, the auditor general, independent officer of the legislature, has said all of the accounting firms confirm they didn't formally approve the Liberal accounting. But the Minister says that they did. Deloitte, Ernst & young and KPMG offered no formal opinion supporting the fair hydro plan, and remember this Liberal unfair hydro plan spends millions and billions of dollars over the next 30 years in interest payments to get them through the next election period before rates soar to record highs, highs that we've never seen in Ontario. Speaker, what the Minister has said in the House is a direct contradiction to many of the Minister's statements. Why is he lying to the House ?

>> Minister Thibeault: Thank you, Mr. Speaker. When it comes to the fair hydro plan, it's this government that brought forward the plan to make sure that we reduce rates right across the province, Mr. Speaker, for all ratepayers, Mr. Speaker. On that side of the House, they voted against it. But the interesting thing, Mr. Speaker, is the people's guarantee, which they once all signed and once all agreed with actually kept the fair hydro plan in it, Mr. Speaker. So talking about hypocrisy, Mr. Speaker, that is something -- Thank you, Mr. Speaker. We will continue to work to keep our system clean, reliable and affordable in this province, Mr. Speaker. We will make sure that we work together with the ministry of environment and climate change. To make sure we're meeting our climate change action plan goals, Mr. Speaker, and keep our system clean and affordable.

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