

ISSN 1499-3783

Legislative Assembly of Ontario Second Session, 37<sup>th</sup> Parliament Assemblée législative de l'Ontario Deuxième session, 37<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 3 October 2001

Select committee on alternative fuel sources

Committee business

Journal des débats (Hansard)

Mercredi 3 octobre 2001

Comité spécial des sources de carburants de remplacement

Travaux du comité

Chair: Doug Galt Clerk: Tonia Grannum Président : Doug Galt Greffière : Tonia Grannum

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Service du Journal des débats et d'interprétation 3330 Édifice Whitney ; 99, rue Wellesley ouest Toronto ON M7A 1A2 Téléphone, 416-325-7400 ; télécopieur, 416-325-7430 Publié par l'Assemblée législative de l'Ontario LEGISLATIVE ASSEMBLY OF ONTARIO

# SELECT COMMITTEE ON ALTERNATIVE FUEL SOURCES

Wednesday 3 October 2001

The committee met at 1004 in room 228.

#### COMMITTEE BUSINESS

The Chair (Mr Doug Galt): I call the select committee on alternative fuel sources to order. We have an agenda before us, along with a memo from September 27 that we can look at. You should be aware that last Wednesday the subcommittee met and struggled with such items as travel, events and a few other items. We decided to put together a list, which is in the memo of September 27, for some thoughts and ideas that could be discussed here this morning.

The first one on the list is Monday versus Wednesday morning meetings. I asked for that particularly because at this time on Wednesday mornings, room 151 is tied up with another committee. I wanted committee members to comment on whether they want to have 151 and use it on Monday mornings. Maybe I could do a little negotiating with the other Chair, but I have good reason to believe that probably I wouldn't win on those negotiations. I guess they have squatter's rights, being there first. It is certainly something we could try, or maybe something we could discuss at this point in time.

**Mrs Marie Bountrogianni (Hamilton Mountain):** I prefer Wednesday mornings. I understand my colleague Jim Bradley can't make Wednesday mornings because he chairs another committee. There he is. OK.

Mr James J. Bradley (St Catharines): The committee's not sitting this morning.

**Mrs Bountrogianni:** As I was saying, I personally prefer Wednesday mornings. But if the reason is for my colleague to be able to be here, I'll agree to Monday mornings. It has nothing to do with the room. It doesn't make any difference to me what room we're in.

**The Chair:** What's being discussed, Mr Bradley, is the timing of the meetings and whether this committee rates using 151 or your committee, which is already there, rates keeping it, or whether we should be looking at a different time. You may like to make some comments at this point in time.

**Mr Bradley:** What may happen—part of it is a result of a bit of apprehensiveness on the part of people who travel, and I was discussing this with the committee officials—is that 151, the Amethyst Room, is the only room that can be used for teleconferencing, and we may well be doing more people by teleconferencing than ever ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

# COMITÉ SPÉCIAL DES SOURCES DE CARBURANTS DE REMPLACEMENT

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before because it's much easier. For instance, if they're from Thunder Bay or even North Bay and so on, a lot of people now are more apprehensive about flying. It also saves money. Our committee did discuss doing some interviews by teleconferencing, and I suspect we are going to be using more of that, which is why it would be good for us to be able to use that room.

**The Chair:** I think you have a good point on teleconferencing. Certainly I as a member, and certainly as Chair here, promote that idea. It's taking advantage of modern technology, and this committee is striking an awful lot of interest in the public. I'm at the committee's—whatever their preferences are.

**Ms Marilyn Churley (Toronto-Danforth):** I think I've said before, and I'll say for the record, that I'm fine with Monday morning meetings. It is a little difficult, because after the Friday and the weekend there's a lot waiting for us in our offices on Monday mornings. But I recognize it's a problem for Mr Bradley and for the committee. I also take the point that there is interest in this, and in that case it would make sense if we could get the room on Monday mornings.

Can I ask a question? At this point, do we know how frequently we will be meeting?

**The Chair:** To be honest, looking at some of the submissions we have and some of the things that maybe we should be doing, I expect at least until Christmas. It would be my guess at this point in time that for the next nine weeks we are going to be meeting weekly.

Ms Churley: And no more than that, however.

**The Chair:** I expect that after Christmas there will probably be full committee travel. But again, it's a committee decision that we will be talking about this morning.

The other thing that hasn't been brought up in this discussion is, if we meet on Monday mornings, then I expect Mr Bradley would be able to join us, whereas on Wednesday mornings, he can't. He can always get a substitute, and he's very willing and has offered to do that and isn't objecting to not being able to get to every meeting. But there is that advantage.

**Mr Bradley:** I'm quite flexible in terms of Monday morning, and I'm also flexible in terms of trying to accommodate the committee. You cannot have the committee stop because of one person. Our committee doesn't sit every week, but it sits most weeks at that time. But you can't let one person block the whole committee. I'm willing to accommodate whatever is convenient for the committee.

1010

**The Chair:** I think it's a total package. I think Mr Hastings had his hand up. Did you have your hand up a moment ago, John?

Mr John Hastings (Etobicoke North): No. I'll wait.

**The Chair:** You're going to speak later?

Mr Hastings: Yes.

**Ms Churley:** I was ready to make a motion that we change our meetings from Wednesday to Monday mornings, but out of courtesy to members from the Tory caucus, some of whom are arriving, perhaps it would be appropriate to hear from them.

**The Chair:** Yes, I would prefer that you hold the motion until we can have some discussion and query all of them.

Mr Ernie Parsons (Prince Edward-Hastings): I think it is quite possible that we may want to do some teleconferencing also, given this topic. I recommend we move to Mondays.

**The Chair:** So what I'm hearing on the opposition side is that Monday is OK. It's not exactly the preference, but it is working out better. Can I swing over to the government? Mr O'Toole or Mr Hastings?

**Mr Hastings:** I would think some Mondays may be OK. I think what we should try to do is accommodate everybody's needs and possibly, instead of just Mondays, switch to Wednesdays every other week or once a month, given what happens in the offices of some members. Also, they're coming from out of town. Instead of a beeline to Mondays, try three out of four Mondays or two out of four. That makes it a little—it accommodates people like Ernie, who has to come in from eastern Ontario.

**The Chair:** With that thought, possibly a week when Mr Bradley's committee is not meeting might be when we could meet on Wednesday.

**Ms Churley:** I hate to complicate this, but I'm sure everybody has the same situation I do. I am very busy juggling a lot of different meetings. If I don't know what my schedule is going to be, then it is difficult—

The Chair: Way in advance.

**Ms Churley:** Yes. It is difficult for me to plan other things. I recognize the spirit of compromise, but I think it would be difficult for me to accommodate that.

**Mr Hastings:** To what extent could we get something ready over the next four weeks, or is that a little difficult yet?

**The Chair:** Very possibly it could be laid out for the next nine weeks. Probably Mr Bradley has a good feeling as to when they are or are not going to meet.

**Mr John O'Toole (Durham):** I would like to accommodate Ms Churley, being the single member from the party—unless you have an alternate who's keeping abreast of the issues. To me, I'm flexible. I'm here every day anyway, so what's the problem?

The Chair: Maybe we can ask Mr Gilchrist his opinion.

**Mr O'Toole:** Mr Gilchrist would probably disagree with everyone.

**The Chair:** We've been going around the table, Mr Gilchrist, checking when this committee might want to meet. We've been getting support for Monday mornings because of the difficulties—

Mr Steve Gilchrist (Scarborough East): I'll cast a dissenting vote. I prefer Wednesdays.

The Chair: But is Monday impossible?

Mr Gilchrist: It's not impossible, no.

**The Chair:** Mr Bradley could join us if it's Mondays, and we'd also have access to the Amethyst Room, which we don't have on Wednesdays.

**Mr Gilchrist:** I personally don't think it's important. Hansard records us the same either way.

**The Chair:** At this point in time I'd entertain a motion if somebody would like to put a motion on the floor.

**Mr Gilchrist:** I should put on the record that Mr Ouellette is violently opposed to Mondays, if you're taking a vote.

**Ms Churley:** I would hope we wouldn't have to take a vote on this and have some people—

The Chair: Could we wait just a little bit and come back to this issue?

