



ISSN 1181-6465

Legislative Assembly
of Ontario

First Session, 40th Parliament

Assemblée législative
de l'Ontario

Première session, 40^e législature

**Official Report
of Debates
(Hansard)**

Wednesday 16 May 2012

**Journal
des débats
(Hansard)**

Mercredi 16 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

Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Wednesday 16 May 2012

Mercredi 16 mai 2012

The committee met at 1605 in room 151.

MINISTRY OF ENERGY

The Chair (Mr. Michael Prue): Meeting resumed.

Before we get back to estimates and the minister, I have a couple of matters that have to be dealt with first.

First and foremost is a motion made by Teresa Piruzza. I have an amended motion which I need to read into the record. It has been amended from what was stated the last day, following some discussion. The motion will now read, if everyone has it in front of you:

“That the Standing Committee on Estimates will not consider issues relating to:

“(1) The contract between the Ontario Power Authority and TransCanada Energy Ltd. with respect to the construction of a gas plant in Oakville; or

“(2) The contract between the Ontario Power Authority and Greenfield South Power Corp. with respect to the construction of a gas plant in Mississauga

“until such time as the Ontario Power Authority has resolved all legal issues relating to the contracts between the Ontario Power Authority and TransCanada Energy Ltd. and Greenfield South Power Corp. and until all negotiations in respect of the contracts between the Ontario Power Authority and TransCanada Energy Ltd. and Greenfield South Power Corp. have ceased.”

The difference is, just so everyone is clear, the Oakville is now in number 1 and Mississauga is now in number 2, okay?

Having read that into the record, I have had an opportunity to look at the motion, as amended, and to seek some clarification from the clerk and from the clerk's department. My first reaction yesterday was that the motion was probably not in order, but I have sought some other counsel from the clerk, and I am prepared at this time to rule on that.

I would rule the motion out of order, the rationale being that standing order 1(b) states that “The purpose of these standing orders is to ensure that proceedings are conducted in a manner that respects the democratic rights of members”—it goes on to list these rights, including “(iii) to hold the government accountable for its policies.” The motion is proposing to put a restriction on committee members' right to discuss the policies of the ministry that is before the committee. The discussion on

estimates is traditionally wide-ranging, as long as it relates to the estimates of the ministry in question.

A secondary: The rules of order of the House, Bourinot's Rules of Order from whence they come, even Robert's Rules of Order that are better known to most people, define the role of the Chair. The fundamental role of the Chair is to ensure that the rights of the minority and that indeed of all parties to be heard, to make statements, to move motions, to have their voices heard—

Mrs. Teresa Piruzza: Chair?

The Chair (Mr. Michael Prue): I'll finish the ruling and just—

Mrs. Teresa Piruzza: —I spoke to the clerk earlier.

The Chair (Mr. Michael Prue): It would be incumbent upon me, if I was to do my job right, to ensure that all parties are heard, including the minority, which in this case would be the Conservatives who, if they want to, move theirs. I cannot take the government's or the majority's order to do as has been suggested here.

To put it in another way, should this be a different House where there was a majority government, what would be to stop any majority government in an estimates committee moving such a motion, which would then not allow the minority to ask questions of estimates, which is one of the prime duties that they have? Although we do not find ourselves in that position now, in my view, that would be a very dangerous precedent to set here today.

For those reasons, I would move the motion out of order.

I recognize Ms. Piruzza.

Mrs. Teresa Piruzza: Chair, thank you. In fact, what I was going to say was that I did have a discussion with the clerk prior to this, and she did explain a little bit of the generality of what was going to come out with respect to your ruling on this motion. So I am prepared to withdraw the motion. However, I will stress the commercially sensitive information, but you've already provided your ruling, so.

The Chair (Mr. Michael Prue): Okay. All right.

Mrs. Teresa Piruzza: But that's what I was going to say.

The Chair (Mr. Michael Prue): I thank you, but the ruling has been made and we'll just leave it stand with that.

I understand that the Conservatives have put forward a motion. That was done on the last day—or it was attempted—or is it your intention to present it today?

Mr. Rob Leone: Mr. Chair, thank you for the opportunity. I think, yesterday, you ruled the motion out of order because the timing wasn't right to introduce that motion—

The Chair (Mr. Michael Prue): Yes, that is correct.

Mr. Rob Leone: So I wish to re-move that motion.

The Chair (Mr. Michael Prue): Then I'm going to turn the floor over to you, but I want you to understand: We have 20-minute rotations. If you make this motion within your rotation, there are several things that can happen—and I would be open to the floor, but it would be my initial response that you would be using some or all of your 20 minutes in rotation. I would not allow it to go beyond that because if there is any debate on this motion, and if it takes—then I would be going into the time of the third party and then possibly into the time of the government members as well.

1610

I do realize this may be contentious. If you wish to put it forward at this time, we will allow you to do so. It can be done, as well, without going into the time: If it's going to be very short, I would allow that. But if it's going to take some time, we have a limited period here with the minister.

Mr. Michael Harris: I would just suggest then that we entertain the motion, and if it runs past that allotted time, we transfer it to the end of the meeting.

The Chair (Mr. Michael Prue): Okay, that is a motion that can be made as well.

The floor is now yours. If you want to present this motion, you can present it, and then we'll get into—

Interjection.

The Chair (Mr. Michael Prue): Yes, we're not using at this point the time of the minister. We're going to see how long this takes. If it looks like it's going to take some time, we may have to start using that against your time. Okay? As long as you understand.

Mr. Rob Leone: Thank you, Mr. Chair. I do wish to move the motion, and the motion reads as follows: "that the Standing Committee on Estimates, herein 'the committee,' under standing order 110(b), stating that '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 as well as all correspondence, in any form, electronic or otherwise, that occurred between August 1, 2011, and December 31, 2011, related to the cancellation of the Mississauga power plant."

The Chair (Mr. Michael Prue): We have a motion then duly before the committee. Is there any debate?

Mrs. Teresa Piruzza: In fact, yes, there is, and I'm not sure if this would be a point of order in terms of if

that motion is in order in terms of bringing that forward. We've been talking about the serious matter that's before this in terms of both Mississauga and Oakville.

It's one thing to ask a question and have the minister suggest that he can't go further, but these are subject to legal proceedings. If passed, it does run the risk of prejudicing the interest of the parties in terms of releasing such confidential information. The purpose of—you were speaking about the sub judge rule earlier today, and that's to ensure the outcomes of legal proceedings are not prejudiced by public statements or any other actions that this committee takes. I am now thinking that that's going to happen with this motion.

If I may, in terms of parliamentary procedure, one of the leading texts on parliamentary procedure, O'Brien and Bosc, in chapter 3, states the following: "It is accepted practice that, in the interests of justice and fair play, certain restrictions should be placed on the freedom of members of Parliament to make reference in the course of debate to matters awaiting judicial decisions and that such matters should not be the subject of motions or questions in the House.... The acceptance of a restriction is a voluntary restraint on the part of the House to protect an accused person or other party to a court action or judicial inquiry from suffering any prejudicial effect from public discussion of the issue."

We know that there are certain legal proceedings, lawsuits and other disputes that are ongoing with respect to both of these plants, Oakville and Mississauga.

