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Tuesday 15 May 2012

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des débats
(Hansard)**

Mardi 15 mai 2012

**Standing Committee on
Estimates**

Ministry of Energy

**Comité permanent des
budgets des dépenses**

Ministère de l'Énergie

Chair: Michael Prue
Clerk: Valerie Quioc Lim

Président : Michael Prue
Greffière : Valerie Quioc Lim

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Tuesday 15 May 2012

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The committee met at 0900 in room 151.

MINISTRY OF ENERGY

The Chair (Mr. Michael Prue): Order. We are here to resume consideration of the estimates of the Ministry of Energy, vote 2901. There is a total of 13 hours remaining. When the committee adjourned at the last meeting, we had finished with the minister's reply. The remaining time will be divided amongst the three parties in 20-minute rotations.

I recognize the official opposition, who has the first 20 minutes.

Mr. Rob Leone: Minister, you mentioned last week that all the parties agree that the Mississauga gas plant shouldn't be located—

Mrs. Teresa Piruzza: Point of order, Chair, if I may: You may recall that, last week, I raised a point of order with respect to both the Oakville and Mississauga plants with respect to standing order 23(g): that matters out of order in debate are any matters that are subject to a proceeding pending in a court or before a judge or before any quasi-judicial body where it is shown to satisfaction. I did raise that last week. There wasn't further consideration, so I ask that it be considered at this point before we go any further with this line of questioning.

The Chair (Mr. Michael Prue): First of all, I believe the member can ask this, but we have taken the liberty and the prerogative of asking the clerks' department to research whether, in fact, there is anything. It is not abundantly clear that there is on all aspects of this case. So I would allow the question, but we may have to recess this until the afternoon when the clerks' department is definitive as to whether or not there are outstanding legal matters. But I haven't heard your question yet to know whether it's in or out of order.

Mr. Rob Leone: Thank you, Chair. That's exactly the point. I don't think I was going to ask anything that was related to the lawsuit or whatever lawsuit that may be pending. I was going to ask a question about the location of the site to begin with, which I don't believe is part of any legal proceeding whatsoever. I hope this line of questioning can continue without the interruption of the government on this committee.

You mentioned, Minister, that the site—we all agree that that site was a mistake. But you're the government, and you're the government that actually agreed to build that power plant on that site. Can you tell me why?

Hon. Christopher Bentley: Well, I think the approach on this is: All three parties do agree that the gas plant should not proceed on that original site. All three parties have taken a very strong position about that. You know that the work permit was finally issued in May 2011, and it was at that point that greater activity actually occurred. It became clear from that point on that it would not be appropriate to locate the plant at the original site.

I think the entire contracting discussions, which were led by the Ontario Power Authority—how it came to be put there and the decisions and discussions around that—will be tied up in the original discussions. Apart from saying that the Ontario Power Authority was the one that was responsible for contracting with Greenfield and reaching a contract with them to locate a power plant, my suggestion would be that the further issues around those discussions that led to that, the discussions around what happens from this point on, are all part of a very commercially sensitive, time-sensitive, real-time, not only discussions between the OPA and Greenfield, but they are also potentially—I don't know, but there are lawsuits, both in the United States and in Canada, that focus on these issues. Those questions, really, should be left, I would respectfully suggest, for the various commercially sensitive discussions and the lawsuits.

Mr. Rob Leone: Minister, the MPP for Mississauga South, Mr. Charles Sousa, was reported after the last election calling the Mississauga power plant location—and I quote from an article on mississauga.com: "It was a dumb place to put it, a dumb place to have it."

Did the MPP for Mississauga South at any time before the 2011 general election, as a member of your cabinet and the executive council, voice those concerns to cabinet on the location of the Mississauga gas plant?

Mrs. Teresa Piruzza: Chair, I'm going to suggest that we consider this point of order, respecting that there are legal proceedings, and any element of those projects may or may not—I am not sure of the case—be a part of the proceedings. So I would—

Mr. Rob Leone: I'm only asking about—

Mrs. Teresa Piruzza: No, I'm sorry. There are ongoing legal proceedings and lawsuits in respect of both of these. I'm not sure of what all the areas are, but there are, and anything that we say may or may not—

Mr. Rob Leone: We don't even know that there's a lawsuit to begin with.

Mrs. Teresa Piruzza: The member is inappropriately placing the Minister of Energy in a position where a

certain answer could jeopardize the proceedings, and I'm going to have to suggest that we break, we recess and we consider this so that we can finally—

Mr. Rob Leone: Absolutely not.

Mrs. Teresa Piruzza: It's up to the Chair, I think.

Mr. Mario Sergio: It's up to the Chair.

Mrs. Teresa Piruzza: I believe it's up to the Chair to consider this. The Chair and the clerk should take time to consider this.

Mr. Rob Leone: I would like to respond to that point of order—

The Chair (Mr. Michael Prue): Wait a minute. First of all, are you requesting a recess?

Mrs. Teresa Piruzza: I am suggesting that I believe the Chair and the clerk should do due diligence to consider this point of order, this very real point of order, and that questions with respect to both the Oakville and Mississauga plants, which are currently under legal proceedings, as the minister has indicated, may in fact jeopardize those proceedings if we continue to discuss those two issues—as is allowed under the standing orders.

Mr. Rob Leone: Chair, may I?

The Chair (Mr. Michael Prue): So I take it you are not requesting a recess, you are requesting that I take a recess.