**Ms Churley:** I think that's appropriate. I'm hoping we can reach a compromise on this.

**The Chair:** I like your comment. I appreciate that, and that's how I'd like to arrive at it as well.

Could we move on to the second item, the committee's work plan, and discussion of the memo we put together on September 27 and circulated? Looking forward to comments on some of the things we mentioned, everything from a visit to the Independent Electricity Market Operator—that could be one of our meetings, that we go out there to see how that's controlled. Any thoughts on what we've put down on paper? Do you want additional research? Some of the thinking I've done is that I'd like to see a researcher hired who would be specific to development of policy as to what has worked well in other jurisdictions to encourage the use of green energies, alternate fuels, whatever term you'd like to use.

**Ms Churley:** I would support that. I went to the Ontario Environment Network meeting to talk about the committee on the weekend, and we had an interesting discussion. One of the recommendations from that group, recognizing that looking at some technology is important, is that there is concern that there are certain things that we know need to be in place now that shouldn't wait. Their recommendation is that we identify what some of those things are—and they've made suggestions—and look at recommending to the government that they be put in place sooner than later while we investigate some of the other technologies and economic instruments.

I would support having a researcher. If we do that, then I think we can get very specific about the areas we need that researcher to work on immediately.

The Chair: Other comments on research?

Mr Gilchrist: Like you, Chair, I had an opportunity to have an interview with this year's crop of new parlia-

mentary interns. I think there may be an opportunity for us to kill two birds with one stone and participate in that program. Give the interns, or at least some of the interns-I guess there are up to eight available-the opportunity to participate in this very significant initiative at the same time as we don't actually spend any money, or minimal. I would certainly be comfortable taking them around to site visits and things like that. But it seems to me we have a ready supply of eager and talented folks every year who offer their services as part of the parliamentary intern program. I think that in this case, because an equal number are offered to opposition members and to government members for each half of the year, there might actually be an opportunity to get more than one intern. As to the assignment, I certainly agree that would be a quite appropriate first task for any researcher we hire.

**The Chair:** That's assuming that one of the interns or many of the interns might want to come with the nine of us who sit at this table.

Mr Gilchrist: I think we'll know very shortly.

The Chair: I'm being a little facetious.

**Mr Gilchrist:** The good news is that I think they have to make their decision this week.

**The Chair:** Would you consider then that we hire a lead researcher with whom they work?

Mr Gilchrist: I don't have a problem with that.

**Ms Churley:** That's what I wanted to say. I don't know who they're going to pick, but I think this is a complex enough and large enough issue, and in terms of not getting bogged down here, we need a lead researcher who has some knowledge in this area. So I would recommend that. If any of us gets an intern and they're interested in working on this, then that's an added bonus.

**The Chair:** Other comments on research? It sounds like everybody's comfortable with heading in that direction.

**Dr Bob Gardner:** I think the key thing, from the research point of view, is that if the committee decides what areas it is going to focus on, then we can certainly advise you on what kind of specialized consultant you may wish to hire or what kind of additional expertise you do need. I think you're still just that stage away from who you need to get working for you.

**The Chair:** We might be getting the cart a little before the horse. We need to do a little scoping. Generally what I'm hearing around the table is that we don't need research on fuel cells, alcohol production—the technical aspects—but on policy. We have a general feeling that way. Now we need to scope which areas of policy we should be directing the researcher to look at, OK?

**Mr Gilchrist:** I think you capture it all by issuing the challenge to assess what every other jurisdiction in the world has done to deal with the issues relating to the burning of fossil fuels. It really is no more complex than that. That will, by jurisdiction, lead the researcher in any number of different directions no doubt. But it seems to me that it is a very simple thing to encapsulate what the committee is looking for under that heading. I agree with

you that we don't need somebody researching science. We've got the companies themselves, who can supply us with all those details. I think our research staff will do an excellent job of compiling an executive summary of that. But in terms of canvassing every American state, every Canadian province, every other country in the industrialized world, to just get a snapshot of what they've done, I think that's a fairly simple task; it may have a lot of work, but the concept and the questions you posed would be relatively focused.

1020

**The Chair:** That was kind of along my thinking to begin with. If the committee prefers a scope, so be it.

I think the committee spoke a while ago on a motion not to limit what we look at, and it was waste energy incineration. There was a motion, as I remember, that was defeated—I don't mean to be bringing it up, but what I'm coming around to is, that was the committee's opinion, to keep it wide open and look at everything. The mandate is there of getting away from fossil fuels as much as we can. If we want to scope it more, I'm open.

**Mr Hastings:** Whomever we hire in the policy area, they should certainly have some kind of a financial background from a policy perspective at least in the area of tax treatment, because most of these alternative fuel sources usually have driving them some sort of a sales tax exemption at the consumer retail side or they have some kind of a tax incentive at the other end in the production scale.

In my estimation, we need somebody who can look at existing countries and states and determine where they have applied tax treatment of an alternative fuel or technology, whatever that would be, that we have a person who would make good recommendations in that area based on what he or she has gleaned from the experience of these other places, what has worked in these other places after three or five years and what has not worked. So it's not just the announcement of a policy or the recommendation; you have some calculations behind it financially, cost-wise and what were the benefits of the other side.

**The Chair:** Very much so. I couldn't agree with those comments more.

**Mrs Bountrogianni:** I'd like to support Mr Hastings's concept and also support Mr Gilchrist's reminder to us that we did not have a limit to this committee's scope, that we did want to search and find every possibility at this point. We were given that mandate and there was a reason that we were given that mandate.

The other thing is, when we do start to focus more on process—not necessarily substance but process—I think the interns, if they're interested, would be exceptionally useful for assisting in the summaries of individual members' reports, for example, conference proceedings, to assist in gleaning out what is relevant in conference proceedings.

Just as a matter of information, Mr Hastings, in November—and I don't know when we will be travelling at this point—there's a two-day conference in Brussels which looks at just that, looks at the financial as well as scientific histories of trying to apply these new sources of energy. The information is out there, and I agree we need to hire someone who can really recognize what's relevant and not relevant and what's applicable to Canada and not applicable to Canada.

The Chair: Anyone else?

**Mr O'Toole:** At the risk of being repetitive, I think Mr Hastings touched on a very important part of it. Most of these initiatives will require some commitment in tax treatment at whatever level. It could arguably be at the municipal assessment level, it could be in tax subsidies at the provincial level, if you want to call them directly that, and at the federal level. I think that's a very important point, because all policies at the end of the day will end up in money, no question about it.

It also addresses, to some extent, the issue we've all talked about, which is full-cost pricing. Let's look at what the real cost is when we consider the current forms of generation, because really it isn't a full-cost pricing model. In my view, we had all somewhat arrived at that point.

I would like to emphasize, if we were to hire a specific researcher who's highly specialized in the finance and tax policy area, looking specifically at generation capacity—it's a huge issue in terms of the economy and stable pricing and transforming the generation side from the infrastructure that's already in place. If you replace it, then you have to write off the current capacity, whether it's nuclear or whatever. Those are costs to the government as well of writing off a stranded debt technically.

It's probably the most important area for me. I am in the Ministry of Finance. Not that I know anything about this particular issue, but I would expect that most of that stuff would arrive there to say, OK, is this going to be each of us as a committee has recommendations, and not being partisan, could bring that forward and see what the government's prepared to do? Without that, I don't think government can firmly assess, and we shouldn't bring back frivolous recommendations. At the risk of going on, that's for sure: a top adviser.

**Ms Churley:** I generally support that. At the risk of bringing up a contentious issue again, I only say this because I get concerned about the scope of this and the time frame we have and that we don't get bogged down.

I want to point out to people, and we shouldn't forget this—and I believe in the document our researcher pointed this out—there are experts here in Toronto and in Ontario who have been working in this area for a number of years, and we don't need to reinvent the wheel in some cases. Perhaps what we should think about as a first stage—I tried to think through for the meeting today—is trying to find some way to not scope it but to make sure we don't get bogged down, because it's so complex, so many issues and technologies. There are players and people who have been lobbying all governments over the past years and are up to speed, up to date on technologies and economic instruments and what other countries are doing. That's not to say we shouldn't go to some conferences once we figure out which ones are the most important, but one of the first things we need to do is figure out specifically now who we should be talking to here so that we can make short-term recommendations to the government. For instance, it may well be that energy conservation and efficiency should be something that we don't wait on. We don't have to do a lot of research on that. It's got to be done now. That's where I'm coming from. I'm really concerned that we're going to get bogged down.

