

Message

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Sent: 05/10/2017 11:14:57 AM
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Subject: Summary - Ministry of Energy Estimates Appearance - October 4 2017
Attachments: Summary - Estimates Appearance Day 1 - Oct 4 2017.docx

Dear ELT,

Yesterday, October 4th, the Minister of Energy appeared before the Standing Committee on Estimates. They have been called to appear for a total of 7.5 hours.

Background:

- Every year, after the Government tables its Main Estimates for the year in the Legislature, the Standing Committee on Estimates picks between 6 to 12 Ministry's to examine their expenses in greater detail (for a minimum of 7.5 to a maximum of 15 hours). The object is that the Committee has the ability to ask the Government questions about whether they are spending money appropriately, wisely and effectively in the delivery of the services intended.
- In practice, the Opposition has little ability to influence Government spending if there is a majority government, so these hearings end up being an opportunity to put a Minister or Ministry on the hot seat and try to create news. Success for the Government at these hearings is that no new news is created.
- OPG was asked to attend as well to speak to any questions regarding the accounting structure of the Fair Hydro Plan. John Lee attended on behalf of OPG. (Note that OPG has not been asked to appear with the Ministry of Energy for some years now).

Highlights:

- Minister used a portion of his first 30 minutes to bring IESO to the table to ask friendly questions about their new accounting procedures (as it relates to market accounts and regulatory assets). This was highly unusual. Normally the Minister would use his 30 minute slot to deliver a speech.
- The PCs used their 30 minute segment entirely on the "leaked Hydro Quebec deal." It is expected that they will focus more on the Fair Hydro Plan in the next hearings (scheduled to resume the week of October 16th).
- The NDP used most of their 30 minutes to ask questions about the Fair Hydro Plan. The main line of questioning was around the FAO's report on the Fair Hydro Plan (released in Spring 2017) which stated that the approach the Government was taking to implement this plan would cost \$4 billion in additional costs. The main question was what benefits of using this method justified \$4 billion in additional costs?
- John Lee was asked to come to the table towards the end of the NDP's 30 minutes to speak to OPG's expertise in securitization and the value OPG brings to the table. It was clear that OPG was not the target of these questions. Rather the NDP Energy Critic made it quite clear that he wanted to hear answers to his questions from the Minister or Deputy. John was asked to come to the table at the insistence of the Deputy Minister.

Find attached a more detailed summary for your reference.

The Committee will continue its review of the Ministry's Estimates on Tuesday October 17 and Wednesday October 18. Ken Hartwick will appear on behalf of OPG at those hearings.

There are 5 hours and 40 minutes remaining in the hearings.

Thanks,

Sandra



Summary -
Estimates Appea...

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