Mrs. Teresa Piruzza: I'm respectfully requesting you to consider this point of order and to ensure that we do nothing to jeopardize the legal proceedings that are currently under way—a discussion that we had at the last meeting that the questions were stopped with respect to both these plants. We don't know what those proceedings are, so we can't say, I don't think, at this hearing whether or not any discussions may or may not jeopardize or make those proceedings detrimental to the province.

The Chair (Mr. Michael Prue): Okay. Mr. Leone in response.

Mr. Rob Leone: Thanks. Chair, I'm only asking about a discussion that happened at cabinet with respect to the original location.

Interjection.

Mr. Rob Leone: Are you interrupting me now?

Mrs. Teresa Piruzza: You interrupted me.

Mr. Rob Leone: Chair, all I'm asking for is whether there a discussion in cabinet with respect to the MPP for Mississauga South and whether that MPP had ever voiced his concerns with regard to the location of the site. It has nothing to do with any legal proceeding that may or may not happen or be occurring at this point in time.

The Chair (Mr. Michael Prue): Okay I have—further on this point, then?

Mr. Michael Harris: Yeah. Also, I believe that the member opposite—

Interjection.

The Chair (Mr. Michael Prue): Sorry, I did not see your hand up.

Mr. Michael Harris: —stated that both plants were under legal proceedings, but I believe in fact the minister stated last week that only one was. So that would still

allow us, even regardless of your ruling, to speak to at least one of them for now.

The Chair (Mr. Michael Prue): Who had their hand up first? Mr. Sergio.

Mr. Mario Sergio: Chair, I would call on your understanding and your indulgence here, because it's a very sensitive issue; it's a sensitive matter. This matter also interests the Standing Committee on Public Accounts which, by the way, they have already deliberated upon it. They have an interest, and not only do they have an interest, but they are looking at the issue and they have acknowledged this particular issue and its sensitivity.

So we would be calling on you, Chair, to stand firm and either consult the clerk and take the five minutes—if you wish to include us, that's fine; if you want to do it on your own, then consult with the clerk on this particular matter—but not to let questions on the two issues since they are, as we said, in a very sensitive matter at this particular time.

The Chair (Mr. Michael Prue): Further discussion? Anybody? Yes, Mr. Moridi.

Mr. Reza Moridi: Mr. Chair, I just wanted to reiterate on what Mr. Sergio mentioned. As a member of the public accounts committee, this issue is before the public accounts committee, and I think there is no point in us jeopardizing the commercial matters in relation to government assets, basically, in this committee. This matter is before the courts, so there is no point of mentioning and then discussing this at this committee, making it public.

The Chair (Mr. Michael Prue): Mr. Harris.
0910

Mr. Michael Harris: Again, for the record, I believe Oakville is not under legal proceedings. I want to make that point clear.

The Chair (Mr. Michael Prue): Minister Bentley, although you're not a member of the committee, if you could elucidate, I think what we need to hear is whether one or both of these are currently the subject of legal action—not threatened legal action but actual—because that's the decision I have to make, whether this is before the courts. If it is not, that's one thing; if it is, that's another.

Hon. Christopher Bentley: Thank you very much. I spoke to this in part—well, probably extensively—last time. The Mississauga plant is subject to three different areas. First, the discussions, as I have spoken to on quite a number of occasions, between the Ontario Power Authority and Greenfield, have been going on for some period of time. They are, quite apart from any legal proceedings and quite apart from any lawsuit, very commercially sensitive, and the interests of the people of Ontario are being protected through those commercially sensitive legal discussions that are going on at the moment.

Revealing any of those commercially sensitive discussions or the issues that lead up to them may disadvantage the one party, in this case the party representing the interests of the people of Ontario. So I am very concerned, on that ground alone, about going further beyond this.

They're at a very crucial stage. They have been proceeding, and the interests of the people of Ontario, as well as commercially sensitive interests—

With respect to lawsuits, there are lawsuits in both the United States and Canada in relation to the various parties affected by the Mississauga gas plant. Those are active and proceeding at this point in time—two sets of lawsuits or legal proceedings.

The Chair (Mr. Michael Prue): Is there a lawsuit, too, between the government of Ontario and those who wanted to build the Mississauga plant?

Hon. Christopher Bentley: The legal proceedings in Canada have us named as a party; the legal proceedings in the United States involve the issues and obviously involve the commercially sensitive nature of the issues. So, through the legal proceedings in the States, there are naturally—Mr. Chair, you will be aware that there are procedures in all lawsuits where one party can be cross-examined about facts and circumstances and others can be brought in to answer questions, and there are legal protections in those proceedings that protect sensitive issues, whether they're solicitor-client, whether they're commercially sensitive, whether they're the subject of various privileges that have long been respected by committees of this. So, in the American proceedings, as I understand them, those issues may or may not come before the court at some point in time and be subject to the usual privileges that attach, and a court will determine that.

There are legal proceedings in Canada—in Ontario—that affect the OPA, the government, directly.

The Chair (Mr. Michael Prue): All right. I have listened to this, and this is a very thorny issue. We have on the one side the right of parliamentary privilege of the members to question in estimates the minister and the staff. We have on the other a potential lawsuit, because it does not appear to me at this point—although there are peripheral lawsuits, there is not a lawsuit directly, at this point, against the Ontario government, filed here in Ontario. This is a difficult one.

Interjection.

The Chair (Mr. Michael Prue): I was just making my ruling. Is it something that is absolutely essential?

Mr. Mario Sergio: Chair, I was going to say that this is an item that is being dealt with now at the Standing Committee on Public Accounts. I believe they haven't finished their deliberation on this particular issue, and I wonder if it would be wise for us to wait until we hear what they have to say, and we can take it from there. I thought I would jump in.