There's also a Speaker's ruling from Speaker Peters in 2008 with respect to self-regulation, indicating that self-regulation is essential. "In oral question period, Speakers largely rely upon the ministers to whom questions are addressed to decide if further discussion of the matter might prejudice a matter before a court, or other judicial or quasi-judicial body, or tribunal. And while ministers have every right to decline to answer a question which in their view rubs up against the sub judge convention," members must frame their questions and their motions in the same way with respect to the proceedings that are ongoing.

I mean, we go forward, if we disclose some of this information—this information could be subject to solicitor-client privilege and could compromise the parties' position. Again, it's much and the same: It's one thing to ask questions of the minister to which he can respectfully respond and suggest that he can't go further, but in asking for all these—I mean, to ask for all these documents from September 1, 2010, to December 31, I don't know how you can't say that that would certainly involve some solicitor-client privilege.

Mr. Rob Leone: Can I respond, Chair?

The Chair (Mr. Michael Prue): If it's on the same point of order. A point of order has now been raised. We're not talking about your motion. We're talking about the point of order. So your point of order is that this is in order because. You can respond in that way.

Mr. Rob Leone: Exactly. I think this is an order, again, through standing order 110(b), that "each commit-

tee shall have power to send for persons, papers and things,” which, for us, allows us to request documents from any ministry to allow us to do our parliamentary duties. That is, in essence, the tradition of this place.

Opposition members and government members can request any information from the government, any documents. Certainly, this has been a practice in the past. It allows us to perform our function of holding the government to account. We believe in the principle of accountability and transparency in our parliamentary system, and for that reason, Chair, I think this motion is totally in order.

The Chair (Mr. Michael Prue): I had no idea when I agreed to be the Chair of this committee that it would be so contentious so quickly.

I had an opportunity to look at the motion because it was circulated or attempted to be circulated yesterday. I took the liberty of discussing with the clerks’ department and with the legal department what might be involved here, in terms of the sub judice rule, in terms of the minister’s right to answer or not answer, or to divulge the documents or not divulge the documents.

Notwithstanding the learned position put forward by Ms. Piruzza, there was one point in which she stated that the minister, of course, has every right to decline. I think that that is perhaps the saving grace to allowing this to proceed.

I would have to rule, in my opinion, that this motion is in order, because the committee has the right to ask for documentation, as Mr. Leone has pointed out in his counter-argument. They have the right to ask for the documentation. The minister has the right to decline either giving that documentation or giving voice to that documentation during his answering of the questions.

I further went to the legal department and asked about whether the case is before the courts and things like that, and I’m not sure at this point—and I can be corrected if anybody has this knowledge—but the legal department stated to me that in civil proceedings the rule is said to apply from the time that the action is set down for trial, although some authorities say that it is from when the trial actually begins until judgment, and again from the time that a notice of appeal is filed until there is a decision on the appeal. So I’m not sure that that action has actually begun at this time, which would mean that it would be sub judice under the courts.

Further, I asked about the extent to which the Chair has to determine the status of the judicial proceeding, and was advised that the Chair should not be engaging in a sophisticated information-gathering exercise or legal analysis.

He went on to tell me that the clause should be seen as a procedural counterpart to the legal maxim that the onus is on he or she who alleges, meaning that the party alleging irregularity has to convince the Chair of the merits of his or her case; i.e. that would be Ms. Piruzza.

If there is any doubt in the mind of the Chair about which way to rule, it should be exercised in favour of the privilege of freedom of speech, which would mean the

right of the minority to be heard in this particular incidence.

So this is a difficult one. I would advise that I’m going to allow the motion to proceed, but I would also advise—and I think the minister, being a lawyer himself, knows full well that he may choose to answer the question in such a way as not to prejudice the province in any way, and I would expect him to do so. That would be my ruling.

Questions?

Mr. Reza Moridi: If I may, Chair.

The Chair (Mr. Michael Prue): Yes.

Mr. Reza Moridi: With all due respect, Chair, every member of this committee has the right to ask questions of the minister, but I think the interests of Ontarians is above all our individual rights. In this particular case, the interests of Ontarians are at stake. There are two major projects; both of them are under the judiciary process. I think bringing this motion is going to jeopardize the interests of Ontarians, and I think that is the ultimate and that is superior to the interests of each of us in this room.

1620

The Chair (Mr. Michael Prue): Okay. Mr. Moridi, I’ve heard you, but I’ve already ruled that—the question is, it is not clear to me, as the Chair, that the actions have actually commenced in a court of law, which would allow them to be part of the sub judice rule.

I know that there is a threat of a potential lawsuit. I do not know that one has been filed, has been served on the other parties, and that the court proceeding has commenced. That has not been proven, and that is what I have been advised must happen.

Mr. Reza Moridi: My understanding is that they are all in the judicial process, Chair.

The Chair (Mr. Michael Prue): I have ruled, and we have a motion now before us. Mr. Leone, do you wish to debate the motion at this time?

Mr. Rob Leone: Yes, Chair, I would like to debate it.

Mrs. Teresa Piruzza: Chair, I would like to suggest that we recess if we’re going to be looking at debating this motion.

The Chair (Mr. Michael Prue): Well, it’s subject to a procedural vote. It would have to be a majority of the committee—

Interjection.

The Chair (Mr. Michael Prue): —or agreement, or you definitely have the right for a 20-minute recess, without question, at the time before the vote is taken. So I leave that to you. Do you want to ask the committee for a recess at this time?

Mrs. Teresa Piruzza: I think so. You’ve ruled in favour of the motion, so I think we need a chance to review it in full, since we’re just seeing it for the first time.

The Chair (Mr. Michael Prue): But that is subject to a majority vote. All of those, then, in favour of taking—

Mrs. Teresa Piruzza: I get the right to a vote—I mean to a recess.

The Chair (Mr. Michael Prue): Yes, I know. I was very clear with that, and I've been advised by the clerk. This is a separate—you have an absolute right of a recess before the vote, but you're asking for a recess before you commence debate, which is—

Mrs. Teresa Piruzza: We were just starting debate. He just indicated—

The Chair (Mr. Michael Prue): Yes, I know. So this is separate and apart and requires a vote.

All those in favour of having a recess at this time? Opposed?

Laughter.

Mr. Rob Leone: It's what you signed up for.

The Chair (Mr. Michael Prue): Yes.

Mrs. Teresa Piruzza: We've got to go vote in 22 minutes.

The Chair (Mr. Michael Prue): I am going to say no, because the government party does have the right of a 20-minute recess before the actual vote is taken. I think that would be sufficient time for them to determine what they're going to do. So I'm going to Mr. Leone. Go ahead.

Mr. Rob Leone: Thank you, Mr. Chair. One of the reasons for the motion is, as I previously mentioned, it's our right as members of this House to hold the government to account. We feel that right is essential, and part of that right is to have access to documents that will allow us to do our work in this committee and in the Legislature in total.

I also want to mention as well that Ornge is currently before the Standing Committee on Public Accounts. We know that there is a police investigation on that as well, but it has not hindered in any way the ability of members of that committee to ask questions of the government, particularly to that function. Because of that, I think that the motion is in order and should be pursued.

We also have a research paper from the clerks that, if you haven't seen it or if other members of the committee would like to see it, we're happy to share, which in essence, after going through five different cases, suggests that "Since the authorities suggest that the rule does not apply in circumstances where a bill is being considered, I am of the view that your committee can consider the bills in question. I also feel that there is not a strong case for the committee Chair to exercise his residual discretion in favour of the parties seeking to have the rule invoked." This is the sub judice rule which is part of the debate of what we're talking about here.