The Chair: We have a concern as well to obtain a lead researcher who might work with some of our interns. It's going to take three to four weeks probably to put out a request for a proposal and find someone. That's going to put us at least at the end of October. I think there is some urgency to get on with it, and as I remember, we have in the budget of this committee approximately \$50,000 for research. It's in that ballpark anyway. I think I am hearing a common message that yes, there's some scoping necessary but, on the other hand, we need to be looking at as many of the instruments as possible to get on with green energy.

**Mrs Bountrogianni:** The reason I was really excited when I was put on this committee was I thought it would be non-partisan, it would be professional, we would do this job right, we would gather information like professionals, like scientists, like economists, and politics would come second to all of that. I think to pre-empt that and have an early report before we do the job right goes against the mandate of this committee, and I would not support that.

Our report is due by May. I think that is what we should do and we should have an excellent report. We should not leave anything unturned. Every professional team that works on these issues does its homework, does its research, has in the appendix a huge background of all of the research, everything, all of the conferences that either have been referred to or attended. I think we should really stick to that original plan.

**Mr Bradley:** Of the parameters we're looking at with each of these options—and John has identified one that's extremely important—it's quite obvious what we look at. First of all, does the energy work? In other words, does this alternative form of energy produce energy that's reasonable and good for us to use or is it something that's 25 years off or perhaps never? The second, is it at least environmentally benign, if not environmentally desirable, and the third, how much does it cost? **1030** 

I think John O'Toole's desire to see the full cost of all these options is very important. I just pick this as an example, and John would know better than probably anybody, representing the riding he does: Ontario Hydro for years portrayed nuclear energy as being very good, and it produced a lot of electricity in this province. There was never, in my view, a real accounting of how much that costs down the line. Maybe even if you knew the cost you would still say, "Yes, it is worth it," and you 3 OCTOBRE 2001

would proceed with it. But I think John identifies something we have to always look at: what is the true cost of everything? Then sometimes we will subsidize that either through a tax concession that John Hastings mentions or perhaps a direct subsidy. A lot of these things won't get off the ground, as John has pointed out, unless you have some kind of tax regime which is going to be an incentive for them to get off the ground. Otherwise they'll stay where they are now. We have to determine in our final report whether it is worth giving a tax concession to a particular endeavour, because you can't just give them to everybody; it has to show some promise. I think getting a person who knows that tax field well and what has worked and what hasn't, what criteria you use to give a tax concession, would be very valuable, to have a person, whoever we get, who has some kind of experience in that regard.

The Chair: I think we've had a pretty good discussion here. I think I get a general feeling. If I could just maybe try to move along by requesting that somebody might put on the table a motion, or I would entertain a motion along the line that the subcommittee be directed to advertise, to interview and to select a candidate who would be then recommended to the full committee. Would anybody entertain such a motion?

**Mrs Bountrogianni:** You said it better than I could, but I'd like to make a motion.

**Mr O'Toole:** Just on that, what are we advertising for?

The Chair: A researcher to look into policy.

**Mr O'Toole:** Have we defined what kind of researcher?

**Dr Gardner:** If I may, Mr Chair, as I understand it, what you're looking for is specialized research not so much on the technology of these particular energies, but the first question is whether or not they actually will work here. The second question is, how have they worked in other comparable jurisdictions? There you're looking for some public policy analysis. The third question is fiscal: what scheme of tax incentives or other forms of fiscal policy have supported these different energies? That may very well require different expertise. What I would propose is that we go away and work up a work plan for the Chair and the subcommittee on how to find such people. It may be one firm, it may be a couple of firms.

My understanding of the deliverables to the committee would be a report or a series of reports canvassing those issues, probably combined with briefings. You will want to talk to these people, I imagine, and an early briefing might make some sense to help make sure they understand what scope you want. You want to do this at the end of this year? Would I be hearing that right? So you want this fairly early on.

**Mr Hastings:** November 8. We should have the person hired, hopefully, and the ads out and the interviews completed by whoever, the subcommittee I would imagine, and have our candidate, whoever he or she is, by no later than November 8, in my estimation. It is

going to take them another month, roughly, to get acclimatized to us, the issues, and whoever you might get, as Steve says, from the intern program to assist in that capacity.

**Dr Gardner:** We will shoot for that. We will say within a month we will have somebody on board. With a little luck, we will be looking for experienced consultants who can get up to speed very quickly and know how to come in and do this kind of work.

If I may, on the second question of the interns, I actually had a similar idea to Mr Gilchrist's. Our office and the clerks jointly coordinate the intern program. I see the interns as part of their orientation. One of them actually has public policy experience and interest in technology. I floated the idea with the organizers of the program of attaching an intern to this committee. They can't do that because of the nature of the program. You folks make a pitch to get the interns in your offices. What I would then suggest is that we do the coordination of those interns out of here in terms of your committee work so that we have a handle on all the stuff coming into this process.

**Mr O'Toole:** I just have two points. These aren't on the resolution before us. The report dates I saw in one of the votes that we took here were November. I think they're premature. I tend to agree with Mrs Bountrogianni in terms of the timing. I don't see the draft report showing up much before January. Given the things we talked about, that would be very ambitious. January you get a draft format. I'm sure we are shaping it now with all the input. That would give the researcher the month or so to work on not just becoming familiar but analyzing. The previous resolution that was passed seems to be out of date to me, because they talked about having a report in November.

The Chair: Interim.

**Mr O'Toole:** Interim report. That's way too premature. We've got to have something ready. If you look at timelines, May is the budget, so you've got to have it done by March if there are fiscal implications and there's going to be an initial response. I'd say that February should be pretty solid. We could then present it—not to the House in May—whenever you want to present it, but it could be there in draft form probably by March.

**The Chair:** The thinking was that we have a pretty good summary in front of us right now and that could be modified into an interim report. That wouldn't take too much modifying. That was the thinking once upon a time. Ms Churley, if we can stick to the motion.

**Ms Churley:** Yes, I'm speaking to it. Is that what you were speaking to here? I wanted to speak to this issue.

The Chair: I'm trying to pull it back.

Ms Churley: OK. I can wait.

**The Chair:** Can we just get this dealt with, this research. We will incorporate into the motion the three points that were made as to—

**Mr Gilchrist:** Except, before you cut off debate on that, the only critique I would have, Bob, is that your opening part was about actually assessing the technology.

I tend to agree with the comments made opposite earlier in the debate here today that that might not be all that appropriate. It might be duplicative to ask somebody to do that. I think at the same time as you canvass the jurisdictions about what they've done, the very same phone call will elicit the information of what it cost them to do that. If you call California, I'm sure they would be able to tell you the benefits of setting up their different air quality branches, but they could also tell you what the budget was to do that and what the grants have been for solar installations and wind installations.

I don't disagree that it might be difficult to find all of the expertise under one roof to assess what you've then pulled back in terms of information. I'm wondering, though, whether or not we'd be better off to look at one entity that does the actual soliciting of the information and then maybe as a secondary process if you need to bring someone with financial expertise in to judge that, as opposed to having both of them running up phone bills to California to ask related questions to the same people. I'll leave that; you've got far more expertise in that area. I think we will find a heck of a lot of overlap in terms of the source of the information. What's done with that information back here may diverge into two different streams.

**The Chair:** A couple more comments? We are just putting this into better verbiage here.

**Mr Parsons:** Speaking to the motion about whom we require to assist us, it is easy to make energy of any sort. We've seen that demonstrated. The challenge is to make energy economically. There's a saying I like that says, "If you want to truly understand something, try to change it." Each of the groups that has met with us has given us recommendations as to what to do to make its energy viable. But I believe there's a wonderful interwoven fabric of the energy supplies, and we can't have one in isolation.

#### 1040

I do have a sense that Europe has faced these challenges before us. For me, the issue is not technical, the issue is financial. Finance isn't the only thing that will make energies viable, but financial is probably what we can do to make the energy viable. From my viewpoint, I would like someone to analyze what has been done financially. I don't want to reinvent the wheel. The suggestions given to us may or may not be viable from the groups, but if they have been tried somewhere, let's see how they work. I'm endorsing a financial.

**The Chair:** Basically I see it as financial. There may be other policy instruments that may help and we don't want their hands totally tied.

**Mr Hastings:** I would suggest that the research people use some Web sites for advertising in terms of the timeline. There's one like careerbuilder.com, which has a lot of technical policy people looking for positions. There are others.

Dr Gardner: Yes, we'll do that. Thank you.