The Chair (Mr. Michael Prue): Okay. I was going to get to that in a minute.

Mr. Mario Sergio: Okay. Thank you.

The Chair (Mr. Michael Prue): It would appear to me that Mr. Leone has the right to ask the question, but it is also abundantly clear to me that the minister can, as part of his answer, invoke his privilege as to what is happening in the lawsuit, and that can be his answer. In terms of the other committee, they have a job that is separate

and apart from that which is before this committee, and I cannot say that Mr. Leone does not have the right to ask it because it's being asked somewhere else or that the minister does not have to answer it because it's being answered somewhere else.

So I would caution Mr. Leone—I'm going to allow him to continue, but I would caution him that the minister is well within the prerogative of his duties, if he feels it necessary to protect the government of Ontario's position, to simply state so, and the line of questioning may not have the results you are hoping for, all right?

I am going to allow the question to continue. If you want, you also have the option, because we go in rotation—we're only getting one rotation this morning. By this afternoon, the clerks' office has assured me that there will be a more definitive response. When we come back this afternoon, should you have other questions on other matters, it might more carefully be resolved. In the meantime, I think your question is in order, but the minister's right to answer it by invoking that privilege because it's before the courts may be the only answer you get, okay? Please proceed.

Mr. Rob Leone: I'm going to ask one last question today on the Mississauga gas plant, and I'm going to pass it off to Mr. Harris. Was it a cabinet decision to locate the plants in Mississauga and in Oakville? Was it a cabinet decision that led to the site location of those two plants?

Hon. Christopher Bentley: As I indicated before, the Ontario Power Authority was the one that was responsible for procuring the plant, procuring the necessary power generation ability. They were the ones responsible for contracting. I think to go further than that into the details would put me on the slope of potentially going into areas that may or may not be the subject of either lawsuits or very commercially sensitive discussions. Obviously, the Ontario Power Authority was set up by the province of Ontario, and they were the one responsible for contract—

Mr. Michael Harris: Minister, I'm just going to interject: Last week, you said that you read in the paper about the decision to cancel the Mississauga power plant. As a senior minister, obviously, in the government, would you say you were left out of the loop in this decision-making process, as a cabinet minister and member of the executive council?

Hon. Christopher Bentley: Well, you know, I wasn't the Minister of Energy at the time. I had a different portfolio, and I read about it in the press—whether it was the paper or whether it was the online version, I can't actually remember, but do know that's how I—

Mr. Michael Harris: Don't you feel that decisions such as this—

The Chair (Mr. Michael Prue): This will be the last question.

Mr. Michael Harris: —of billion-dollar cancellations wouldn't have to be vetted through cabinet? Yes or no.

Hon. Christopher Bentley: The—

Mr. Michael Harris: Just a quick yes or no is fine.

Hon. Christopher Bentley: The issue around the decision by the Liberal Party, by news release, to indicate

that the plant would not be continued at that site was one that was joined in and accepted by both other parties, the PCs and the NDP—in fact by the PC candidate that very evening. The statement went on to indicate that if the Liberals were elected as the government, steps would be taken to make sure it did not continue—

Mr. Michael Harris: So you're suggesting that both the PC and NDP caucuses were at the executive council table, but you weren't, for part of this decision?

0920

Hon. Christopher Bentley: I know that's not what I said. What I did say was that the decision not to have the plant at that site was one that was concurred in by both the PCs, through the then—

Mr. Michael Harris: But who made the actual decision to cancel the plant?

Mrs. Teresa Piruzza: Chair, please—

Mr. Michael Harris: He's not answering my questions.

The Chair (Mr. Michael Prue): I know, but the time is up in any event.

Hon. Christopher Bentley: —through the then candidate, the PC leader and ultimately, later, by the NDP.

The Chair (Mr. Michael Prue): Okay. We're going on to Mr. Tabuns. I note that there is a potential vote in 19 minutes, so we're going to have to break in about 15.

Mrs. Teresa Piruzza: Could I ask for a five-minute recess, please, just to kind of go over some of the elements that have come up this morning, please? I ask for a five-minute recess, please.

The Chair (Mr. Michael Prue): Is there agreement? Does there need to be agreement?

Mrs. Teresa Piruzza: I'm asking—

The Chair (Mr. Michael Prue): You are entitled to a recess if you want to consult.

Mrs. Teresa Piruzza: I'd like a recess is what I'm asking, yes.

The Chair (Mr. Michael Prue): To consult?

Mrs. Teresa Piruzza: That's right.

The Chair (Mr. Michael Prue): That's usually before a motion. Sorry. There is no motion before us, so it would require approval.

We have a request for a five-minute recess. All those in favour? All those opposed? I have to break the procedural—I don't know what the recess is for, so I'm going to say no, because we're trying to get through. There will be opportunity during the middle of Mr. Tabuns's questioning for you to consult before we come back, and then again this afternoon.

Mr. Tabuns, you've got about 13 minutes before we have to break for the vote.

Mr. Peter Tabuns: I'll do as best I can. Thank you, Chair.

Minister, Ontario Power Generation, on March 2, 2012, put out a news release, "Ontario Power Generation Reports 2011 Financial Result." I apologize that I don't have an extra copy here to give to you, but some of your staff may have that document at hand. It's not an obscure

document; it's the news release on the performance from the year before.

In the financial and operational highlights, there is an item, "Earnings on nuclear fixed asset removal and nuclear waste management funds." Can you tell this committee the total value of those funds?

Hon. Christopher Bentley: Well, I think, first of all, it would be quite helpful if I actually had a copy of what you're referring to.