So, Chair, I think that this motion needs to move forward. We need to be able to do our work. We've seen a lot of time spent on talking about the Mississauga and Oakville gas plants. In my view, this is simply a stalling tactic on the part of the government. We want to see us have the tools necessary to do our work in committee, and we need the time to do that as well.

I want to reiterate the PC caucus's and the PC members of this committee's position that we would also like to meet in the summer, to get the hours in that we need,

because a lot of time has been taken up in discussing this issue. That's what I'll say on that front.

The Chair (Mr. Michael Prue): All right. You've almost made a second motion. I'm not going to deal with whether we meet in the summer—

Mr. Rob Leone: I'm not going to do it.

The Chair (Mr. Michael Prue): Okay.

Mr. Rob Leone: I'm not moving that yet.

The Chair (Mr. Michael Prue): All right. So your position is that this motion be allowed.

Mr. Rob Leone: True.

The Chair (Mr. Michael Prue): Okay. Other debate? Mr. Moridi.

Mr. Reza Moridi: Mr. Chair, this issue of gas power plants in Oakville and Mississauga—they are before the public accounts committee. I would recommend that we just leave it to the public accounts committee, as I'm a member of that committee, and let that committee deal with this issue rather than us in this committee. I think it's more appropriate for the public accounts committee to deal with this issue rather than the estimates committee.

The Chair (Mr. Michael Prue): Okay. Are you asking me to do anything with this or—

Mr. Reza Moridi: Yes. I'm suggesting that it's better to leave this issue to that committee, the public accounts committee, which is the more appropriate place, the more appropriate committee for dealing with this matter rather than the estimates committee.

The Chair (Mr. Michael Prue): I have already ruled that this matter is properly before the committee. He's made the motion. It's properly before the committee. The committee can determine what it wishes to do with it. Is there any further debate on this motion?

Mrs. Teresa Piruzza: Again—

The Chair (Mr. Michael Prue): Okay. Are we ready to vote because if we are—

Mrs. Teresa Piruzza: Sorry.

The Chair (Mr. Michael Prue): No, no. If there's no more, then I'm going to entertain Ms. Piruzza's request for a recess. If there's no further debate—

Mrs. Teresa Piruzza: I'm sorry; I was going to say something towards the debate. Do I not get that opportunity?

The Chair (Mr. Michael Prue): Then, go ahead. If you want that, please say that and then and we will consider your request.

Mrs. Teresa Piruzza: You were looking on that side, so I wasn't sure if Peter had wanted to say something.

Just further again to this motion: With respect to the rules of debate and the sub judice rule that we're taking a look at or the considerations, you've indicated the application suggests that legal proceedings are only when the trial is set or if it's scheduled for trial, whereas in our application we're suggesting that it's if any legal proceedings are imminent or if it's going towards that direction. So I guess it's a matter of legal opinion and legal research in terms of how that's defined. I still kind of think about that element of that interpretation.

But as well, I say again, what he's attempting to do is to require the minister to disclose information which is subject to solicitor-client privilege and could compromise the parties' positions in the ongoing legal proceedings. I still certainly have an issue with respect to motion and that indication. He's attempting to obtain confidential, highly sensitive financial information which could severely jeopardize the government of Ontario's and the Ontario Power Authority's positions in these proceedings. I don't know that he would want to put the right to take a look at those documents ahead of or before the right of the province, quite frankly, with respect to these proceedings.

Again, I'm going to stress, I cannot support the member's motion. They're highly sensitive documents. They are subject to solicitor-client privilege, and I think, quite frankly, that the motion should be withdrawn.

The Chair (Mr. Michael Prue): Further debate? Mr. Harris.

Mr. Michael Harris: Chair, I'll just reiterate as per this memorandum, May 25, 1990, the last paragraph of that suggesting that "the rule does not apply in circumstances where a bill is being considered." They said they were of the "view that your committee can consider the bills in question." They also felt that "there is not a strong case for the committee Chair to exercise his residual discretion in favour of the parties seeking to have the rule invoked." Therefore, I would ask that you rule in favour of our motion.

The Chair (Mr. Michael Prue): I'm not ruling. I'm listening to debate on the motion. So there's no ruling to be made here. I have already ruled that the motion is in order, and it's just whether you want to vote for it or not. Is there any other debate, whether you want to vote for it or not?

Seeing none, I will recognize Ms. Piruzza because I understand she is seeking an adjournment.

Mrs. Teresa Piruzza: A recess.

The Chair (Mr. Michael Prue): A recess, excuse me, yes.

Mrs. Teresa Piruzza: Yes. At this point, Chair, may we have a 20-minute recess?

The Chair (Mr. Michael Prue): You are entitled to one without question and without vote. Seeing that there is 14 minutes until there is a vote in the House, might I suggest that we take a full half hour to allow both to be done? That would be for you to meet for a period of time, to go to vote and then to come back. Is that sufficient?

Mrs. Teresa Piruzza: Fair. Thank you, Chair.

Mr. Michael Harris: Chair, will we begin our 20-minute rotation once we're back?

The Chair (Mr. Michael Prue): We will then begin the—after the vote. So we will be back at approximately 5 o'clock, following the vote. The meeting is recessed till 5.

The committee recessed from 1630 to 1700.

The Chair (Mr. Michael Prue): Meeting resumed. We are now at the stage where we're going to vote on Mr. Leone's motion. All those in—

Mr. Rob Leone: Recorded vote, sir.

The Chair (Mr. Michael Prue): We have a request for a recorded vote.

Ayes

Harris, Leone, Nicholls, Tabuns.

Nays

Crack, Dhillon, Moridi, Piruzza.

The Chair (Mr. Michael Prue): All right. As the Chair, I am required to follow the dictates of the Legislature. What they say is that on a substantive motion, the Chair must vote against the mover of the motion. However, on a procedural motion, the Chair may use his or her conscience in voting for it.

I deem this to be a procedural motion. Therefore, I have to determine whether or not I should vote for or against the motion, given that it is a tie vote. I am going to cast my vote in the affirmative to allow the motion. I'm doing so because I believe that the committee has every right to investigate and to find out through estimates what is happening in ministries.

I am also mindful that in the House of Commons in Ottawa, on a debate not dissimilar to this, which was contentious, involving the mission in Afghanistan, the opposition voted to look at the Afghan records. The committee at that stage made a determination that they would be seen in private, so that they did not compromise lives or anything else. It is quite conceivable that should this information come to the committee, the committee could make a similar determination—that is, to see it in private if it is going to in any way prejudice a judicial proceeding. Therefore, I am going to cast my vote in the affirmative, and the motion is allowed.

The motion now having been passed, we're going to go to the reason that brought us all here together today. We are here to resume consideration of the estimates of the Ministry of Energy, vote 2901. There is a total of 11 hours and 56 minutes remaining, and the floor now is with the official opposition. You have 20 minutes.

Mr. Michael Harris: Thank you, Chair. Minister, deputy, ADMs, thank you for joining us today.

I just want to phrase that in the interests of time we'll be asking questions and we'll ask for brief answers, and if they get lengthy we will interject—just to let you know that will be the case today.

Minister, last week or at last committee, you had said that you found out about the cancelled Mississauga plant by reading it, either in the newspaper or online. In fact, I'll ask the deputy today, is this the same way you found out?