**Mr Hastings:** That might speed things up if you've got a timeline of mid-November, early November.

The Chair: Dr Bountrogianni, was your motion along the line that the Chair, along with the subcommittee members, be authorized to hire an independent researcher and be authorized to conduct interviews and select the successful candidate and that the legislative research staff, along with the clerk of the committee, will suggest possible candidates by area of expertise?

**Mrs Bountrogianni:** That sounds good to me, Chair. Do we need in this motion to also include the comments from the members on the background of that person at all or do we leave that to the subcommittee?

**The Chair:** Research has heard the comments from here. It just makes the motion too long; select a candidate that will be recommended to the committee, if the committee's in charge.

Mrs Bountrogianni: I made a wonderful motion.

**The Chair:** Further discussion? Will we have a vote and move on? Those in favour? Those opposed? Motion carried.

We were talking about timing of meetings. Generally, people would prefer Wednesday, but recognizing that Mr Bradley can't attend then and recognizing room 151 is not available then, I think it's down to only Mr Gilchrist who would really prefer Wednesday, but we haven't heard from Mr Ouellette. Everyone else is quite supportive of moving to Monday so that we have the Amethyst Room, as well as having Mr Bradley with us.

**Mr Jerry J. Ouellette (Oshawa):** I wouldn't be supporting Monday at all.

The Chair: What would you support?

Mr Ouellette: Wednesday.

**The Chair:** In spite of the fact that Mr Bradley can't be with us and in spite of the fact we're in a different room?

**Mr Ouellette:** I'm on the same committee. I would support Wednesday, unless there's another time through the week, but Monday mornings, no.

Interjection: What about Friday?

**Mr Bradley:** As I indicated, I am most willing to accommodate the committee. In other words, I don't think the committee's work should stop because I am not at the committee meeting all of the time. I can have a substitute. I really appreciate the fact that you have endeavoured to look at other times. I know how busy schedules are for members, and the government agencies committee doesn't sit every Wednesday. It sits probably most Wednesdays but not every Wednesday. I am most willing to accommodate whatever's best for the majority of the committee. I don't think you should twist in the wind simply to accommodate me.

**Mr Gilchrist:** Could I offer a compromise? For meetings such as this one, if I may typify as the routine business of the committee, room 151 obviously is of minimal interest, and maybe those days we proceed as we had originally voted, on the Wednesday. However, there is a question being posed in the sheet about having further public hearings. As an exception, if we are holding that sort of meeting of the committee, I would be prepared—and I don't know about Mr Ouellette—to

change my schedule those weeks to be able to meet in 151 on Monday and those, I think you would find obviously, Mr Bradley, are the meetings we all would have a greater interest in attending and having televised. Can I offer that as a compromise?

**Mr Bradley:** That's fine with me. As I say, I'm very willing to accommodate the committee in whatever way. Whatever you see fit, I'm prepared to live with.

**The Chair:** Similarly, when the other committee is not using 151, those might also be good days to have delegations come in.

**Mr O'Toole:** I agree. I think that's what we're trying to find: the best solution. We also want this committee's work to be open, so in that respect this isn't essentially interesting to the public, but I would agree with what Steve has said and others have said as well.

I just want to bring one point up. This may not be completely relevant to the question, but it is in my view. As government members, we're required to participate in lots of different things, specifically votes. Any of our attendance here is very much an important requirement, and by that I mean any travel or committee work outside of the Legislature that is the will of the committee, I suppose even in the terms of reference, but at the end of the day, I really can't go anywhere.

The Chair: We'll get into that under events.

**Mr O'Toole:** The point is that I want it responded to because conferences aside—

**The Chair:** OK, but we're on a different topic right now and I want to get this other topic—

**Mr O'Toole:** It's fine for the opposition. You don't have to win the votes. We have to.

The Chair: That's another topic.

**Ms Churley:** Well, isn't that simple?

Mr O'Toole: That's pretty blunt, Marilyn.

The Chair: If I can just have order. The message I'm hearing is, if there are delegations coming, which are of more interest, we look to either days when Mr Bradley's committee is not meeting or we move those days to Monday. The rest of the time we'll meet on Wednesday in a room such as this. Is that satisfactory, Mr Ouellette?

**Mr Ouellette:** Monday afternoons: is that what we're speaking about?

The Chair: I have House duties.

**Mr Ouellette:** Monday afternoons I don't have a problem with.

Ms Churley: Monday afternoon might work better.

Mr Ouellette: Monday afternoons are fine by me.

**Mr Gilchrist:** As the Chair of one of the committees that would normally meet, I could certainly make sure that general government accommodates the schedule.

The Chair: That's an alternative.

**Mr Hastings:** Here's another alternative for you, Doug, if you want. How many members here are sitting on a committee on Thursdays? Which one?

Mr Ouellette: Thursday afternoons?

Mr Hastings: Thursday mornings, who sits on a committee?

Interjections.

Mr Hastings: Public accounts is—

Interjections.

**Mr Hastings:** I'm sure I can get a sub or a float, and use the odd Thursday as a possibility.

Ms Churley: Thursday morning or afternoon?

Mr Hastings: In the morning, Marilyn.

**The Chair:** Is Monday afternoon a problem? I can just go to the House leader or the whip or whatever and try and get us switched because of this. Is that a problem for anyone else, Monday afternoon?

Mr Parsons: It's also my assigned time in the House.

The Chair: If you and I can get a switch, we'd be—

Mr Gilchrist: You're now paired up.

**Ms Churley:** It's mine too, but I would try to— *Interjections.* 

The Chair: Sorry?

Mr Hastings: I'm on House duty Monday too.

Ms Churley: So am I.

Mr Hastings: You're looking at four.

Ms Churley: And you too? Five.

**Mr Hastings:** It may be a possibility.

**The Chair:** Let's look further. What about Tuesday afternoon?

Mrs Bountrogianni: No, that's my House duty day.

The Chair: I am free that day.

Interjections.

**The Chair:** Monday afternoon is taken by another committee. So we're into the same problem. What about Tuesday afternoon? What does that bring?

Mrs Bountrogianni: That's difficult.

Mr O'Toole: Estimates is on Tuesday and Wednesday.

**Clerk of the Committee (Ms Tonia Grannum):** Justice sits on Monday and Tuesday.

The Chair: How about Sunday afternoon?

Mr Bradley: At your place.

**Mr Ouellette:** Why don't we as a group come forward and discuss, first of all, how many meetings we're going to have, possibly, and when a meeting is planned in advanced, send out the options that are available when the maximum number can be in attendance?

The Chair: As discussed earlier, we're going to be meeting every week from now till Christmas. We have a pile of stuff to cover. I'm just trying to get through this agenda. It looks like it's going to take three meetings, just on this agenda. We've got two other serious things before we adjourn today.

**Ms Churley:** If I may, Mr Chair, we're not going to find a perfect time, so perhaps a compromise should be as Mr Gilchrist and others suggested, that the public hearing meetings be held on Monday afternoon—

The Chair: Or Wednesday mornings when the room is free.

**Ms Churley:** Wednesday mornings for routine meetings, such as this. I think we have too many people on House duty on Monday afternoons; five people. We're not going to find any time where we all can attend. That is the reality.

**Mr Gilchrist:** So if the issue is room 151, we can find time if that's available; the majority of the committee can sit.

**The Chair:** I think we'll move on. The general message I'm picking up here is we'll meet Wednesday 10 to 12. If we are having delegations coming in and it is of real interest, we either move it to Monday morning or we move it to a Wednesday when Mr Bradley's committee is not meeting.

Can we move on? Surely to goodness we can have some flexibility. I'd ask everyone to be here. Now that we are providing this much flexibility, I'm going to start the meetings at 10 o'clock, not five seconds after. They're going to start at 10 o'clock and I want a quorum here. I've been as flexible as I possibly can. I've held off starting these too many times.

1050

**Clerk of the Committee:** But when finance sits in the morning, when they start prebudget meetings—

**Mr Hastings:** But that won't be until January. Don't forget, Doug, you might be able to squeeze in one or two Thursday mornings in the next nine weeks. It is a possibility.

The Chair: Sure, and we'll use that flexibility. May we move along? The next one we must discuss at this meeting has to do with attendance at conferences and travel. That was part of what Mr O'Toole was mentioning earlier. The other one we must talk about this morning, and it shouldn't take very long, is events to make the public aware of what the committee is doing. I think we can move that one through quite quickly.