Mr. Peter Tabuns: I'm sure.

Hon. Christopher Bentley: It would be helpful before I started answering the question if I had a copy of what you were referring to, so if you want to give me a copy of the press release—I take it the press release was something issued by Ontario Power Generation?

Mr. Peter Tabuns: Correct.

Hon. Christopher Bentley: You said on March 2—just so we can get the dates right?

Mr. Peter Tabuns: Correct.

Hon. Christopher Bentley: And it followed the release of financial statements by Ontario Power Generation?

Mr. Peter Tabuns: The day that it reported its financial and operating results.

Hon. Christopher Bentley: As a public company, OPG does report its financial data every year. I don't happen to have a copy of its financial data or the press release in front of me, but I suspect we could find one, and then we can go back and deal with your question, because I'm sure you would appreciate an answer to it.

Mr. Peter Tabuns: Well, I would, and if you could undertake to bring back to this afternoon's session information on the total value of the fixed asset removal and nuclear waste management funds, that would be helpful.

Hon. Christopher Bentley: So let me just get straight what you're asking about. There's a reference in the press release that I don't have in front of me—what is it a reference to?

Mr. Peter Tabuns: It's the financial and operational highlights, and the line is "Earnings on nuclear fixed asset removal and nuclear waste management funds." I'd like to know the total value of those funds.

Hon. Christopher Bentley: Okay.

Mr. Peter Tabuns: So if you could undertake to bring that this afternoon. I think it will be easy enough for your people to access that.

Hon. Christopher Bentley: I'll dig out the press release. Are you going to be referring to OPG's publicly disclosed financial information as well?

Mr. Peter Tabuns: Yes, I am.

Hon. Christopher Bentley: Okay.

Mr. Peter Tabuns: And on the same page, further down, there's a line that says, "Nuclear waste management segment." I'd like to know what that amount is and how it is differentiated from the line that I just gave you, "Earnings on nuclear fixed asset removal and nuclear waste management funds."

Hon. Christopher Bentley: Okay.

Mr. Peter Tabuns: And I would like you to disclose to this committee how those funds are invested.

Hon. Christopher Bentley: So those are your questions. I'm taking your questions down.

Mr. Peter Tabuns: Yes, and I'm asking for an undertaking to bring that information back to our session later today.

Hon. Christopher Bentley: I'm writing down the questions, because this is the first I've heard of your questions, and I don't have the material that you're referring to in front of me. There's a line in the material that refers to "Nuclear waste management segment."

Mr. Peter Tabuns: Yes.

Hon. Christopher Bentley: And it was about the segment that you're interested in—what is it that you're interested in?

Mr. Peter Tabuns: In both of these lines that I've referred to, I'd like to know the total value and how the funds are invested: stocks, bonds, GICs.

Hon. Christopher Bentley: Are there any other questions that you'll want to put this afternoon when we come back?

Mr. Peter Tabuns: In 2010 and 2011, on the first item, "Earnings on nuclear fixed asset removal and nuclear waste management funds," you lost more than \$1 billion in earnings on those funds, and I'd like to know why you lost more than \$1 billion on those funds.

Hon. Christopher Bentley: Okay. Now, is that referred to in the press release that you're reading from?

Mr. Peter Tabuns: Yes.

Hon. Christopher Bentley: Okay.

Mr. Peter Tabuns: The press release shows losses of \$668 million in 2010 and \$509 million in 2011. And further—since this not technically complex; I'm sure that your folks can provide us with this—the losses in 2008 and 2009.

Hon. Christopher Bentley: Are those referred to in the press release as well?

Mr. Peter Tabuns: They are not, so you would have to ask financial people in OPG why we lost in 2010 and 2011 and what the results were in 2008 and 2009.

Hon. Christopher Bentley: So you're interested in this information from the public company known as OPG and you're referring to a press release on March 2 of this year. Is there a press release that refers to your question about 2008 and 2009?

Mr. Peter Tabuns: No.

Hon. Christopher Bentley: Is there any document that I should have in relation to that before I return this afternoon?

Mr. Peter Tabuns: My assumption is that as Minister of Energy you will have access to the financial results for 2008, 2009 and 2010, and if they're withholding it from you, you bring it back to this committee.

Hon. Christopher Bentley: I'm sure neither they or I actually knew that you were going to refer to a press release of March 2, 2012, before you actually asked the question. So I was asking whether there is another docu-

ment that you might be referring to this afternoon before the questions resume.

Mr. Peter Tabuns: No, not with regard to this.

Hon. Christopher Bentley: Okay. Thank you.

Mr. Peter Tabuns: I'll go back to that this afternoon and go on to your long-term energy plan.

Hon. Christopher Bentley: Can I just ask: Do you have a copy of the financial results—of the detailed results that OPG has publicly disclosed?

Mr. Peter Tabuns: No, I have this.

Hon. Christopher Bentley: You just have the press release.

Mr. Peter Tabuns: Yes.

Hon. Christopher Bentley: Okay.

Mr. Peter Tabuns: You may want to bring that with you and we can go through it.

Hon. Christopher Bentley: Thank you.

0930

Mr. Peter Tabuns: The energy planning process: What prompted the changes to the long-term energy plan process in Bill 75?

Hon. Christopher Bentley: Bill 75, dealing with the amalgamation of the Ontario Power Authority and the IESO, refers to an approach that builds on what we've done in the past in terms of coming up with an energy plan—not only a long-term plan, but a plan that can get real-time, good, strong input from the Ontario Energy Board, stakeholders, the public and the Legislature.

