

Remarks to the Ontario Energy Association
Ontario PC Leader Patrick Brown
September 25, 2017

CHECK AGAINST DELIVERY

Good Afternoon!

Thank you for the opportunity to say a few words.

Since speaking with you last year at the Sony Centre, I've had the opportunity to meet with many of you.

And I want to thank you for the ongoing and constructive discussions on the future of Ontario's energy sector.

The OEA provides a valuable forum for the exchange of innovative ideas.

I know the Association has been hard at work compiling your expertise into your Energy Platform for the upcoming election.

I read your recommendations with interest.

As you may expect, I have also been pretty busy these days.

Regardless of your politics, I think we can all agree that Ontario's hydro system is broken.

And after 14 years of Liberal governments, Ontario families are working harder, paying more, and getting less.

Nowhere do families see this more than on their hydro bills.

For 14 years the Liberals have made decisions that have driven up the cost of hydro for families, seniors and job-creators.

The Ontario PC Party wants to see Ontario families pay less and get ahead.

And for that to happen, we need to start with our electricity system.

As policy-makers and as local representatives, I believe people expect certain things from their electricity system.

And over time I've developed principles that I believe should guide our policy in the energy sector.

First, we will put consumers, both families and businesses, first. We must respect that they pay the bills.

Second, I believe energy policy must make the economy a priority. Any decisions must help our economy to thrive.

And third, we want to work with the industry – you, the experts – to develop a long-term policy framework that makes sense for the province, for our economy, and for families. And once set, it won't be changed on a whim or on the back of a napkin in the backrooms of the Premier's Office or special interests.

I want to touch briefly on the Liberals' Hydro Plan.

I like to call it the "Unfair Hydro Plan."

And while I acknowledge there are some components that work, it's just kicking the can down the road through borrowing, borrowing and more borrowing.

It's leaving this problem for your children and their children after that.

And it doesn't address the root of the problem.

For years the Liberals awarded thousands of sweetheart green energy contracts to companies that have donated \$1.3 million to the Liberals.

To make a bad situation worse, these sweetheart deals are for energy we don't need

The Auditor General confirmed these bad contracts caused our hydro bills to jump.

And to make a bad situation worse, they continue to sign contracts for energy we don't need.

In fact, just last week the Wynne Liberals handed out more contracts through FIT 5.

They're handing out 390 contracts for 150 megawatts.

It's the reason that rates have skyrocketed under the Liberals. It's the reason that rates will continue to skyrocket under the Liberals.

The Ontario Society of Professional Engineers crunched the numbers, and found that Ontario wasted 1 billion dollars' worth of clean power last year.

The Liberals turn a blind eye while we generate way more than we need. We end up giving it away to Pennsylvania, Michigan, Ohio and New York.

We have to clean this mess up. We have to make sure that families have a hydro bill they can afford.

One thing your Association is promoting is optimizing the existing use of infrastructure.

I couldn't agree more.

When I talk about hydro being wasted, I think about the clean, green source of power that the Liberals are wasting: hydroelectric.

Last year, the Wynne Liberals allowed 4.7 terawatt-hours of hydroelectric power to be wasted in Ontario. This is the equivalent of powering nearly 500,000 homes for a year.

That's why the Ontario PCs have been clear: we will not sign any more contracts for power we don't need.

And it's why we will repeal the Green Energy Act, which I like to call the "Bad Contracts Act." It's no secret this policy has contributed to the rapid escalation of electricity costs in this province. The cost of energy has made families struggle unnecessarily, and has impacted our businesses and public institutions, who pay enormous bills.

I want to know that the power we're generating is going towards making Ontario an economic engine – not being paid for with precious tax dollars and wasted.

It also means that the PCs will prioritize, and better utilize, made-in-Ontario clean energy.

Just last month, Quebec media leaked details of a backroom deal that the Wynne Liberals had been negotiating with Hydro Quebec.

The Ontario PCs oppose this secret deal.

It would have sent \$126 billion to Quebec for power we don't need, while risking thousands of good-paying jobs here in Ontario.

The Society of Energy Professionals warned that this secret deal could mean the early closure of Pickering Nuclear Generating Station and the loss of 4,500 jobs in Durham Region.

This is in spite of the fact that we're sitting on a large supply of clean energy – energy that we sell for a loss to competing jurisdictions.

Not only that, but just last year the Liberals signed another secret contract with Quebec for hydro power.

We still don't know how much we're on the hook for. Independent analysts have pegged it as costing Ontario families between 65 and 200 million dollars.

Thankfully, in the wake of public backlash from energy stakeholders, the Wynne Liberals walked back their public support of a deal.

But only temporarily. The Premier admitted last week she will continue negotiating deals with Quebec.

If they win the next election, they will jump at the chance to sign more deals.