The one that may be a bit difficult—and the subcommittee directed it back here—has to do with travel. We are into a bit of an awkward one. Some committee members have lined up certain conferences and by holding off they're going to have to pay two or three times as much for tickets.

**Ms Churley:** I raised this at the subcommittee meeting. We had a discussion, referred to the clerk, about what we could and couldn't do under the existing rules. We are trying to work out how individuals can travel under the existing rules. The clerk told us that normally—and perhaps she can tell the committee—unless there is different information, there's a whole process in place where clerks are supposed to be involved and things like that. I don't know if the clerk has an update on that whole question.

**Clerk of the Committee:** We've had some discussion in the clerks' department. If the committee chooses to do so, by motion, they have to identify who is travelling, to where, and reporting back to the committee. All findings would have to be reported back to the full committee.

**Ms Churley:** In that case, as you, the Chair, authorize people to go to specific conferences or events, as passed by motion here, then it would just be a simple matter of bringing it back here and passing, by motion, that that person is going. OK. So it seems that particular problem has been solved.

The Chair: I'd feel a lot more comfortable if the committee voted on it.

Ms Churley: So would I.

The Chair: Some may feel that I'm not carrying out that original motion, but it's going to be one heck of a lot more comfortable. If they're going to Timbuktu, Ontario, Quebec or Amsterdam, they're going to this conference for this purpose, and there will be a report from that.

**Mr O'Toole:** Without dwelling on this—and I don't know how to frame it and phrase it without perhaps sounding overly important; that is not my intention—

The Chair: We know you're pretty important, Mr O'Toole.

**Mr O'Toole:** —but as a government member, I have more recently been required to attend where I had other very pressing things to do. I could schedule things even in the next few days. You and I know the story: the mayor and all of these people are going to a specific site, it's all to do with energy, it's all been arranged, there's a full agenda, all the contacts, and I could easily go on that trip. But I can't go on that trip because of a commitment to the House.

We don't have pairing here like they do at the federal House. Pairing doesn't count. For instance, if there's a vote and I'm not there, even if I was paired with Ernie, it doesn't mean anything. If they have 34 and we have 33, we lose. Pairing doesn't work unless we get specific rules. These are procedural issues, as Mr Bradley would know. These conferences are at specific times. It looked to me like the travel is all supposed to be finished by February if it is to be of any contribution to this process. I think I've made my point. I'm quite concerned that I don't run my own life with respect to when I'm here. When the House is in session, I'm required to be available, period. That's the end of it.

The Chair: Twinning may be the answer.

Mr O'Toole: Twinning doesn't count.

**Mrs Bountrogianni:** Unless it has changed since the last time we met, we have not held a deadline for when people can go to conferences. I understand that some conferences are when the House is sitting, but there are others when the House isn't sitting. If that can assist you in your discomfort, you can go to the conferences when the House isn't sitting. I know you don't want to go during constituency week because you want to get reelected—you made that clear last time, and that's fair—but I think it is up to us. Some of us aren't going to go anywhere for personal reasons as well, and some of us are not going to go because of the reason you cited. Unless I'm wrong, do we still not have the flexibility of travelling in January if that's what we choose?

The Chair: If I can maybe just try and clarify what Mr O'Toole's concern is—and it happens in some other governments in committees such as this—it's where people pair up. If I'm away, then we have a ladies' and gentlemen's agreement that both are away when it comes to votes. I think that's what he's suggesting. I don't know in this committee what might or might not match up, whether you're comfortable with doing that or not. **Ms Churley:** I won't be travelling when the House is in session. That's just the bottom line. I don't do that, not just because we have nine members but because it is an extremely busy time in my community and I don't travel during that period of time unless it is urgent. So any travelling I will be doing will be when the House is not sitting. I certainly don't mean to suggest that other people have—people can travel. They can have conferences whenever they want or whenever they choose. I just won't be doing that. I can't.

**Mr O'Toole:** May I just have one small compromise? I think I found for myself the perfect solution. As you might know, I speak a fair amount in the House and that would be missed. It would be hard for the whip to replace me. But if I was to pair with Mr Bradley, there would be some accommodation there on the time of speaking.

**Mr Gilchrist:** Subsequent to our last vote, prior to those discussions, I had thoroughly researched the conference schedule for different venues that we are dealing with: hydrogen in its many varied aspects, as well as appropriate site visits in jurisdictions relatively close to those conferences. I prepared a plan. The Chair signed off on that plan. Since we seem to now want to revisit that, I'm prepared to move a motion that the committee endorse the plan that has already been signed off by the Chair, which has me going to a one-day hydrogen solar conference in London next week; followed by a three-day hydrogen expo, which I am told by people like Stuart Energy is the premier hydrogen expo each year; and site visits in Germany and Italy.

And, as I had mentioned at this committee before, interspersed in there, as an attempt to kill two birds with one stone, was an invitation by the OECD to bring the Canadian perspective on red tape reduction to a world roundtable on that topic. So only one half of the airfare would be charged to this committee and one half would be charged to red tape.

My motion is that the committee endorse the travel plans as already approved by the Chair.

**The Chair:** Is everybody comfortable with Mr Gilchrist's travel? We have a motion on the floor.

Clerk of the Committee: And that he reports back.

Mr Gilchrist: Absolutely. I'm taking the laptop.

**The Chair:** Those in favour? Those opposed? The motion is carried.

I gather from the debate and the comments made correct me if I'm wrong—I know Mr O'Toole is concerned about the vote in the House and getting clearance from the whip. Mr Gilchrist doesn't seem to be quite as concerned. Maybe he is, but not verbally.

**Mr Gilchrist:** I've had a conversation with one of the opposition members and I am comfortable that we are not going to let partisan issues interfere in what has been a motion passed by the House that empowered us to do these things while the House was sitting. I have to believe the three House leaders knew what they were doing when they crafted that motion and I'm taking them seriously. I am very comfortable that I will not be compromising, from our perspective, because we have

that gentlemen's/ladies' agreement. I think this is important work we're all doing here and I would be very distressed if anyone took advantage. This won't be the last time some member of the committee leaves, and I'm prepared to offer the quid pro quo, absolutely, when it's somebody on the other side who is away.

1100

**The Chair:** I was just going to round that one out as you stepped in there, that maybe we set this up on a one-to-one basis and then you let the whip know accordingly, and we go from there.

**Mrs Bountrogianni:** I'm in full agreement that we should co-operate so that we allow people to go on conferences and not worry about voting schedules. However, there is a young man in your corner there who takes our attendance every day for the sole purpose that it will be used against us in the next election.

The Chair: In our corner?

**Mrs Bountrogianni:** The Tories. You guys have an attendance councellor. I guess I'm concerned that we may trust each other here—

Interjections.

**Mrs Bountrogianni:** Oh, yes, there is. He comes in. We know him; he knows us. He's not taking your attendance, he's taking our attendance.

Mr O'Toole: Ours is taken and published.

Mr Bradley: Maybe we could send a note to him saying where we are.

**Mrs Bountrogianni:** All I'm saying is, trust has to work both ways. That's all I'm saying. So perhaps we can talk to our House leader about that situation. Otherwise, it's a moot point. Trust has to be both ways. I'm not saying that the members opposite know what's going on, but we wave to him to make it easier for him now. I say, "I'm the one with the long name. I'm here."

**The Chair:** So that's who you people have been waving to. I thought you were waving to me all the time.

**Mr Gilchrist:** That's news to me, Marie, but I would be more than happy to pass along to whoever—

Mrs Bountrogianni: We're going to talk to our House leader about that.

**Ms Churley:** With all due respect, Mrs Bountrogianni earlier inferred that I was being partisan when I was expressing a point of view—

**Mrs Bountrogianni:** Mr Chair, on a point of order: Did I say that? Is there anywhere in Hansard that I said that? Because if there's not, I want it struck. I don't want to be accused falsely of anything.

Ms Churley: May I continue, Mr Chair? I was going somewhere with this and I wasn't being—it's my point of view about energy conservation. What I wanted to say is, this is a partisan place and I think this whole conversation is somewhat ridiculous in terms of what happens in that House. We can try to get the House leaders to make an agreement, but we know what happens once we get in that House from time to time. We're having this discussion about what the Tories are doing to the Liberals and vice versa and all of this. I think this committee is going completely off course here. We travel when we can and we try to work together, but that's the best we can do. Let's get real.