I think it's important to recognize that there are a number of different levels of planning. In fact, the Ontario Power Authority and the IESO are both engaged in planning themselves at various points in time. The IESO regularly puts out outlooks about demand over an 18-month period—demand and supply and various other issues related to power. The OPA is involved in not only short-term but long-term planning for the province of Ontario. Then there is the long-term energy plan—the one you were referring to the other day—put out in 2010, which itself was the subject of a very extensive public consultation approach and numerous submissions. I believe it was the subject of some extensive input from the public at various levels—many, many submissions—to come up with the long-term energy plan.

The approach that exists now is that that long-term energy plan would form the basis of what's known as an IPSP, or integrated power supply plan, that would be prepared by the Ontario Power Authority and sent on to the Ontario Energy Board, and that would then be the subject for further input.

There are a number of challenges with that, and if we just take a look at what's happened over the last three or four years, we can begin to see what some of those challenges are. In 2008, the worst recession since the 1930s greatly changed the demand curve; in fact, the demand did not react after that as it had reacted from previous recessions. Conservation initiatives were significantly more effective, I believe, than other conservation initiatives, or that had been the experience in the past. And so what was the result of extensive input and

planning into the long-term energy plan was then being affected by circumstances that had occurred prior, were occurring at the same time, but were ones we had to deal with.

What we have at the moment is a very extensive consultation process that doesn't have as much nimbleness and flexibility and ability to get real-time, quick input from, for example, the Ontario Energy Board, as we would like. It doesn't have as much.

One of the things we're proposing through Bill 75 is that the Ontario Energy Board would not be involved just at the end of a very long planning exercise, but in fact they would be involved at two stages. They would be involved during the preparation of the long-term energy plan. They would also potentially be involved on specific issues flowing from the long-term energy plan. As you know, because the Ontario Energy Board has a mandate that includes protecting consumer interests, getting that real-time, much more nimble ability to have the independent arbiter known as the Ontario Energy Board to provide that input on an ongoing basis is very important.

The Chair (Mr. Michael Prue): I'm going to have to stop you there. As there is a division being called in the House, pursuant to standing order 128, I must suspend the committee meeting at this time to enable members to make their way to the chamber to vote. I ask members to please return promptly, as the committee meeting will resume shortly after the vote in the House, approximately five minutes after the vote takes place in the House.

This meeting is suspended for about 12 or 15 minutes.
The committee recessed from 0935 to 0945.

The Chair (Mr. Michael Prue): Meeting is resumed. Mr. Tabuns, you have approximately seven minutes left.

Mr. Peter Tabuns: Okay. Minister, I've been listening to your explanation of the shift with Bill 75, and if I understand—

Hon. Christopher Bentley: I was still—

Mr. Peter Tabuns: —what you were saying correctly, events moved quickly. The plan couldn't keep up. You didn't see the planning process as viable because events were overtaking what you had put forward.

Hon. Christopher Bentley: I think a little different than that. What we wanted to make sure of is that we got the benefit both of the long-term planning opportunity but also injected a degree of nimbleness in the oversight and review that we all want, to make sure that consumer interests, which the Ontario Energy Board has as part of its responsibility, are able to be reviewed and looked at from an independent perspective faster, more nimbly and more able to adjust to circumstances than the current process would appear to allow or require.

So that's why what we're doing is not only maintaining a plan approach but also introducing some flexibility for the Ontario Energy Board to have sort of a twofold review opportunity, both before and after the plan is actually concluded.

Mr. Peter Tabuns: When is it that you determined that the IPSP process was not working? At what point did your ministry decide this isn't taking us where we want to go?

Hon. Christopher Bentley: I believe it's enormously important that there is a plan, and one of the characteristics of our approach to energy is that we take a look at the issues. We have taken a look consistently at the issues to make sure that there is a plan. The long-term energy plan, which was published in the late fall of 2010, is a plan. It's a very public plan; it was arrived at through a public process. Lots of people have had input.

You go from the basis of the plan, then, to the specific operational decisions to make sure that the plan can be executed. That's where the second stage, which the Ontario Power Authority was implementing, comes in: the integrated power supply plan, which itself by definition is going to be a very detailed document—would be—would involve a great deal of study, research and input. Then that gets, under the existing approach, sent to the Ontario Energy Board.

So it's a question of what will work best to make sure that families and businesses in the province of Ontario receive reliable, clean, affordable power today and into the future. So it's not a question of one or the other—

Mr. Peter Tabuns: Minister, excuse me.

Hon. Christopher Bentley: If I could just finish up, it's a question of—

Mr. Peter Tabuns: When did you determine that the planning process that you've been committed to for many years no longer worked?

Hon. Christopher Bentley: No, it's not that, and that's the point I'm trying to make.

Mr. Peter Tabuns: Well, you brought forward a bill that substantially changes the process. When did you decide that what you'd committed to under the long-term energy plan and the directions you'd given to the OPA to put together an integrated power supply plan—when did you decide to abandon that for this new approach?

Hon. Christopher Bentley: What we've recognized is that there is a more effective way of achieving all that we can achieve with the existing and adding to it. So you get the benefit of the plan, and you add to that plan the right and the need for the OEB, among others, to have a more nimble ability to interject, inject and strengthen the planning process.

Mr. Peter Tabuns: So do you know when the ministry changed its mind?

Hon. Christopher Bentley: I would say that it's iterative, or it's like many policies. You're always engaged in the policy and always looking for ways to strengthen the approach that you're doing. My approach has never been to sort of sit back and say, "Well, gosh, we've got something here, and this is working well. Therefore, we're never going to look at it and see if it can be improved." We're always looking to see if something can be improved.