Hon. Christopher Bentley: Well, I think—

Mr. Michael Harris: The question is for the deputy minister.

Hon. Christopher Bentley: I think, to be fair, we have the motion—

Mr. Michael Harris: Chair, I did ask the question of the—

Hon. Christopher Bentley: We have the motion from the member.

The Chair (Mr. Michael Prue): I realize that, but if you're clarifying why the deputy should not answer it, that would be fine.

Hon. Christopher Bentley: We have the motion from the member with respect to the various documentation, and I've spoken about that before.

Mr. Michael Harris: Chair, you've already ruled on this.

The Chair (Mr. Michael Prue): I want to hear him out, please.

Hon. Christopher Bentley: And we'll see where the line of questioning goes. So now I'm going to turn it over to the deputy.

The Chair (Mr. Michael Prue): Okay. The question has been asked of the deputy. If you're able to answer it, please do.

Mr. Serge Imbrogno: Sure. I became deputy on April 2, and on April 2 there were briefing materials that I looked at, and that would be as Deputy Minister, when I became aware of the issue.

Mr. Michael Harris: On April 2?

The Chair (Mr. Michael Prue): Of which year, to be clear?

Mr. Serge Imbrogno: Of this current year.

Mr. Michael Harris: So 2011?

Mr. Serge Imbrogno: Of 2012.

Mrs. Teresa Piruzza: It's 2012.

Mr. Michael Harris: I'm sorry.

Minister, last week when you were asked how your government decided to locate the Mississauga power plant, we obviously didn't get a straight answer. So I'll ask the deputy, what set of criteria did the ministry—

Hon. Christopher Bentley: I always provide straight answers, sir.

Mr. Michael Harris: Okay. In that case, I'll ask—

Hon. Christopher Bentley: You might not have received the answer that you wished, but I always provide straight answers.

Mr. Michael Harris: So I'll ask the deputy, what set of criteria did the ministry use to decide where to locate this plant?

Hon. Christopher Bentley: I think, in fairness, I've answered the question on behalf of the ministry and I've taken a position. We now have a motion from you, from the PC caucus, that has been ruled on by the Chair, which will touch a number of these issues, and—

Mr. Michael Harris: So, Minister, will you be tabling the documents that will outline the criteria of how the location was picked? Will you table those documents?

Hon. Christopher Bentley: As I was saying, we received a motion today that's been ruled on by the Chair, and we'll be taking that motion back.

I spoke before about—are we speaking about Mississauga now? Yes, we're speaking about Mississauga—the decision and when it was made in 2005, the original

contract was made. But as I say, I've spoken to a number of these different questions touching these matters and indicated that there are commercially sensitive issues involved in various discussions that are now the subject of litigation on two sides of the border, Canada and the United States, and that we have a motion from you, your caucus, requesting certain documentation, and we're going to take that motion that was just made today and give it consideration.

Mr. Michael Harris: Once that consideration is over, will you table the criteria, then, the documents that will outline the criteria? Just a simple yes or no.

Hon. Christopher Bentley: Well, as I say, the motion was made, was voted on today, the Chair has made a ruling, and so we're taking that back today.

Mr. Michael Harris: All right. Last week, you actually stated that the government cancelled the Mississauga power plant in response to "building community opposition." Will you admit that the only reason you cancelled the power plant was to save Liberal MPPs?

Hon. Christopher Bentley: What in fact I was saying the last time is that we were in the midst of an election and the party indicated by press release that if we became the government, it would not be our intention to proceed with a gas plant at that location, but—

Mr. Michael Harris: What basis was that decision made on?

Hon. Christopher Bentley: —but in fact—

Mrs. Teresa Piruzza: Chair, the minister has to finish his answer.

The Chair (Mr. Michael Prue): I've known this minister for a long time. He is very capable of answering this, and I am sure he will get every word in he wants.

Mr. Michael Harris: Again, on what basis was that decision made, what criteria?

The Chair (Mr. Michael Prue): I would just ask everybody to be a little calm here. Give the minister time to finish his sentences.

Hon. Christopher Bentley: I indicated that the party had indicated by release that if it became the government, it was the intention not to proceed with a gas plant at that location but in fact to relocate or have the plant relocated.

Mr. Michael Harris: So this decision was made by the Liberal government, your government, back in 2005, to proceed with construction of the power plant in that particular location, correct? Yes or no.

Hon. Christopher Bentley: As I indicated, I believe the last time or the time before when we addressed this issue—

Mr. Michael Harris: Just a simple yes or no, Chair. Just a simple yes or no.

The Chair (Mr. Michael Prue): I cannot compel the person answering the question to answer yes or no because you ask it. He has to answer the question as he sees fit.

Mr. Michael Harris: Very well.

Hon. Christopher Bentley: I indicated very early on in these estimates proceedings that it was the Ontario Power Authority that was the contracting party, but I also

indicated that those matters are now the subject of some rather significant legal proceedings on both sides of the border, and the interests of the people of Ontario are at stake. We have a motion from the committee that's been ruled on by the Chair, and we're taking that motion back.

Mr. Michael Harris: In 2009 the Premier said he was refusing to listen to the concerns of residents around the construction of the site, saying that he wouldn't tolerate "Nimbyism." What changed in 2011?

Hon. Christopher Bentley: As I recall my earlier answer to some similar questions that were placed to me on the first day of estimates, the decision to issue the release on I believe it was September 24, 2011, was a result of building community opposition. There was a council resolution, which I believe was subsequent. In that decision, I think the nature of the opposition was reflected by the fact that both the PC candidate in that riding, the PC leader and the NDP agreed with the decision very quickly after it was announced, the intention not to locate a gas plant at that location.

Mr. Rob Leone: So, Minister, why did you disagree with the previous decision that your government made on the Mississauga gas plant? Because clearly you made the decision to go ahead with the Mississauga gas plant at that location and you disagreed with that previous decision. So what was the reason?

Hon. Christopher Bentley: You've touched on a number of matters, and, as I have said previously, all of these matters are the subject of lawsuits in which the financial and other interests of the people of Ontario are at risk and are being represented by the OPA—the Ontario Power Authority—the government of Ontario, as well as in various discussions. You've made a motion, the Chair has made a ruling on the motion, and we're taking that motion back and the ruling back.

The Chair (Mr. Michael Prue): I'm going to stop you there because we now have five minutes and 15 seconds until the next vote. We will recess for approximately 10 minutes. Would you please come back as soon as you can following the vote? At that point, there is approximately 11 minutes left on the Conservative time.

This meeting is recessed for about 10 minutes, until following the vote.

The committee recessed from 1712 to 1724.

The Chair (Mr. Michael Prue): I'm going to resume. The Conservatives have the floor; approximately 11 minutes left.

Mr. Rob Leone: Minister, I'm going back to comments you made in a previous session, where you learned about the cancellation of the Mississauga gas plant—in the newspaper was what you were quoted as saying. We want to know whether this decision was a cabinet decision. I think we were trying to pursue questions on that. We don't have clear answers on that. Was this a cabinet decision or was this a decision made by the Liberal campaign team and Don Guy to save Liberal seats?