The Chair: We got a little sidetracked there. My apologies.

Ms Churley: Yes, we did.

The Chair: I don't know if anyone else is urgent to travel.

The other item I wanted to discuss is events. I think we had an excellent event last Wednesday. I believe with what's currently occupying the news, little coverage actually ends up out there, but the press really seemed very intrigued with what we were presenting. I would suggest we wait until November to have more events and I would also suggest that these events be more the subcommittee pulling together to make it happen. I'm anxious that that kind of thing happen, but I'm also anxious that it's the committee that's doing it, not the Chair and not other aspects of government, that it's in fact the committee. Probably the subcommittee would be the one to make sure the nuts and bolts happen. We can then work also with the clerk and research to pull these together.

Any comments on making these events happen? Any agreement? Roughly in November, we'll start trying to pull together two or three, from November 1 to the middle of December, and then we'll see how they go and what other ones we should be doing. OK.

Coming back to the agenda, we also have this major heading on the agenda, "Consideration of summary of recommendations as precursor to final report." We've talked about, "Committee publicity, press conferences, technology demonstrations"—that's events.

We talked earlier about this direction. My understanding was that at some point we'd take this—what we have now is a summary—and we'd pull that into an interim report to submit and we'd do it by the end of November. We'd look at it on the 15th of November, we'd have two weeks to work on it and then submit it. It's not a detailed thing, but at least it gives some idea to government of what we've been hearing. Then we would, with research, start scoping this in—and when I say "scoping," it's what will work with the various policy instruments that may be coming forward for the final report.

I don't know how many of you have had a chance to read this. I think our research has done a great job. I was rather surprised. I don't mean to be partisan, but the number of instruments in the front of this, when I was reading it—there are a lot of instruments already in place.

Anyway, the summary is here. There are a lot of recommendations by those who presented to us. I think we're 80% or 90% of the way there. Comments?

**Ms Churley:** Yes. I also wanted to congratulate and thank Jerry Richmond, and I don't know if Bob Gardner was involved as well, and any other researchers who were. It's a really good summary and it really helped a lot. There was so much material that came before us. Thank you.

That was our initial date for an interim report. It's not just the government and the House that would be interested in this. As I said earlier, I've been out speaking to some groups in Toronto and there's an extreme interest in what we're doing here and lots of questions on how they can be further involved, all of these things. So that would be a good report to make public just so people can see where we're at and the scope of what we're looking at.

The Chair: Personally, I think there's some importance that it go before Christmas, before the end of the year. If we wait till February, well, why not wait till the end? This just alerts them to the general things we're hearing out there.

**Mr Gilchrist:** The summary was excellent. I think it did a tremendous job of distilling down what we heard at those hearings and offering some additional insights.

I wonder if, to get the maximum impact from the circulation of any prospective document, we could include as the final page in each section of that report a series of questions asking people to rank the viability, the acceptability, the financial impact they see, and whatever other observations they care to offer. If we were able to use this document as a way of framing the debate from here on and getting public input in a way that's a little more focused perhaps than what we normally do in public hearings, where people just come in and give their 20 minutes free form-if we've reached certain conclusions, and I think the research does direct us down certain paths, it would make sense that we ask people to try and stay on those paths to the extent that they can. If out of that we can develop a stronger image of what the people in this province believe are viable alternatives and what they're prepared to pay for them and the timing to make any or all of them reality, I think that would go a long way to helping us in the crafting of our final report a couple of months later.

**The Chair:** Other comments? We can work on some suggested questions that people might respond to. I think that's a good point.

**Mr Jerry Richmond:** Thank you for the comments. The summary was a joy to do.

The Chair: We didn't put much pressure on you.

**Mr Richmond:** A foot and a half of submissions distilled down. Actually, I'm pleased with it myself. Keep the cheques going.

Just a few comments here based upon what committees have done with these types of summaries in the past, and you may wish to consider these to more focus the document in front of you. In the next few weeks when we're meeting, it might be useful if the committee went through this and, by consensus, as you digest this, if the committee wants to give any further direction to the various topic areas or possibly drop certain topic areas where the committee, by consensus, doesn't feel those various energy forms have much potential, I think that would create a better document to go forward in your interim report.

#### 1110

Each of the topic areas has three sections. There's a commentary section that includes verbiage reviewing

what we've heard, and I would very much appreciate your comments on that, or focusing, because my initial function in doing the summary—I didn't feel obliged to pass judgment on any of the energy forms; I merely wanted to represent what we heard. Incidentally, we're getting many more papers of supplementary submissions. I intend to include those in a revised summary, subject to your direction. My thinking is that I would only include new things, because it's important for the summary to reflect all the witnesses and all the submissions that have come before you. So to get back to the organization and input on the summary itself, as I was saying, you've got a commentary section, and I think it would be worthwhile for the committee to further focus any of those sections of verbiage.

Then I've pulled out the witness recommendations. If the committee wishes to comment or focus on any of those recommendations possibly in a preliminary way, identify the recommendations that you feel have promise or maybe some of them you don't feel have promise in Ontario, maybe there could be commentary from the committee on the recommendations, identifying in a preliminary way the ones that you feel have promise or maybe not commenting on the ones that you feel don't have promise.

Then I included questions in the form of possible issues for committee consideration based upon what we've heard and knowledge of the public policy process around this place. I cast in there a number of questions, and the committee may wish to address those and maybe focus your thoughts more. I think that would be a more valuable document.

Furthermore, the initial section, which is an important one that addresses proposed policies to promote green energy: that might be an area that in the interim report you may wish to focus upon more directly.

I think if you did that, it would be a much better document to serve as your interim report. So maybe we could do that in the next few weeks. I don't know what process you want to use to focus this document.

Similarly, some of the supplementary energy forms may not merit further attention.

The Chair: If I can just make a quick comment here, I think that's something we do need to focus on and maybe set aside a meeting to totally focus on this summary to get it to the November 15 point, and then we can debate at one or two meetings then for the final. Is everybody comfortable with that, and that we move in that direction? If you want to shift that to December 15 for a final, I'm certainly comfortable there, but I think I'd like a deadline to at least work toward. I'd like to stick to this topic. I think you want to put a motion, but I'd like just like to stick to this topic until we wind it up.

**Ms Churley:** I'd like to comment on it, because I don't know if we can get it done for—I don't think we can—the interim report. I think people would agree with me that some of those we might have disagreements and arguments about. Again, there are so many subjects here that I'm not sure we can narrow it down and scope it.

But I think in a different way you're coming back to what I was trying to say, perhaps unsuccessfully, earlier. I want to ask this question directly to the researchers. If there's concern that we have to, to some extent, scope this down so that—I don't mean to put you on the spot, but I think your input into this discussion is really important in terms of our ability to achieve our goals here. Is that part of your concern, that we need to spend more time focusing so we can come to a reasonable set of recommendations?

**Dr Gardner:** I think there is a point at which you will have to focus down. Again, it's entirely up to you how broad you want your recommendations to be. What we're hearing from committee discussion today is that you want to stay fairly broad for a while longer anyway to make sure you understand the whole scope of alternative fuels and energies.

If you were to look at your whole work plan, you could keep broad with your interim report, with any further witnesses you want to have in from local areas in the next little while-while you're here and the House is sitting—with the consultants that we will hire over the end of this year. Then maybe in January or February, if you're talking about site visits or going to other jurisdictions, that's the point at which you've got to focus in. If you're going to a particular jurisdiction, you want to see what they do really well. What we are hearing, though, is you're not quite at the stage of knowing who's doing the different alternatives really well. When you get to that stage, then you go to that place to find out about hydrogen cells. You go to this place to find out about wind power. We do feel, yes, focus is needed, but it's up to you when. You can wait a while longer.

The Chair: There may be the advantage here that our interim report is very broad and our final report is very focused. But at least we have on record, on submission to the Legislature, all these broad ideas and thoughts. There may be a real advantage there.

Other comments on the report? We will keep working down this way and we will set aside a meeting late October or first of November to address this more seriously.

**Mr Richmond:** Focus or keep it general at your prerogative. But from previous committee experiences, the committee has gone through these things and put more of their stamp on it. What you've got before you now, I distilled down as best I could from the mountain of material that came before you. That's really my point. For example, under the water power, there's mention of the issue of the additional potential at Niagara Falls, upgrading or expanding the Beck plants. Maybe the committee, in a preliminary way, wants to give some further direction to that. What's in there now is merely a descriptive point that this is an issue that the committee addressed.