The fact that we have a long-term energy plan and an IPSP that would subsequently go on to the Ontario Energy Board for what I would anticipate would be a long review process would mean that we might get the results back years from now. There must be a more nimble way of dealing with some issues that we might

need to consider much sooner than years from now without losing out on or avoiding the ability of the Ontario Energy Board to give that good consumer-based review—a good indication of how it would work better.

So that's really what we're adding to the existing process through this Bill 75: a more nimble ability to make sure that the consumer interest—enormously important—can be specifically directed to specific issues and can be more nimble and received more nimbly because, ultimately, the decisions that we need to make—and you asked me about some decisions the other day around the type of energy we would procure in the future. You would probably want us to take consideration of those issues on a real-time basis. If they happen to come up in the next two years, you'd probably want us to take a look at them in the next two years, maybe with the assistance of the Ontario Energy Board, rather than having to wait, make them without the assistance and move on and wait for that energy board review many, many years down the road.

0950

Mr. Peter Tabuns: Well, Minister—

The Chair (Mr. Michael Prue): You have a minute and a half left.

Mr. Peter Tabuns: I'll give it one last shot. When did you change your mind? When did the instructions to the OPA to take the LTEP and turn it into a power supply plan—when did that stop?

Hon. Christopher Bentley: We haven't; we have taken a planning approach to make sure that there is a solid foundation for the energy decisions in the province of Ontario, starting with the long-term energy plan, which was the result itself of a very extensive public discussion, public consultation. This is a very public document. I suspect the member has referred to it many, many times. Indeed, he did the last time during his question. It's a means of translating that into some of the more specific decisions that would have to be made around procuring different types of energy. There needs to be an approach to do that. The approach right now is one approach. It's a solid approach. One of the challenges with it is that the review by the Ontario Energy Board, which is respected because of its independence, can bring a consumer focus to things, and that review will not be received for what we'd anticipate will be many years.

The nature of society, the nature of the economy—we've seen this over the past several years—would suggest that we would be better served if we introduced a more flexible element into the planning process. That's essentially one of the things that Bill 75 does: adds to the oversight by the Ontario Energy Board; in fact, strengthens it for the benefit of consumers. That's what we see as one of the benefits, just one of the number of benefits, from the Bill 75 approach—as I say, not take away from but add to the independent oversight for consumer interests by the Ontario Energy Board.

The Chair (Mr. Michael Prue): Thank you. We're now on to the Liberals' rotation: 20 minutes. Mr. Moridi.

Mr. Reza Moridi: Thank you, Minister, for appearing before this committee. Minister, as you know, in the history of electricity production and generation in this province, there have been a few milestones, beginning early last century with the building of the Niagara Falls electric utility—the first, actually, publicly owned utility in the world, which happened in this province—by Sir Adam Beck; we all know that; early last century. Then, of course, adding coal-fired plants in the 1950s to our electricity system. Then in the 1970s, as a result of economic growth, we started building nuclear power plants. In 2009, we brought the Green Energy Act, which passed this Legislature. In my view, these are the milestones in the history of electricity generation of this province.

We all know that electricity is very, very crucial to our economy. Sometimes I compare the flow of electricity in power lines as similar to the flow of blood in our veins. If the flow of blood stops, you are dead. If electricity stops flowing in our power lines, our economy is dead. This is a very crucial matter, and of course, you are sitting in the chair of the Minister of Energy, a very, very crucial and important ministry.

I'm going to go back to the Green Energy Act. One of the major elements of that act is the FIT program, feed-in tariff, whereby every individual homeowner, in fact, can produce electricity, become the generator of electricity, and sell that electricity to the OPG. In order to make sure that this program is sustainable, particularly in this uncertain economic time the whole world is facing—it's very crucial for us as a government to make sure that the FIT program is sustainable and it's reviewed continuously to make sure that it is there and it is affordable and also sustainable.

So my question, Minister, is what our government has done to make sure that the FIT program is sustainable.

Mr. Rob Leone: Point of order, Mr. Chair.

The Chair (Mr. Michael Prue): Point of order, Mr. Leone.

Mr. Rob Leone: Since we're talking about energy supply, I'd like to move the following motion:

That the Standing Committee on Estimates—sorry.

The Chair (Mr. Michael Prue): Go ahead. I need to hear it first.

Mr. Rob Leone: —herein “the committee,” under standing order 110(b), stating “each committee shall have power to send for persons, papers and things,” directs the Minister of Energy, as well as the Ministry of Energy and Ontario Power Authority, to produce, within a fortnight, all correspondence in any form, electronic or otherwise, that occurred between September 1, 2010, and December 31, 2011, related to the cancellation of the Oakville power plant.

Mrs. Teresa Piruzza: Come on. That's just silliness.

The Chair (Mr. Michael Prue): Just hold on. This is not a point of order, and Mr. Moridi has the floor. If you want to make this motion, you can do so in rotation. We will be back to you before we break at 10:20, but that's not a point of order.

Back to Mr. Moridi.

Mr. Reza Moridi: Thank you very much, Mr. Chair.

I would appreciate it, Minister, if you could just let us know what your ministry has done in the past to make sure that the FIT program remains strong and viable.

Hon. Christopher Bentley: Thank you very much. I'm going to turn the issue of the review of the Green Energy Act over, in about two seconds, to ADM Sue Lo, who is very much involved in that process, if that's okay.

But just before I do, it was very interesting in the preamble to the question that you referred to the Beck generating station and the fact that it's been in public hands for more than a century and was one of the first publicly owned utilities in the world, if not the first.