They did it just last year, and they'll do it again.

Let me be clear: the Ontario PCs will continue to oppose deals for even more power we don't need.

It hasn't gone unnoticed that your Association has asked for full transparency in the Liberal government's decision-making.

It's desperately needed.

Ontario can't afford any more backroom deals with insiders.

It was these sort of backroom, sole-sourced deals that the Liberals have been signing for the past 14 years that have made life harder and more unaffordable for Ontario families.

Their secret deals have forced families to buy a bill of goods without ever asking them if they wanted it, or could afford it.

From smart meters, to the Green Energy Act, to the Samsung subsidy, electricity bills are skyrocketing.

We have to clean this mess up. We have to make sure that families have a hydro bill they can afford.

That is why just last week, we put forward a motion asking the Wynne Liberals to stop the secrecy, and give ratepayers a say on the government's attempts to negotiate secret, backroom electricity deals with Quebec.

Unfortunately the Liberals voted against this sensible motion.

But, if the Liberals are dead-set on signing even more deals, the Legislature should have the opportunity to review them, debate them, and vote on them.

It's the accountable and transparent way to do things.

Hardworking Ontario families shouldn't have to rely on whistleblowers to find out details of a deal with Quebec.

It's time Ontario families had their say.

It's time for their elected representatives to have a say.

So that hardworking Ontario families can get ahead, and so that we can be sure we're making our energy infrastructure and generation here at home a priority.

Last, as I discussed with you last year, I believe that government decision-makers should work with the sector to develop good, affordable energy policy - and then get out of the way.

But too often, politicians can't resist the temptation to interfere for political reasons.

They can't be trusted to put the interests of the province ahead of their own.

This constant change of direction in government policy means investors no longer find Ontario a safe and stable environment in which to invest in energy projects.

I don't blame them.

I suspect that even Eastern Power would agree that cancelling and moving gas plants was a ridiculous thing to do.

I suspect that FIT developers would agree that creating a first come, first served procurement process, and then having Samsung skip the queue, sent the wrong message to investors.

Or that cancelling LRP II because of costs, but not before waiting until applications had been made, is the definition of insanity.

And a stream of Ministerial Directives means a fractured, politically-motivated approach has replaced long- term planning and stability.

The Long-term Energy Plan will be coming out this fall.

Let me ask: what kind of long-term plan comes out every two years?

Not to mention that just a few months ago, the Premier came out with her Unfair Hydro Plan after she was backed into a corner by angry Ontario voters.

She came rolling out with a plan based on polling completed by the Premier's pollster! You can't get much more political than that.

In Liberal Ontario I don't blame the industry for wanting a 20 year locked in deal. I wouldn't trust this government enough either to go without one.

For those of you in the room, it's about stability.

It's about a government that can create a plan that is workable for the industry, and makes life more affordable for families and businesses.

A government that can get the plan right the first time.

A PC government would de-politicize the energy sector and letting the experts do what they do best.

It's not about who has the best lobbyist or what creates the best soundbite; it's about what's best for Ontario families and businesses.

It's about affordable, clean, reliable energy.

And it's about listening to the experts.

And many of you here today have assured me that if government gets out of your way you can once again make Ontario a leader in the electricity sector.

Many of you have been waiting for the PCs to come out with policy on the hydro file.

I want you to know that it's coming. And unlike the Liberals hydro sham, we're taking the time to make sure we get it right.

We've already heard a lot of ideas on how to make life a little bit easier, a little bit more affordable for families. Many of those ideas we heard meeting with the OEA board last week.

I heard that we need to maximize the use of the \$50 billion of existing infrastructure that we already have, rather than leaving it idle while we subsidize new projects we just don't need.

I heard that we need to empower the Ontario Energy Board, the IESO, the Electrical Safety Authority, to regulate in an open and transparent manner, rather than having a handful of Liberal politicians make decisions based on political survival.

I heard that we need to allow innovators to innovate, and free local utilities to serve their customers.

Over 100 of ideas such as these will be put to our Party members in November for their consideration. For the first time ever, all of our members will get to express their voice on those ideas in a one member one vote process. We've opened this up to 130,000 of our members.

Consulting broadly and widely, and listening to members and other Ontarians, is something I committed to do when I first ran for the Leadership of the PC Party, and it's a commitment I am following through on.

Now despite all the challenges our province is facing, this is still Ontario.

I know that given the right circumstances, Ontario will once again be a place where people such as you can grow your business and create good-paying jobs.

An Ontario that has a strong, stable energy system that that once again makes our province a leader in Confederation. That helps Ontario families to get ahead.

And that's what drives me, that's why I want to work 7 a.m. to midnight to ensure we have a government elected at Queen's Park that puts Ontario first.

Thank you.