I know we've received from OPG the EA that they did—I haven't digested it, but it's in Tonia's office—for the Beck 3 proposal. Maybe the committee, and this is just a possibility among many, wants to give some initial focus or more of a green light to that concept. Maybe you don't. But that's what I mean, to give you a specific example, because right now in the water power section, that's just mentioned. I didn't go out on a limb one way or the other and give it a green light or a cautionary light, but maybe you do. That's a specific example.

**Ms Churley:** To continue, then—I wasn't quite finished—I think what you just said was sort of what I was suggesting we might do earlier and that got shot down. I don't think the committee wants to go in that direction until we get to our final report. But that was my suggestion.

**Mr Parsons:** I certainly agree that I don't think the interim report is a place to focus down on the topics; it should raise questions rather than produce answers at that time. But I'd like to, along that line, roll back.

It was my sense or understanding that we were going to, as committee members, though, start to focus, because it's not productive if I start to look at sites I want to visit and come to the committee with it and find out someone else is also making the same arrangements. I don't think there's any point in two, three or four of us doing that. So at some stage, fairly soon, I think we need to do some division of topics and allow each of us to then, individually, do an in-depth focus on the topic and bring it back to the committee—or more than one topic.

**Mr Gilchrist:** Just a final point, because I don't think we're really talking at cross purposes here. I think, Jerry, one of the things you could do in the questions that could be appended to each section is to actually pose some specifics about Beck.

Jerry had a good point just a second ago. Maybe after ethanol, we should be asking people to consider: what role can ethanol play in the phasing out of MTBE, MMB and other additives? To some extent, I think, we have to continue to use this document as a way of fleshing out the knowledge that's out there and the interests and the preferences of the folks to whom we are responsible.

#### 1120

Then we come back and we make the decision based on hopefully some thoughtful answers that have come into those questions. I'm not comfortable right now saying what percentage of fuel should be ethanol. But my guess is before we are done, we would have enough scientific feedback that we could make an informed decision. I agree with the points made opposite that this should be something that gets a lot more discussion, not conclusions.

**Mr Ouellette:** What I was saying to Mr Gilchrist is that we should have listed areas of discussion so that, for example, under ethanol, area of discussion could be phasing in of ethanol as an alternative as an oxidizer. But there still needs to be a lot of research. Since the meetings here, I've had a couple of meetings in the discussion of phasing in ethanol as an alternative. But I'm now finding out that when ethanol is utilized, they use a more carcinogenic substance to boost the ethanol, so I need to ask those questions. Listed as areas of discussion opens the floor to further advance and it lets everybody line up and get ready to respond when we come out to further the final report.

**Mr Hastings:** The policy focus to some extent will be dictated—maybe that's a bit of a strong word—will strongly be influenced by the outlook of the person we hire as a senior researcher. I think that individual will provide us tremendous guidance. Aside from that, I would think that in the discussion of specific alternative fuels, there ought to be the upsides and the downsides. There should be some benefits and some negatives.

As for the interim report, whenever that evolves, I would think it would have probably more in the way of questions than it will answers. It could include a flavouring of those pluses and minuses for each of the different technologies that are advocated by people who send in submissions or attend by public committee appointment.

I think your interim report will have a lot of questions and some answers, but it will pose hard-hitting choices. Then the final report would probably answer most of those questions and come down on the side of four or five specific technologies or fuels with the tax treatment included in it. But I think your senior consultant, whoever is hired, will be able to provide us with some guidance in this area as to the reporting format of what the product might look like in the end. We may not like that particular format, but it would probably be more visualized by that individual, because hopefully you're going to hire somebody who has had experience in the development of a public policy format and a report that will actually end up having some specific policy outcomes. I think that will guide us tremendously.

**Ms Churley:** Those are all reasonable suggestions and I support them. I think what we've identified here in terms of what we are looking at are a number of areas: the pure technology, the environmental implications, the economic instruments, tax incentives and policy frameworks. Somehow we have to, in the context of our recommendations, look at all of these things. I support that. That's why I believe that at a certain point to some extent we are going to have to scope.

The second thing I'd like to say is, and I know it is my personal issue here, having started the energy efficiency office at city of Toronto and worked a lot in conservation and efficiency measures. That's one that I keep pushing as something that, in this report-and if people don't want to support recommending right away that we do something, I don't think we need to do particularly a whole lot more research on that in terms of answers to all of those questions except for the economic side of it. I understand the cost issue. But we know Ontario is one of the biggest energy hogs in the world and that there's a very clear policy area that we need to be moving on quickly, and that's efficiency and conservation. I'm coming back to what I said earlier. Perhaps there's some way within the report, without recommending right now, that as-some of the ones we can look at and say, "We know certain things about this area, and this is something that"-not necessarily recommending. I don't know the wording, but we can we pull it out and recognize it as an important issue that we need to be moving on. I don't know how to do that in such a way that it is not a recommendation, but you know what I mean? It is so vital and so fundamental to this whole discussion.

The Chair: Maybe if we can move along, I think we are generally in agreement where we are going with the interim and final reports. Sometime maybe we will pick a meeting, either the last meeting in October or the first one in November, to really address this, spend the two hours on it, and we will move on from there, if I may.

**Dr Gardner:** Mr Chair, what we'll do is we'll take what we've heard today and we will recast Jerry's summary as a potential interim report designed to facilitate discussion and input from the public. We will work up some questions along those lines. We will get them back to you quickly, and then you can meet and go through that report in that light.

**The Chair:** I think we've worked through an awful lot of the issues that are in that memo of September 27. The other one has to do with the A and the B lists, and that would have to do with some of the travel.

**Mr Gilchrist:** I thought you wanted to talk first about the idea of more events here at Queen's Park.

**The Chair:** We did cover that quickly a while ago, that it would be in November and it would be the subcommittee that would tend to guide it through. Sorry. It was—

**Mr Gilchrist:** That's fine. That was going to be my submission, that rather than rush any in the next couple of weeks, we take a longer time to better plan and make sure we get every player, certainly from an Ontario perspective, in each technology, and have a theme.

Might I suggest—and sorry; I guess you dealt with this before I got here this morning—that maybe if that event is staged at noon, that the 10 to 12 meeting that day, if there is an interest in having further meetings with companies that have now written in and expressed a willingness to come before the committee—if, for example, hydrogen is planned for a certain lunch hour, from 10 to 12 that day we could have other hydrogen companies come in. In effect, that would be our hydrogen day. Then we would have our wind power day and our solar day and that sort of thing. If there's any merit in—

The Chair: We're looking at about three of those: two in November, one in December, something like that, in the back of my mind. The subcommittee is going to have to be meeting soon in connection with hiring a researcher; maybe we can address that topic at that point in time. We also have staff who can assist us with some of that arrangement.

There are the A and the B lists. I'm not sure how much you want to discuss that at this point in time. That's a phenomenal amount of information there about where these things are happening and not happening, who's leading, who's not, who are the organizations. I guess one I did want to cover as well, in connection with that, are the various organizations that we have had requests from since we had the hearings in August. Do you want to hear from more people? We have heard from I think almost every area. Some of it might be duplication of information. We do have a good body of knowledge in these various areas.

There are a few things like, do you want to visit the Independent Electricity Market Operator out in Mississauga to see how that's run across Ontario? I have been there with the previous select committee: intriguing to watch. It gives good understanding of when power is put in, where it is being taken out, and the grid across Ontario.

Do you want to listen to more witnesses? Do you want more meetings on discussions as to where we're going?

Interjection.

1130

The Chair: That's a good point from the clerk. Various members around here have also put in additional witnesses that we wanted to hear from, from a more global point of view, not so much to specific technologies but more thoughts.

**Mr Hastings:** I have put in some names on the financial side, and I would hope other people would do similarly.

The Independent Market Operator: I'm open to going. I don't totally see the relevance of it, but if it would lead to a discussion about alternative fuels, I suppose it could be a good thing to hear from those people. I don't know if that's on their radar screen or not.

I think we need to have some more hearings, probably mid- to late January, in terms of people in areas we have not heard from. For example, the other day I had the opportunity to meet with Dr Ian Rowe from one of the centres of excellence at York University. CRESTech is its trade name. He was involved here in energy development policy back in the 1970s and 1980s related to conservation and hydrogen. So it's a name you might want to put on your list as to how far they got and what created the failure. Was it political or was it an event outside of Queen's Park that lapsed most of that green fuel development policy at that time?