Hydroelectric generation and the public ownership of hydroelectric generation through Niagara Falls—the Beck generating station really has been something that the people of the province of Ontario have always been able to count on. They've been able to count on the power and they've been able to count on the fact that that power was in their hands, in the hands of the families of the province of Ontario, through public ownership and, right now, through the public ownership of Ontario Power Generation. I just thought that was an interesting reference.

We seem to have had a consensus for a century that those hydroelectric facilities really should be in the hands of the people of the province of Ontario in a number of different corporate forms, but really in the hands of the people of the province of Ontario—a consensus through all parties in the Legislature.

Just with that, the Green Energy Act is a very well-respected, world-leading piece of legislation. It has enabled us to accomplish a number of different goals. We committed, when we launched that initiative by legislation back in 2009, that it would be reviewed after two years. We said at the very beginning that we'd take a look at it after two years. So, shortly after I became the minister, we launched a review of that act, and one of the people who was involved in that review is Sue Lo. I'm wondering, Sue, whether you'd like to come up and just talk a little bit about the review in answer to the member's question.

Ms. Sue Lo: Thank you, Minister, and thanks for the opportunity to address this group. The two-year review, as the minister said, was planned right from the outset. Right back in 2009 there was a minister's directive that stated that the two-year review would take place. What had happened was that in October 2011, Deputy Minister Fareed Amin was appointed to lead the review, and there was a news release that was issued at the time. What had happened even the month before that was that there were internal consultations already happening with internal ministries—ministries like the Ministry of the Environment, the Ministry of Natural Resources, the Ministry of Economic Development and Innovation, and the Ministry of Tourism, Culture and Sport. These are the ministries that are much involved in the FIT program, and so those ministries were consulted extensively.

1000

As well, we had also taken the opportunity to consult with our agencies: Hydro One, the OPA, the IESO and the OEB. They were all consulted in the summer and through the fall and the winter when the review took place.

As we were getting ready, there was much extensive media and communications outreach. What had happened was that we posted online eight questions on a webinar and received tremendous response. In terms of the outreach, there were some 2,900 responses that we had received over a six-week period. Some of them were very lengthy responses and other ones were a little bit shorter—but 2,900 responses.

We also held a webinar together with the OPA, and in the webinar there were some 1,700 people who joined online. So we knew there was tremendous interest in this particular program.

There were also face-to-face meetings that were held, and in the face-to-face meetings, there were about 80 stakeholders and individuals who contacted us and wanted to meet with Deputy Amin and our group to talk about the FIT program and what their ideas were in terms of opportunities to enhance, or what they liked or didn't like about the program. As well, we received written submissions and got about 200 written submissions by closing of the review—so all in all, a tremendous response, tremendous interest, huge input.

What we had done as well was we had set up eight working groups to look at some of the things that we thought we could improve upon, because we've had two years' experience with the FIT program. We looked at things like community and aboriginal participation, for instance. That was one of the key objectives of the FIT program, and we wanted to see how we could improve participation in the program. We had participation, but we wanted to boost it even further.

We wanted to look, of course, at pricing and economics in terms of sustainability. We wanted to look at some of the technical concerns and some of the connection issues that we were facing. And we wanted to look at improving land use and siting.

So there was a really extensive consultation process, and much work done by internal working groups. The internal working groups were co-chaired with the OPA. The outward facing consultation was for about a six-week period, and then we internalized and came up with options, recommendations, and took it forward like a normal process.

Mr. Reza Moridi: Thank you, Ms. Lo. Just on the point of the results of this public consultation, which seems to have been very extensive—you've consulted many stakeholders, including government agencies, government ministries, the public and also the vendors, I guess, and came out with a conclusion.

You mentioned a few points in your presentation: One is the community and aboriginal participation in this FIT program; the other one is on the pricing; and the third one is on technical concerns in relation to the FIT program,

and also connection-to-the-grid issues. Could you elaborate a bit about these points? For example, on the pricing, what was the outcome of this review and what are you going to implement?

Ms. Sue Lo: Sure.

Hon. Christopher Bentley: And maybe we could just start by asking about the review results: Were they published? And where are they? You've got a whole bunch of them in your hands.

Ms. Sue Lo: I did bring the FIT review document. I have a few copies. I don't know whether there are enough for everybody, but I can circulate them. Because if I take you through—

Mr. Reza Moridi: We can share.

Ms. Sue Lo: You can share? Okay.

The Chair (Mr. Michael Prue): If I can, at least one copy has to go with the clerk for the committee, if you're distributing them.

Ms. Sue Lo: The question is about pricing, and there's a particular chart within the two-year FIT review document that I can draw your attention to. It's on page 27. There's a chart which shows the pricing schedule that has been arrived at. What you'll see is that all the major categories—the wind and the solar prices—were reviewed, as well as water, biomass and biogas. All of the technologies were reviewed, and what you'll see is that, on average, the solar prices went down by about 20% and the wind prices went down by about 15%. But if you look a little bit more closely at the chart itself, what you'll see is that, depending on the size of the project—so if it were a 10-kilowatt project, for instance—the prices went down even more than that. For instance, there was a 31.5% reduction in solar rooftop, what we call the microFIT, which is 10 kilowatts or less. And in the solar ground mount of 10 kilowatts or less, there was also a 30.7% decrease.

I want to draw your attention particularly to the solar ground mount, because for the 10 kilowatts and less, there were two price decreases that happened in this particular group: one during the two-year review, which was the 30.7% decrease, but there was also one price decrease that took place in the summer of 2010. So in July 2010, prices were already reduced from 80.2 to 64.2, and then again, during the two-year review, to 44.5. So if you take into account both decreases, it was actually in the order of a 44.5% decrease in that tranche of microFIT solar ground mount.