Hon. Christopher Bentley: Well, thank you very much. I do believe I've answered that and similar questions and I don't believe my answer today would differ

from that. You do have a motion that was ruled on by the Chair and it will speak to a number of the issues which I had indicated are before the courts, where the interests of families in Ontario are being protected by the government and the Ontario Power Authority. So we're going to take the motion that's been ruled on by the Chair back.

As far as the expression of an intention, should the government be re-elected, not to proceed with a gas plant at the Mississauga site but, in fact, as I've indicated subsequently, to relocate it: I'm not sure I can add anything more to what I've indicated.

Mr. Rob Leone: Back to the deputy minister: You mentioned that on April 2 you were briefed on the files that were pertinent to your portfolio. What did those briefing binders say about the Mississauga gas plant, the cancellation and when the deputy minister found out?

Mr. Vic Dhillon: That's confidential information.

Hon. Christopher Bentley: I'm going to step in on that and reiterate what I have said on a number of different occasions. We have a motion today that speaks to documents that's been ruled on by the Chair, so we will take that motion back. All of these issues are subject to lawsuits on both sides. The interests of the people of Ontario are at risk should material be disclosed in a certain way. But we have received a ruling by the Chair and we will take that back.

Mr. Rick Nicholls: A question to the minister once again: Minister, could you please direct us to the page in the estimates binder where the actual cost for the Mississauga power plant is, as well as the cost for moving the power plant out of Mississauga?

Hon. Christopher Bentley: Well, thank you very much, and thank you for referring to the estimates binder. This is the estimates committee, and I do appreciate receiving the first question which specifically asks about a page in the—

Mr. Rick Nicholls: What was the page number, Minister?

Hon. Christopher Bentley:—in the estimates binder.

Mr. Rick Nicholls: Thank you.

Hon. Christopher Bentley: And as I have indicated on a number of occasions publicly and I'm happy to repeat here, the Oakville gas plant is the subject of discussions that are ongoing. They are confidential, very sensitive. The Mississauga plant and its relocation are the subject not only of discussions, but of lawsuits on two sides of the border.

When there is further information to provide with respect to those, and remembering again what the Chair has ruled today on the motion that was before the committee and voted on, I will speak further—

Mr. Rick Nicholls: Respecting that, Minister, can you still identify for us where the cost in that binder is for the building of the Mississauga power plant?

Hon. Christopher Bentley: As I said, there isn't.

Mr. Rick Nicholls: Nothing at all. Well then, Minister, would you please be able to present our estimates committee with the present documents indicating exactly the

costs of ongoing construction at the plant for each day following the announcement of the project cancellation?

Hon. Christopher Bentley: Thank you very much for the question. I believe that the question you asked is encompassed by the motion that was made; maybe it's not. To the extent that it is, and has been ruled on by the Chair, we will of course take that motion back for consideration. To the extent that there is any material that your question addresses that's not otherwise within the motion that was ruled upon by the Chair, which we will be considering, I'll indicate what I've indicated before: There are lawsuits going on both in Ontario and the United States. There are very sensitive commercial discussions. There are documents that are the subject not only of solicitor-client privilege, but litigation privilege generally. The interests of the people of Ontario could be placed at risk should those documents be spoken of, if they in fact exist.

Mr. Rick Nicholls: Thank you, Minister. Okay. Well, we look forward to future discussions on that as a result.

I'd like to quote from the line of questioning based on November 23 from the Hansard, where you stated this: "We're looking at what other jurisdictions do." That was again in relationship to some of these conditions and situations. You talked about additional improvements and strengthening.

1730

The question I'd like to ask you is this, Minister: Could you cite for us, relative to looking at what other jurisdictions do, what other North American jurisdictions are doing as it pertains to, perhaps, cancelled major energy commitments prior to an election?

Hon. Christopher Bentley: Just before I get into the question, what day were you quoting from the Hansard on?

Mr. Rick Nicholls: November 23, sir.

Hon. Christopher Bentley: Okay. And that was me speaking that you're quoting?

Mr. Rick Nicholls: Yes, sir, it was.

Hon. Christopher Bentley: And it was an answer to a question by?

Mr. Rick Nicholls: By my colleague Vic Fedeli.

Hon. Christopher Bentley: Okay. Thank you very much.

The question again was—I almost thought it was a loaded question, but could you just ask that question again, just so I can answer the right one?

Mr. Rick Nicholls: That's fine. Again, quoting from the same line of questioning from November 23, from our colleague Vic Fedeli, you said this: "We're looking at what other jurisdictions do." Okay? Again, my question is, could you please cite for us the other North American jurisdictions that have cancelled major energy commitments prior to an election?

Hon. Christopher Bentley: Well, thank you very much for the question. I suspect that I was answering a question from the member from Nipissing and speaking to the work that we're doing in an attempt to add to, but-

press, support an approach to siting or locating major gas facilities.

It's interesting that everybody would like power; everybody needs power; not everybody is quite as enthusiastic about having the power facilities right beside them. What we are attempting to do is find out whether there's an approach that has been used by other jurisdictions that meets with, shall we say, more universal approval.

Mr. Rick Nicholls: Do you know of the other jurisdictions, Minister?

Hon. Christopher Bentley: Well, we're doing a scan of jurisdictions across North America—the ministry is—in an attempt—

Mr. Rick Nicholls: So it's inconclusive right now.

Hon. Christopher Bentley: In an attempt. It's an ongoing review. I will say, at the moment we don't have the magic siting solution. If you're aware of one, I'd really appreciate knowing what that is. In terms of just—

The Chair (Mr. Michael Prue): There are two minutes remaining, sorry.

Mr. Rick Nicholls: That's fair. Minister—

Hon. Christopher Bentley: In terms of just finishing, just in terms of finding a way to locate major power facilities of the size of the ones that we've been speaking about—

Mr. Rick Nicholls: Minister, one final question for you, then. Could you please indicate to us what the community consultation procedures were that were taken, perhaps, in some of these other jurisdictions? And could you tell us which ones you may be adopting to ensure a situation like this doesn't occur again?

Hon. Christopher Bentley: Well, you know, there are, as I understand, quite a range of approaches that have been taken throughout North America. As I say, some have been—there are gas-fired facilities that have been located throughout North America. I'm not aware of an approach that has been applied with universal success, but there are a number of different approaches that one could use to consult with a municipality. There are—

Mr. Rick Nicholls: Could you elaborate, perhaps, Minister, on what consultations you may have utilized in terms of the current situation?

The Chair (Mr. Michael Prue): We're running out—

Hon. Christopher Bentley: There are inevitably a number of hearings associated with siting any major power facility, and those hearings, whether they're environmental or whether they're conducted by the community or otherwise, allow members of the public to provide input about a particular power generating facility. That input can speak to the desire to have the generating facility, to its location, to its proximity toward residences or businesses. It could speak to environmental or safety or a number of different issues. There are many different layers of the type of input and consultation you could proceed with—

Mr. Rick Nicholls: I appreciate that. Was that—

The Chair (Mr. Michael Prue): The time is now concluded. Thank you.

We're on to Mr. Tabuns.

Mr. Peter Tabuns: Good afternoon, Minister.

Hon. Christopher Bentley: Good afternoon.

Mr. Peter Tabuns: Our time is short. I had asked you—

Hon. Christopher Bentley: I thought the Chair just said we had 11-plus hours to go, so I think we've got lots of time.

Mr. Peter Tabuns: I meant today. I had asked you about this document and gave you a copy of it. The relevant page is page 5.