I think you're right, Mr Chair, that we've heard from most of the groups in terms of the potential of the technologies. I'm sure there are one or two that are missing yet, and that needs to be covered. The financial should be heard—the tax treatment or however you want to define that—and people who may have been involved before. Then I am sure there are retailers, consumers, that whole group of people, because in our first hearings they were essentially corporate. I think probably we want to hear from consumers as well. That would be people who might be even using this stuff, whether it's a hydrogen car or a solar-heated water heater, that sort of thing: commercial/industrial, institutional, governmental. So those would be the areas that I think we should look at in the second round of hearings.

**Ms Churley:** Just very briefly, I think that in the second round—and I believe everybody is saying this—we need to be quite focused on who we hear from again; in particular those omissions or anything new we hear

about that got left out, or those we identified that we wanted more information about.

I just wanted to point out that we heard from a lot of ministries. I have requested that the Ministry of Municipal Affairs and Housing be asked to appear before us again talking about energy efficiency and conservation ideas and retrofitting, so I'm hoping that we can hear from them.

The Chair: Other comments?

**Mr Parsons:** I think we really have heard from a lot of sellers of electricity and sellers of energy, and yet one of the statistics that struck me was that about 70% of our energy production is consumed by 100 industries. I'd like to hear from the buyers of energy what their perspective is. It may have to be by invitation, but aluminum companies, automobile manufacturers that are tremendous users—I would like to hear their perspective on where they want to get their energy from.

**The Chair:** Sorry, Mr Ouellette. I think you wanted to comment.

**Mr Ouellette:** Yes. There are a couple of things. First of all, there may be some other areas; for example, the Ministry of Health in discussions with the use of MTBE parts per million or ethanol as an alternative. What is their position on what takes place in these when they come forward? We could hear from them when we're looking at alternatives, whether it's methanol or whatever the case may be.

I believe there have been a number of television shows, whether it's W5 or Discovery or CBC reports or Nova, that have a considerable amount of research done already. I watched one on low-flow water generation that takes place in BC, but I can't seem to track it down. Possibly research could help us in some of these other areas that have already published materials, whether it's televised or written. We might be able to find some research in those areas as well that will help give us some background.

The Chair: May I make a couple of suggestions to the committee as to some of the things we might do. I'm just looking at dates for Wednesdays: the 3rd, 10th, 17th, 24th and 31st. On the 10th we might use the meeting for purposes of looking at a preliminary run at the interim report, just spend a little more time working with you people. I suggest that because that would give us two weeks-the 17th-to start inviting some of these groups we've been talking about. I think we should give them two weeks. The other thing we might do on the 10th is visit the independent operator control centre. Maybe on the 17th and 24th we could look at some delegations coming in. I'm a little concerned that we're going to get ourselves squeezed in November. All of a sudden we're going to want to talk to a bunch of people, be trying to hire a researcher and trying to put together a preliminary report.

**Mrs Bountrogianni:** Is the 10th too soon to start talking about—are we going to have what you suggested by next week? That's a tall order.

**Dr Gardner:** It depends. If you want to meet on the 10th, we'll meet your deadlines. Probably there wouldn't

be time for us to entirely revise Jerry's summary, recast it as a public input document and get it to you in time for you to look at. We could very quickly, in a day or so, revamp, say, the questions at the end of each section. It would be easy for us to get a fully revised document to you in lots of time for you to look at it for the 17th. If you want to meet on the 10th—I mean, you guide us.

**Mrs Bountrogianni:** My second question is, why should we visit the Independent Electricity Market Operator? What would be the goal of that visit?

The Chair: A basic understanding for the committee of where the power is coming from presently in Ontario, where it's generated. I've been there; I don't particularly need to go again. There's this monstrous board with all the generators on it and the grid across Ontario. You can see them putting power in, and you can see the power climbing during the day as the needs are there and when they trigger on a gas generator someplace for the peak, particularly if it's a hot day—it's kind of intriguing to watch how it works.

**Mr Hastings:** I guess the thing I'd want to focus on, if we go, is to what extent the IMO will handle green power. Will they require more legislative direction?

**The Chair:** It may be the type of thing we should do in January or February rather than at this point in time.

**Mr Hastings:** Maybe you're right. Visit them later, because I think we need—

The Chair: Give them time to gear up and be prepared to present to us.

**Mr Hastings:** I'd like to ask them: if you have green power in the marketplace, how will you wheel that into your total system?

The Chair: And are you willing for net metering?

**Mr Hastings:** Exactly, and how will you take directions from the OEB on the use of green power with the negative credit, the training and all that stuff? I don't know if that's necessarily their purview.

The Chair: Let me be really generous with the committee then. Would you like the 10th off, and then on the 17th and the 24th we start lining up groups we will meet with—I think it's pretty obvious which groups we should be meeting with—and give them 20 minutes each?

**Mr Gilchrist:** In fairness to the research people they've done an excellent job so far—for the sake of one week, if that allows them to bring back a kind of comprehensive discussion paper, I'm far more comfortable allowing that extra week.

The Chair: Could I just look at having a subcommittee meeting on the 10th at 10 o'clock, we'll come back on the 17th with this draft of changes from research and we'll look at the 24th and the 31st for presentations that the subcommittee will pull out on the 10th.

I won't give the subcommittee a break, but everybody else can have a break. Is everybody comfortable with that? Is everybody on the government side comfortable with that? Anything else that should be covered at this meeting? Anything in here that we've missed? As I go up and down this list, I think we've covered it—maybe not right in order; three or four things have come in under one heading.

Mr Gilchrist: Oh, forgive me. Mr O'Toole had to go to give a speech and asked me-I guess reflecting on his comments about the need to have a dialogue with the whip, but notwithstanding the when-that if he can get the appropriate assurances from the whip, he would like to participate in the visit to the ITER project—I think it's called JET-over in Oxford. When it comes to Canada it's going to be called ITER.

According to your new requirement, I would be pleased to move on Mr O'Toole's behalf that the committee authorize Mr O'Toole to participate in a visit to the JET project in Oxford, England, and related meetings dealing with the practical and financial aspects of that potential alternative fuel.

The Chair: Do you have a date? It's next week, I believe.

Mr Gilchrist: I believe it is next week, yes.

Clerk of the Committee: And he will report back. Mr Gilchrist: He will report back.

The Chair: If I remember correctly, there's a bit of a problem because he has to fly out next Monday or Tuesday.

Mr Gilchrist: It's a very tight time frame. The other issue is whether he can arrange it.

I think the topic has come up before. It is something to which the government has committed \$300 million, so there's one where the financial impact is already known. Clearly, Mr O'Toole has identified that as one of the alternative fuel issues on which he would like to focus.

The Chair: Discussion?

Mrs Bountrogianni: I think this issue has to be brought to the House leaders or the whips-I'm not quite sure which.

The Chair: That's his problem as an individual.

Mrs Bountrogianni: To have assurances on both sides that this is done.

The Chair: He's got to sort that out. From the discussion I heard earlier, I don't think we're going to get that at the table here. It is going to have to be a one-onone. If he can't win with a partner on the other side, then that's his problem.

Mr Gilchrist: I hope there are no votes that week.

The Chair: Those in favour? Those opposed? Motion carried.

Anything else? Then I think we'll adjourn. We'll reconvene as a subcommittee in this room at 10 o'clock next Wednesday morning. Please keep your schedules open for future meetings of the full committee.

The committee adjourned at 1143.

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# SELECT COMMITTEE ON ALTERNATIVE FUEL SOURCES

**Chair / Président** Mr Doug Galt (Northumberland PC)

**Vice-Chair / Vice-Présidente** Mrs Marie Bountrogianni (Hamilton Mountain L)

Mrs Marie Bountrogianni (Hamilton Mountain L) Mr James J. Bradley (St Catharines L) Ms Marilyn Churley (Toronto-Danforth ND) Mr Doug Galt (Northumberland PC) Mr Steve Gilchrist (Scarborough East / -Est PC) Mr John Hastings (Etobicoke North / -Nord PC) Mr John O'Toole (Durham PC) Mr Jerry J. Ouellette (Oshawa PC) Mr Ernie Parsons (Prince Edward-Hastings L)

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