The other prices you'll see—wind, for instance. We only have one price for wind, and it went down from 13.5 cents to 11.5 cents. So that's a 14.8-cent reduction. You'll see that the biomass, biogas and landfill gas prices essentially did not change.

Also in the review, what's very important to mention is that what we said was that prices need to be reviewed annually, so the prices will be reviewed annually. Every November, they will be posted for the next calendar year.

The Chair (Mr. Michael Prue): Ms. Piruzza.

Mrs. Teresa Piruzza: Chair, if I may, just being cognizant of the time that we have, I'd like to pass a motion

indicating the Standing Committee on Estimates will not consider issues relating to the contract between OPA and TransCanada with respect to the construction of a gas plant in Mississauga, or the contract between OPA and Greenfield South Power Corp., until such time as the OPA has resolved all legal issues relating to the contracts between the OPA and TransCanada and Greenfield South, and until all negotiations in respect of the contracts between the OPA and TransCanada and Greenfield corporation have ceased. I just wanted to try to get that motion in while we still had the time, given that we know what the next motion was going to be from the official opposition—being cognizant of time.

The Chair (Mr. Michael Prue): Before we proceed, I think it's only fair that all members have a copy of this. It would probably be required to be translated as well.

Interjection: Not necessarily.

The Chair (Mr. Michael Prue): Not necessarily? All right. Okay. If it doesn't need to be translated, then all members at least would need to have a copy. It would take approximately five minutes to do so. If you wish to do this, this would sort of end your time. There's about five minutes left of government time. Are you cognizant of that, and do you agree to that?

Interjection.

The Chair (Mr. Michael Prue): Okay. Then we'll be recessed to get a copy of this in front of all the members.

The committee recessed from 1011 to 1017.

The Chair (Mr. Michael Prue): This meeting is resumed. I have asked the clerk to see whether or not the motion is in order and to consult with the clerks' department on my behalf, as the Chair. I am not sure that it is in order, but the clerks' department needs additional time to look at it.

Considering the hour, I think it is appropriate at this point that we adjourn till this afternoon. The first order of business this afternoon will be my ruling on this.

Mrs. Teresa Piruzza: Chair, if I can just clarify—I'm sorry—as you're talking about this afternoon, if we're actually sitting this afternoon. I need that clarified. I understand that there's an opposition motion this afternoon with respect to this area, energy. I'm reading from standing order—"Estimates Considered by Standing Committee"—60(e): "No estimates shall be considered in the committee while any matter, including a procedural motion, relating to the same policy field is being considered in the House."

So I'd like to clarify whether we are indeed actually sitting this afternoon, given the opposition motion that's coming forward this afternoon.

The Chair (Mr. Michael Prue): Again, I'm not sure whether this is impacted. We will ask the clerks, as well. So the committee will meet at approximately 3:45 this afternoon to rule on both of these. It may indeed be a short meeting, or it may be till 6 o'clock.

Mrs. Teresa Piruzza: I understand it's with respect to energy, and that would clearly be related to this meeting.

The Chair (Mr. Michael Prue): That is quite possible. I'm not sure whether the standing order is as broad as that, but we will check that out.

Mr. Tabuns.

Mr. Peter Tabuns: Just a point of information: Ontario Power Authority and TransCanada Energy, with respect to a gas plant in Mississauga—actually TCPL was in Oakville, and it was Greenfield that had the power plant in Mississauga. You've reversed the locations.

Mrs. Teresa Piruzza: Yes, and "gas plan" should be "gas plant." I had just brought that up to the clerk, as well. So we'll clarify that, as well. Thank you.

The Chair (Mr. Michael Prue): I am going to recess at this point till 3:45. I will rule on those two points of order at 3:45, and if the committee then continues—well, it will either continue or recess at that point.

The committee recessed from 1020 to 1558.

The Chair (Mr. Michael Prue): The meeting is called to order.

This morning, prior to the recess, Ms. Piruzza raised a point of order relating to whether or not this committee could sit this afternoon. In making her point of order, she referred to standing order 60(e). I have had an opportunity over the period since the recess until now to consider 60(e) and what exactly was before the House this afternoon.

At first blush, it appeared to me that the NDP opposition day motion was related to a finance matter. However, in reading what the motion actually says, it is quite clear that there is an involvement of the Ontario Energy Board. Therefore, in considering Ms. Piruzza's point of order, it appears to me quite logically now that it is in order, what she is saying, and that it is well-founded.

Standing order 60(e) states, "No estimates shall be considered in the committee while any matter, including a procedural motion, relating to the same policy field is being considered in the House." In fact, it is the same policy field because of the inclusion of the words relating to the Ontario Energy Board. The item to be debated in the House this afternoon is Ms. Horwath's opposition day motion, and it is, in fact, related to the Ontario Energy Board. Therefore, her point of order is well made and well taken, and therefore there is no other option at this time in order to follow the rules, the standing rules, than to adjourn this meeting until tomorrow at 3:45.

Just before adjourning the meeting, the first item on the meeting tomorrow morning will be the motion that Ms. Piruzza has also filed. I will rule on that at that time. It is not appropriate to rule on it now, in that we cannot sit now. Therefore, I will adjourn the meeting until tomorrow at 3:45. Meeting adjourned.

The committee adjourned at 1600.

CONTENTS

Tuesday 15 May 2012

Ministry of Energy	E-27
Hon. Christopher Bentley	
Ms. Sue Lo	

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