

Hansard: MPP Tabuns to Thibeault -- Hydro-Rate Reduction Plan

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MPP Tabuns (NDP) to Minister Thibeault (Energy) - re: consequences of hydro rate reduction plan

>>MPP Tabuns: Thank you, Speaker. My question to the **Premier**. This week we learned that the **Premier** and her Liberal government are forcing Ontarians to pay an extra \$4 billion to hide the devastating effects of their \$40 billion hydro borrowing scheme from the public. But that's not the only thing that they're hiding. The auditor general's report says that based on the email correspondence her office looked at, the Liberals knew what the costs would be. They had other options. They were advised to take those other options, and still they stuck Ontario families with \$4 billion bill anyway. Will the **Premier** tell the people of Ontario, did she personally green-light this accounting trick, knowing it would cost families \$4 billion on their hydro bills?

>>Minister Thibeault: Thank you, Mr. Speaker. Very pleased once again to rise and answer questions on this and of course talk about the fair hydro plan as well. But let's first talk about the accounting. The government's financial statements are prepared in accordance with the public sector accounting standards and will continue to follow these standards for the transactions resulting from the fair hydro plan in the 2017 and 18 years and of course, Mr. Speaker, in future years. In regards to the rate regulation --Thank you, Mr. Speaker. So Does not prohibit the use of rate regular accounting, Mr. Speaker. So many entities in Canada, including O.P.G., Toronto hydro, fortis, Hydro One. Use rate accounting as well. In fact six of eight independent system operators across North America use rate regulating accounting and I'll get more to supplementary.

>>MPP Tabun: Speaker, I kind of hope the **Premier** will get to the supplementary. The a.g.'s report says that emails show senior government officials were warned of the cost of this plan and were told there were other options. Since the **Premier** refuses to release the emails of the A.G. Examiner in her investigation, can she tell us who were the senior government officials that were warned?

>> Minister Thibeault: Thank you, Mr. Speaker. Once again I get to rise and speak about our fair hydro plan. You know, Mr. Speaker, families in the province asked for real and immediate relief on their electricity bills and that's what we delivered. The fair hydro plan is providing an average of 25% to residential ratepayers. That's a cut, Mr. Speaker. And guarantees that electricity rates will not rise beyond the rate of inflation for four years and as many as half a million small businesses and farms are also benefitting. But we all knew, Mr. Speaker, that electricity rates risen too much too fast as a result of the investments that we made \$70 billion. And so that meant that we were paying off those investments too quickly. So the fair hydro plan smooths out the costs of those investments but over a longer period of time. And that means the system improvements are paid for by the people that use now the system now and of course use the system later, Mr. Speaker. And that's fair, because this plan makes sure that we also keep all of these assets on the electricity side with the ratepayer where they should be, Mr. Speaker.

>>MPP Tabuns: Thank you, Speaker. Again to the **Premier**. The people of Ontario deserve to know who authorized this extra \$4 billion on their hydro bills. Yesterday I moved a motion to require these emails to be released publicly. The Liberals used their majority to shut down debate on that motion. The **Premier** has already set aside \$500,000 for a lawyer to organize these emails for the A.G.. It should be easy to release them now to the public. Will she?

>>Minister Thibeault: Thank you, Mr. Speaker. We've provided 13,212 emails to the auditor general and will make sure all of the emails that apply to this file we'll provide it to the auditor general by November 1st. We're constantly working, Mr. Speaker, with the auditor general's office and in constant contact with the office, Mr. Speaker. But let's take one step back and be very clear, Mr. Speaker. This decision with the fair hydro plan was a policy choice, a choice to ensure that we continue to have a clean, safe, reliable and affordable electricity system for the ratepayers of today and the ratepayers of tomorrow and the fair hydro plan keeps the cost of borrowing within the rate base, Mr. Speaker, not the tax base, because that's the logical and right thing to do. Electricity financing should remain within the electricity system. While the auditor general is welcome to her opinion, Mr. Speaker. Our plan has been approved by her peers at KPMG, Ian white and deloitte. Thank you very much, Mr. Speaker.

