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Subject: FW: Hansard: Smith to Thibeault -- Hydro-Rate Reduction Plan

From: Energy In The News (ENERGY)
Sent: Tuesday, March 27, 2018 10:58:54 AM (UTC-05:00) Eastern Time (US & Canada)
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Subject: Hansard: Smith to Thibeault -- Hydro-Rate Reduction Plan

INSTANT HANSARD

>>MPP Smith: Thank you, Mr. Speaker. My question is for the **Premier** The auditor-general found something a little fish bethis audit. She said documents were given to them in a box of papers after we were basically finished the audit. In there was quote documentation around the fact that the assets of the eso have been pledged as collateral and security against the fair hydro trust. What does that mean? According to the A.G., it means the generators fall behind the creditors for the fair hydro plan trust. The government is playing financial games with assets they have no right to play with, Speaker. So Mr. Speaker, did the government try to play this shell game on the generators just like they tried to play the shell game with the auditor-general's office?

>>Minister Thibeault: Thank you, Mr. Speaker. Once again, as I said before, we made a choice Thank you, Mr. Speaker.

We made a policy choice to insure that we continue to have a clean and reliable and affordable system. Electricity system, Mr. Speaker, for rate payers, of today and tomorrow and the fair hydro plan keeps the cost of borrowing within the rate base and not the tax base, because Mr. Speaker, that's the logical thing to do. Electricity financing should remain within the electricity system. Officials from the treasury board, finance, opg, iso, the Ontario financing authority - Along with external advisers that included Ernst & Young, Deloitte all worked on the accounting relating to the fair hydro plan.

>>MPP Smith: And they all benefitted from unfair hydro Liberal plan. This is the body that won't stay buried. It keeps giving and giving. This financial shell game they're giving clearly worries this government. The auditor-general -- Speaker, the A.G. Asked management and the board to disclose this in their financial statements and they haven't done so. They added that Bruce power would be concerned that they pledged the incoming collaterals they would receive from the local distribution companies. The generators fall behind the creditors at the bank now, basically in receiving their money. How far does this go? Quote from the A.G. At this point, we know it's at least an over \$1 billion adjustment from this accounting. That is one heck of an adjustment, Mr. Speaker. Did the government secretly mortgage a billion dollars of taxpayer money to finance this shell game?

>>Minister Thibeault: Thank you, Mr. Speaker. Once again, what we have done has been open and transparent about the whole process when it comes to the fair hydro plan, Mr. Speaker. Thank you, Mr. Speaker. So Ontario families and small businesses that are paying less by average, Mr. Speaker, on their bills than in any other jurisdiction, Mr. Speaker, and that is because of the fair hydro plan that we brought forward. Families in cities like New York, Boston, San Francisco actually pay more than they do in Ontario, Mr. Speaker. When it comes to the auditor-general and accounting dispute, Mr. Speaker, as I said before, the office of the controller -- Thank you, Mr. Speaker. The office of the provincial controller insured that this plan was in accordance with public service. And as I said, treasury board, finance, opg, the iso and Ontario financing authority along with all the other external advisers agreed with this, Mr. Speaker.

>>MPP Smith: Not all the skull drudger is at the level of scandal. Look at the missing million dollars in the a.g.'s report that came out on the fair hydro plan. During the accounting process, another missing million was found. Quote, if you don't need the money anymore, you pay back the security deposit. The A.G. Found over \$1 million they couldn't figure out whom they owed the money to. They were never doing the proper reconciliations. A million dollars, poof, no one knows where it went. No one knows who received that million dollars, Speaker. This level of secrecy over the mysterious missing million is astounding even for this Kathleen Wynne government, Mr. Speaker. Folks want to know. How many more millions of dollars are simply just missing or unaccounted for as a result of their --

>>Minister Thibeault: Thank you, Mr. Speaker. Once again, when we're talking about rate regulated accounting and talking about the work being done by the iso, Mr. Speaker, all of this is done to the standards, through the public sector accounting standards, Mr. Speaker. And of course this is huge. In many other jurisdictions, Alberta, New England, New York, Michigan, Texas, Toronto uses this, Mr. Speaker, Fortis Hydro One all use this type of accounting, and this, Mr. Speaker, is common practice in the electricity sector, because that's where you keep the debt, Mr. Speaker. You keep it within the electricity sector. For us, Mr. Speaker, we're going to continue to work to make electricity reliable and affordable for everyone in this province. The fair hydro plan did just that, Mr. Speaker. And we'll continue to work for the people of Ontario.

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