My first question: I asked you yesterday if you'd get me the number—the total value of the fixed asset removal and waste management funds.

Hon. Christopher Bentley: If you don't mind, I might just turn it over to the deputy, who maybe can give us a little bit of context of what these funds are and address your questions, if that would be satisfactory—

Mr. Peter Tabuns: If you can start with the number, that would be great.

Hon. Christopher Bentley: It probably would be helpful to know what exactly the funds are, but—

Mr. Peter Tabuns: I'd still like to know the number first, and then I'll have the—

Hon. Christopher Bentley: I'll refer it over to the deputy, if that's all right.

Mr. Serge Imbrogno: Just a quick context for the Ontario nuclear funds: Back in the day of the old Ontario Hydro, they set aside funds, but they just made an accounting provision. So they never actually put money into real segregated funds.

During the 1999 financial restructuring, there was a decision that OPG and the province would sign what we call the Ontario nuclear funds agreement—

Interruption.

Mr. Peter Tabuns: You've got to turn off one of those mikes.

Interjections.

Mr. Serge Imbrogno: That's better.

Mr. Peter Tabuns: Okay. We're back to normal.

Mr. Serge Imbrogno: There was an agreement signed between OPG and the province, and the agreement required OPG to establish nuclear segregated funds. So they established two funds: a used fuel segregated fund and a decommissioning segregated fund. The agreement also required OPG to make cash contributions into those funds, which they had been doing since that time. The funds are managed jointly between the province and OPG. The funds are set aside, so they're not available for OPG. They are set with a custodian or a trustee. The used fuel fund would pay for used fuel obligations, used fuel bundles and disposal. The decommissioning fund would pay for decommissioning liabilities, including intermediate- and low-level waste. That's kind of the structure that was put in place.

In terms of how much is in the funds: For the decommissioning fund for 2011, there's \$5.342 billion; and in the used fuel fund, there's \$6.556 billion. So the two

funds together, on a fair market value basis, is \$11.898 billion.

Hon. Christopher Bentley: What was the date of that—

Mr. Serge Imbrogno: This is as of December 31, 2011.

Mr. Peter Tabuns: So this line, earnings on nuclear fixed asset removal and nuclear waste management funds—that's the two of those funds put together?

Mr. Serge Imbrogno: That's correct.

Mr. Peter Tabuns: And the line further down, nuclear waste management segment, just shows—it's a subset of the line above?

Mr. Serge Imbrogno: That's correct.

Mr. Peter Tabuns: Okay.

Hon. Christopher Bentley: Sorry, are you referring to page 5 of the document that you gave me?

Mr. Peter Tabuns: Correct.

Hon. Christopher Bentley: That's the financial and operational highlights?

Mr. Peter Tabuns: Correct.

Hon. Christopher Bentley: Thank you very much..

Mr. Serge Imbrogno: Just to clarify the numbers, the minus \$509 million in terms of the fund earnings and the minus \$668 million—the way that's positioned, it's really a contribution to an expenditure. So those are actually positive earnings.

In terms of just the history—I think you asked for a history of what the earnings would be.

Mr. Peter Tabuns: Yes.

Mr. Serge Imbrogno: I'll start in 2007: The total earnings on the funds was \$481 million. In 2008, it was minus \$93 million. In 2009, it was positive \$683 million. In 2010, it was positive \$668 million. In 2011, it was positive \$509 million. Cumulative over those five years was a total earning of \$2.24 billion.

Mr. Peter Tabuns: That's earnings from investments of those funds?

Mr. Serge Imbrogno: That's correct.

Mr. Peter Tabuns: Can you tell us how those funds are invested?

1740

Mr. Serge Imbrogno: There are a variety of investments. It's almost like a pension fund, where there are long-lived assets and long-lived liabilities. So it's a combination of fixed-income securities diversified between long-term bonds and short-term bonds. There are equity investments in Canada, the US and outside of North America. There's some small amount in real estate and infrastructure. I think those are the main groupings of the funds.

Mr. Peter Tabuns: Okay, so let's go to the nuclear waste management segment. So we lost \$8 million in 2010 and we gained \$194 million in 2011. Is that the way to read that?

Mr. Serge Imbrogno: Sorry, what page?

Mr. Peter Tabuns: Page 5, again, financial and operational highlights.

Hon. Christopher Bentley: Did you say \$8 million?

Mr. Peter Tabuns: Well, if you look at the nuclear waste management segment line, which is under income before interest and income taxes, I see \$194 million, in brackets, for 2011, and \$8 million, without brackets, in 2010.

Mr. Serge Imbrogno: Yes, I need to clarify whether they roll up or not. I'm just—

Hon. Christopher Bentley: I'm sorry, what does "roll up" mean?

Mr. Peter Tabuns: Yes.

Mr. Serge Imbrogno: Whether it rolls up into the \$509 million and \$668 million, or whether it's a separate piece.

Mr. Peter Tabuns: Well, I thought that the nuclear waste management segment was just a division of the larger fund.

Mr. Serge Imbrogno: The nuclear waste management segment is like a component. It could be that there are positives and the other ones, when you roll it up, you get the overall net positive.

Mr. Peter Tabuns: So when I see those brackets in the column 2011, earnings on nuclear fixed asset removal—see that \$509 million in brackets?

Mr. Serge Imbrogno: Yes. That's a positive.

Mr. Peter Tabuns: That's a positive.

Mr. Serge Imbrogno: It's a contribution to a reduction in costs. Unfortunately, it shows up accounting-wise, but it is a positive earning.

Mr. Peter Tabuns: Okay. The funds that we have that you have set aside, this \$11 billion, what is the total liability that you're going to have to match in order—sorry, my question wasn't structured properly. At some point, you won't have to add more funds, and here you will have accumulated enough to deal with all our decommissioning and nuclear waste costs. What is that number? How much do we have to have in the bank to deal with decommissioning and nuclear waste?

Mr. Serge Imbrogno: So OPG puts together an estimate of what they forecast that liability to be. I believe that it's in here. I could look for it. It's in the \$13-billion to \$14-billion range, the total liability.

Mr. Peter Tabuns: Could you give us an undertaking to provide us with that precise number?

Mr. Serge Imbrogno: Absolutely.

Mr. Peter Tabuns: So for—

The Chair (Mr. Michael Prue): I wonder, before you go on to your next question—it's all well and good, but the rest of us don't have that document. We're having a hard time following.

Interjection.

The Chair (Mr. Michael Prue): Well, nobody has raised a point of privilege, which is a perfect point of privilege. I wonder, before you continue, if we might make copies available to the other members of the committee.

Mr. Peter Tabuns: Well, I'm happy to turn it over to the clerk. I think, in fact, you took a copy of this the other day, did you not?

The Clerk of the Committee (Ms. Valerie Quioc Lim): Perhaps the researcher has one, I think.

Mr. Peter Tabuns: I don't have further questions about this document right now, but I'm happy to turn it over for photocopying.

The Chair (Mr. Michael Prue): Okay, then the members of the committee will be given a copy. You're going on to another line. We'll read it at our leisure.

Mr. Peter Tabuns: Can you tell us how many staff and what sort of budget are currently assigned to do planning for decommissioning?