MPP Tabuns (NDP) to Minister Thibeault (Energy) re: cost of hydro rate reduction plan

>> MPP Tabuns: Thank you, Speaker. Again to the **Premier**. Hope springs eternal. One government official said this about the Liberals' determination to make people pay an extra \$4 billion on their hydro bills. Quote -- hopefully they'll come to the conclusion that the plan can be financed by the province rather than externally, as that would be a lot simpler and cheaper. Why does the **Premier** ignore the advice of nonpartisan public

servants and push ahead with this financial cover-up?-Withdraw.

>>Minister Thibeault: Thank you, Mr. Speaker. Happy to rise and once again talk about the importance of the policy choice that we made, Mr. Speaker. That policy choice was to ensure that we can have that clean, reliable and affordable system that we've talked about. And I know, Mr. Speaker, that we keep talking about the importance of making sure that we keep electricity costs within the electricity system, and the fair hydro plan does that, Mr. Speaker. We have always ensured that, when O.P.G. Builds a new hydroelectric dam, when Bruce power, you know, refurbishes its nuclear plants, Mr. Speaker. When we see Guelph hydro for example or any utility actually invest in their system, the cost borrowing stays within the electricity system. And that's why, Mr. Speaker, we brought forward this policy choice was to keep the cost of the electricity system in that sector, Mr. Speaker .

>>MPP Tabuns: Thank you. Her predecessor decided he didn't have to answer to the legislature either, and that at any time end well Speaker, the a.g.'s report says that senior government officials and staff cautioned against that expensive accounting trick. She said officials noticed the design of their \$40 billion borrowing scheme, quote, will result in higher costs for Ontarians, end quote. This was cut and dry. The Liberals were told, if they proceeded with the trick, it would cost people more, and they did it anyway. Why is the **Premier** putting her desperate reelection hopes ahead of the needs of Ontario families?

>>Minister Thibeault: Thank you, Mr. Speaker. From my understanding, the **Premier's** previous predecessor, when he left, we ended up winning a majority government on this side of the House because we were the party that brought forward a plan that actually benefitted all of the people of Ontario, Mr. Speaker. None of them on that side, Mr. Speaker, had a plan --Thank you, Mr. Speaker. The opposition parties had no plan then. They have no plan now, Mr. Speaker. We brought forward a plan that brought immediate relief, a policy choice that we made, Mr. Speaker. A policy choice that we made. To continue to ensure we have a clean, reliable and affordable system of electricity in this province, Mr. Speaker, and something that we'll continue to do for the people of Ontario.

>>MPP Tabuns: Thank you, Speaker. And again to the **Premier**, the **Premier's** \$40 billion hydro borrowing scheme was there are going to drive up hydro bills in the long run. To hide the cost she or someone in her Cabinet authorized a \$4 billion accounting trick and added it onto people's hydro bills. The A.G. Says the Liberals were warned about this. They were given other options and they simply ignored the advice from civil servants and went ahead anyway. The **Premier** won't tell us who green-lit this massive betrayal of the public trust. She refuses to release emails that show who in her party knew when and when. How many more desperate abuses of power does this **Premier** plan before the next election?

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>>Minister Thibeault: Thank you, Mr. Speaker. And that's unequivocally untrue, Mr. Speaker. We have always been open and transparent as a government. We'll continue to co-operate, Mr. Speaker, with the office of the auditor general. And of course, Mr. Speaker, Let me reiterate something --Like I started off with, Mr. Speaker, let's talk about what we have done so far. 13,212 emails that have been brought in to the auditor general. 1,200 emails and records from the IESO. Hundreds from the O.P.G., Mr. Speaker. 3,242 from the Ontario financing authority. Thousands of records from the treasury board, Mr. Speaker. In this process, Mr. Speaker, we have ensured that every

day and throughout our operations we're adhering to all document retention standards.