Hon. Christopher Bentley: Sorry, so what staff OPG has assigned—

Mr. Peter Tabuns: OPG or the Ministry of Energy. You have a reactor at Douglas Point that was closed a number of years ago; it's just sitting there. You have some reactors at Pickering that will be closed in 2020, according to your planning. Who is currently working on decommissioning, how many people, and what are their resources? If you don't have it at this moment, if you could give us an undertaking to provide that, I would appreciate it.

Hon. Christopher Bentley: If I could take that question back, I'd appreciate that. I don't have that number off the top.

Mr. Peter Tabuns: How much time do I have left, Mr. Chair?

The Chair (Mr. Michael Prue): Ten minutes.

Mr. Peter Tabuns: Okay. Minister, you are about to start on a range of substantial investments in refurbishment and potentially in new nuclear power plants. Standard and Poor's put out a rating on Ontario Power Generation on April 25, and they gave OPG a rating of A- but said that if it had not been for the commitment of the government of Ontario to support OPG, the stand-alone credit profile would have been rated as a BBB, which is the bottom of the listing before you get into junk bonds. They note that nuclear technology risk is part of the weakness of OPG's credit profile.

Have you assessed the impact of refurbishment and new build on OPG's credit rating?

Hon. Christopher Bentley: Have I personally?

Mr. Peter Tabuns: Not you, Minister; "you" in the collective sense, the royal sense, sir.

Hon. Christopher Bentley: Thank you. Well, OPG, as you know, is a corporation with a chief executive and a board of directors and a lot of expertise in this area born out of the breakup of Ontario Hydro. It deals with the bond-rating agencies; it deals with the issues with respect to borrowing and the other issues relating to the management of its funds.

From its inception, OPG has had nuclear reactors; in fact, there were a number of different sets of nuclear reactors. It still owns the Bruce Power reactors, the assets. They're being run by Bruce Power themselves.

And so I think it would be a fair starting point to the question that you have asked to state that OPG is well aware of the technology that it has. Nuclear power has been a core part of their operations from the beginning,

and they have been managing the issues with respect to the technology and its effect on their credit rating from the beginning. Indeed, OPG was created when Ontario Hydro was broken up. As I understand it—I wasn't there at the time, so those who were there can speak to it, but one of the issues that Ontario Hydro had when it was broken up was a substantial amount of debt, and OPG and the people of Ontario have been managing the debt since then.

Mr. Peter Tabuns: Have your ministry and the government of Ontario, whose credit rating will be affected by the performance of OPG, looked at the impact of these new investments in nuclear generation refurbishment on the credit rating of OPG and thus the credit rating of the province as a whole?

Hon. Christopher Bentley: I should have finished off the answer a little more completely.

When OPG considers a proposal or considers the possibility of refurbishing assets, as they are doing with respect to Darlington, a decision in which we concur, it is part of their responsibility to make sure that they make that consideration by taking a look at the asset, taking a look at the quality of the asset, the Darlington reactors being among the best in the world, and a determination of whether conducting a refurbishment on the asset will in fact be the right thing to do. As you would know from your work, refurbishing the asset effectively doubles its life, getting another 25 to 30 years out of that asset. So they may—

Mr. Peter Tabuns: But you're circling away from the question I've put, Minister—

Hon. Christopher Bentley: I hope not.

1750

Mr. Peter Tabuns: —and that is, have you looked at this? Has the Ministry of Energy looked at this, to determine whether or not there are credit risks both for OPG and the province of Ontario? Has that been part of your assessment?

Hon. Christopher Bentley: So when OPG makes a decision to propose a refurbishment, they will have considered the effect on their ability to continue to function effectively as a corporation as a very important part of the decision-making process. Obviously their ability to function effectively is tied to their credit rating. They have recommended and made a decision that they should proceed with the refurbishment of Darlington, and that would have been on the appropriate basis that the generation will be a good value for the shareholders of the corporation who happen to be the province of Ontario. So it is the appropriate thing to do in the circumstances, to conduct a refurbishment of Darlington.

You also mentioned Pickering—

Mr. Peter Tabuns: But, Minister, you're still not answering me as to whether or not you have looked at the credit risk for OPG and the province. As you're well aware, we were stuck with close to \$20 billion in stranded debt the last time we went through this exercise.

We have an entity that the province has effectively pledged to keep whole, that has a credit rating that is the

same as Italy, Spain or Ireland. Well, sorry; Standard and Poor's rates those three countries at the same level as OPG on a stand-alone credit profile, so understand the reality of those numbers. In the UK, major companies have backed off building new nuclear because they can't take the hit on their credit profile.

You are committing us to tens of billions of dollars in investment. Have you assessed the impact, the credit risk for OPG and the province with these investments, and if not, why not?

Hon. Christopher Bentley: So the answer is what I have been attempting to say, which is that OPG, as a corporation operated for its shareholders, would constantly be assessing any decision they make in terms of its financial health and financial performance.

I would say respectfully, it is not terribly helpful or fair to make the type of comparisons of jurisdictions which have a number of very challenging issues to a corporation such as OPG, Ontario Power Generation, in the province of Ontario. That's neither helpful nor fair. They have operated for some period of time and contribute funds to the bottom line in the province of Ontario that helps to support health care and education.

So the question you ask is one of a number of issues that the corporation, by its nature, will be considering in terms of whether it determines it appropriate to consider a full-scale refurbishment, such as the one they're doing at Darlington which, as I indicated, are some of the best reactors in the world—the best managed, the most effective ones.

Mr. Peter Tabuns: Are you aware that the profits from OPG go to pay down the stranded debt and don't go to pay for health care and education? Are you aware of that?

Mr. Serge Imbrogno: All the net income of OPG, all the payments in lieu of taxes, all the net income of Hydro One, all the net income of the bills that Hydro One pays, all the payments in lieu of taxes from municipal electric utilities, all that goes into the Ontario Electricity Financial Corp.—

Mr. Peter Tabuns: Correct.

Mr. Serge Imbrogno: —to pay down the stranded debt.

Mr. Peter Tabuns: That's correct. It doesn't go to health, education, etc.

Mr. Serge Imbrogno: Just to finish: but the OEFC is also consolidated on to the province's books, and on that consolidation it's a line-for-line consolidation, so it does impact the province's bottom line as well.

Hon. Christopher Bentley: In fact, it—

The Chair (Mr. Michael Prue): I'm going to stop you right there because the time is now up for the 20 minutes, and Mr. Tabuns has further questions or you further answers. We can wait for the next time.

We have a bit of a dilemma here, and I'm going to leave it with the government. We can start now and you can have five minutes or you can have your whole 20 minutes on the next occasion, which will be May 29 at 9 o'clock. Which would you prefer?

Mrs. Teresa Piruzza: Are you suggesting if we use the five minutes now, then we'll finish up the next time?

The Chair (Mr. Michael Prue): Yes, you'll get 15 minutes the next time.

Mrs. Teresa Piruzza: Let's do that, yes.

The Chair (Mr. Michael Prue): You want five minutes now? Then please proceed.

Mr. Reza Moridi: Thank you, Mr. Chair, and thank you, Minister.

Minister, the Ministry of Energy, as I understand, is a ministry and then you have a number of agencies and crown corporations and other companies which are more or less affiliated with your ministry. Could you give us a picture of what your ministry and its affiliates look like?

Hon. Christopher Bentley: What it looks like?

Mr. Reza Moridi: Your ministry and all of its agencies, affiliates, just to have an idea.

Hon. Christopher Bentley: Well, thank you very much. It's interesting because it's a relatively small ministry in terms of the number of people—slightly over 200, I believe—and a relatively modest estimates briefing book, which is probably why we don't get a lot of questions on the specific line-by-line of the estimates. But we are responsible for energy issues, including major corporations in the province of Ontario such as OPG and Hydro One, and I'll just deal with those two first.

Ontario Power Generation—and you've heard a number of questions about Ontario Power Generation—is one of the corporations established when the old Ontario Hydro was broken up in the late 1990s. It is responsible for generation—generating electricity in the province of Ontario. It does so through a number of nuclear facilities. You've heard about the ones at Darlington, you've heard about the ones at Pickering. It also owns the assets at the Bruce nuclear site; they don't run them, but they own them, and we own them through them because it is publicly owned.

Ontario Power Generation also has hydroelectric facilities throughout the province of Ontario, the most significant of which is at Niagara Falls. Ontario Power Generation has some gas-fired facilities. They have thermal or coal-burning facilities at Atikokan, Thunder Bay, Nanticoke and Lambton, which produce much less electricity than they did some years ago, and they have a number of, I should say, hydroelectric facilities throughout the province of Ontario.

Hydro One, another corporation that was established once Ontario Hydro was broken up, is responsible for two main lines of business. One is the transmission system; in other words, the major arteries that take the power from the generation facilities, such as Niagara Falls, to the local distribution companies, and the local distribution companies take the power down to the specific families and businesses. Those transmission lines are throughout the province of Ontario.

The distribution lines are actually held by about 78 local distribution companies at the moment, one of which happens to be Hydro One, because Hydro One not only is a transmission corporation, it is also a local distribution

corporation, particularly for smaller communities, rural communities, throughout the province of Ontario. It does own, as I recall, Brampton power—I might have the name wrong; I apologize, Vic.

Mr. Victor Fedeli: They just changed the name.

Hon. Christopher Bentley: And so they run that throughout the province of Ontario.

In addition, there are a number of other agencies. We've heard about and will continue to hear about the Ontario Energy Board. That is the independent regulator—when I say “independent,” they are what's known as a quasi-judicial board. They make independent decisions. We, in the Ministry of Energy, are notionally responsible for them, but they make the decisions independently, just as any other semi- or quasi-judicial board does. That function used to be in the old Ontario Hydro when Ontario Hydro was really the main player in the province of Ontario. It was just incorporated in there.

There was also the Ontario Power Authority as another agency that was—we've heard about that from time to time; it was set up to assist in the contracting for new generation, as well as planning, and the IESO, Independent Electricity System Operator, which is there not only for planning purposes, but also to make sure that the system actually runs and the power is getting from where it has to start from to where it needs to go. Where there's too much, it needs to make sure it runs the minute-by-minute market for electricity. Electricity, as you know, flows around the province. It also flows to other provinces and states. It needs to manage it to make sure that if there is not enough, they find it, and if there's too much, they dispatch it.

The Chair (Mr. Michael Prue): I'm going to have to cut you off there. I let you go over a minute because I knew you were in full answer mode.

We are now at 6 o'clock, and the—

Mrs. Teresa Piruzza: Chair, before we adjourn, can I just ask a question, please?

The Chair (Mr. Michael Prue): Surely.

Mrs. Teresa Piruzza: Just with respect to the timing on this particular estimates with energy, at the beginning I think you had said we had about 11 hours and 56 minutes, so I'm just trying to clarify how much time is left. I know there were some bells, and I would think we're down to about—I guess we've used up a couple hours today, but we just want to clarify.

The Chair (Mr. Michael Prue): We used about 45 minutes today.

Mrs. Teresa Piruzza: What is not counted, then?

The Chair (Mr. Michael Prue): We would not have counted that stage when there were procedural and other motions. We would have counted the 20 minutes the Conservatives used, the 20 minutes that Mr. Tabuns used and the five minutes that you used.

Mrs. Teresa Piruzza: And that's what I was wondering about, because you had indicated earlier some time and it sounded like you weren't adding that beginning time and procedural—I mean, with respect to 60(d) and the standing committees, it indicates that 15 hours

shall be set aside. It doesn't suggest that procedural or motions or debate aren't counted towards that 15 hours, so I just wanted to clarify.

The Chair (Mr. Michael Prue): No, it is my understanding—and the clerk can correct me if I'm wrong—that the procedural and other motions have not historically been counted. I suggested if it was going to get into a long debate, as I anticipated it might, we may break new ground by suggesting that we would use some of the time the Conservatives—

Mrs. Teresa Piruzza: I'd like that reviewed, then.

The Chair (Mr. Michael Prue): But that did not happen, that did not transpire.

Mrs. Teresa Piruzza: Okay.

The Chair (Mr. Michael Prue): There was a motion made and a very brief description; there was a counter-argument, a couple of them, that lasted less than five minutes—

Mrs. Teresa Piruzza: Fair enough, Chair, and I know that didn't count towards their 20 minutes of questioning.

The Chair (Mr. Michael Prue): It did not.

Mrs. Teresa Piruzza: But with respect to the whole estimates and the 15 hours, I would suggest that that does go into the 15 hours. I think maybe the clerk needs to—

The Chair (Mr. Michael Prue): I will ask the clerk to research this.

Mrs. Teresa Piruzza: Okay, fair enough.

The Chair (Mr. Michael Prue): It is not my understanding, but if it has counted in the past, I am more than willing to say that it does. But if it has not counted in the past, I would not want to set a new precedent, because in fact the members of the committee have requested 15 hours to ask this minister questions, and I don't want to take away any of those 15 hours unless there is a precedent to do so.

Having said that, we are now adjourned until May 29 at 9 o'clock in the morning. It's some 13 days hence. I hope the minister is in good shape to return at that time.

Interjection: Refreshed.

The Chair (Mr. Michael Prue): Refreshed.

Hon. Christopher Bentley: Absolutely.

The Chair (Mr. Michael Prue): This meeting stands adjourned.

The committee adjourned at 1804.

CONTENTS

Wednesday 16 May 2012

| | |
|--------------------------|------|
| Ministry of Energy | E-37 |
| Hon. Christopher Bentley | |
| Mr. Serge Imbrogno | |

STANDING COMMITTEE ON ESTIMATES

Chair / Président

Mr. Michael Prue (Beaches–East York ND)

Vice-Chair / Vice-Président

Mr. Taras Natyshak (Essex ND)

Mr. Grant Crack (Glengarry–Prescott–Russell L)

Mr. Kim Craiton (Niagara Falls L)

Mr. Vic Dhillon (Brampton West / Brampton-Ouest L)

Mr. Michael Harris (Kitchener–Conestoga PC)

Mr. Rob Leone (Cambridge PC)

Mr. Taras Natyshak (Essex ND)

Mr. Rick Nicholls (Chatham–Kent–Essex PC)

Mr. Michael Prue (Beaches–East York ND)

Mr. Mario Sergio (York West / York-Ouest L)

Substitutions / Membres remplaçants

Mr. Reza Moridi (Richmond Hill L)

Mrs. Teresa Piruzza (Windsor West / Windsor-Ouest L)

Mr. Peter Tabuns (Toronto–Danforth ND)

Clerk / Greffière

Ms. Valerie Quioc Lim

Staff / Personnel

Mr. Terrence Teixeira, research officer,
Legislative Research Service