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Assembly  
of Ontario



Assemblée  
législative  
de l'Ontario

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**Official Report  
of Debates  
(Hansard)**

JP-20

**Journal  
des débats  
(Hansard)**

JP-20

**Standing Committee on  
Justice Policy**

Fair Hydro Act, 2017

2<sup>nd</sup> Session  
41<sup>st</sup> Parliament

Monday 29 May 2017

**Comité permanent  
de la justice**

Loi de 2017 pour des frais  
d'électricité équitables

2<sup>e</sup> session  
41<sup>e</sup> législature

Lundi 29 mai 2017

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Chair: Shafiq Qadri  
Clerk: Christopher Tyrell

Président : Shafiq Qadri  
Greffier : Christopher Tyrell

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON  
JUSTICE POLICY**

**COMITÉ PERMANENT  
DE LA JUSTICE**

Monday 29 May 2017

Lundi 29 mai 2017

*The committee met at 1301 in committee room 1.*

**FAIR HYDRO ACT, 2017  
LOI DE 2017 POUR DES FRAIS  
D'ÉLECTRICITÉ ÉQUITABLES**

Consideration of the following bill:

Bill 132, An Act to enact the Ontario Fair Hydro Plan Act, 2017 and to make amendments to the Electricity Act, 1998 and the Ontario Energy Board Act, 1998 /  
Projet de loi 132, Loi édictant la Loi de 2017 sur le Plan ontarien pour des frais d'électricité équitables et modifiant la Loi de 1998 sur l'électricité et la Loi de 1998 sur la Commission de l'énergie de l'Ontario.

**The Chair (Mr. Shafiq Qadri):** Thank you, colleagues. We're now in session. May I take it as the will of the committee to stand down sections 1, 2 and 3, as we need to consider the schedules first? I'll take that as the will of the committee.

**Mr. Peter Tabuns:** Yes, agreed.

**The Chair (Mr. Shafiq Qadri):** Thank you, Mr. Tabuns. We have no amendments or motions so far received for schedule 1 for sections 1, 2, 3, 4, 5 and 6. May I consider them en bloc? Shall sections 1 to 6, inclusive, carry?

**Mr. Peter Tabuns:** No.

**The Chair (Mr. Shafiq Qadri):** You're okay with that, Mr. Tabuns?

**Mr. Peter Tabuns:** No, that's why I said "no."

*Interjections.*

**The Chair (Mr. Shafiq Qadri):** Oh, I see. All right, fair enough. All those in favour for sections 1, 2, 3, 4, 5 and 6 to carry? Those opposed? Sections 1, 2, 3, 4, 5 and 6 carry.

We'll now move to government motion 1. Mr. Delaney.

**Mr. Bob Delaney:** I move that section 7 of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be struck out and the following substituted:

"Regulated rate consumers, first adjustments

"7(1) Despite clause 79.16(1)(b) of the Ontario Energy Board Act, 1998, the electricity rates payable by regulated rate consumers for the period beginning on July 1, 2017 and ending on April 30, 2018 are the rates determined by the board under this section and in accordance with the regulations.

"Determination by board

"(2) The rates mentioned in subsection (1) shall be the rates that would result in a hypothetical regulated rate consumer who meets the prescribed criteria being invoiced a total amount, consisting of such types of amounts as may be prescribed, that is 25% less than the total amount, consisting of such types of amounts as may be prescribed, that the consumer would have been invoiced under the comparison rates described in subsection (3).

"Comparison rates

"(3) The comparison rates are the rates that would have been effective May 1, 2017, if they had been determined by the board for the consumer mentioned in subsection (2) using the method prescribed by the regulations made under clause 79.16(1)(b) of the Ontario Energy Board Act, 1998, without taking into account any forecasted impact of any other provisions of this act."

**The Chair (Mr. Shafiq Qadri):** Mr. Delaney, where it says, "Determination by board," I need you to read that section again. Just the whole thing, "Determination by board."

**Mr. Bob Delaney:** Okay. "(2) The rates mentioned in subsection (1) shall be the rates that would result in a hypothetical regulated rate consumer who meets the prescribed criteria being invoiced a total amount, consisting of such types of amounts as may be prescribed"—

**The Chair (Mr. Shafiq Qadri):** Mr. Delaney, do you not have the word "invoice" after the word "total"?

**Mr. Bob Delaney:** I read "total." Let's double-check the actual—

**The Chair (Mr. Shafiq Qadri):** We have a different version.

**Mr. Bob Delaney:** All right, hold on, now. Hold on.

**The Chair (Mr. Shafiq Qadri):** This first government motion is—

**Mr. Bob Delaney:** Chair, let me take that one from the top, okay?

**The Chair (Mr. Shafiq Qadri):** I just need you to add the word "invoice" twice.

**Mr. Bob Delaney:** Right.

**The Chair (Mr. Shafiq Qadri):** Do you have that version?

**Mr. Bob Delaney:** I do. I was just reading off the wrong page. My apologies. There is just a tiny discrepancy between what I read and what's here.

**The Chair (Mr. Shafiq Qadri):** All right, just read, "Determination by board" again.

**Mr. Bob Delaney:** I'll just read the "Determination by board" paragraph again.

"Determination by board

"(2) The rates mentioned in subsection (1) shall be the rates that would result in a hypothetical regulated rate consumer who meets the prescribed criteria being invoiced a total invoice amount, consisting of such types of amounts as may be prescribed, that is 25% less than a different total invoice amount, consisting of such types of amounts as may be prescribed, that the consumer would have been invoiced under the comparison rates described in subsection (3)."

**The Chair (Mr. Shafiq Qadri):** Thank you. The floor is open for questions and comments on government motion 1. Are there any comments? Seeing none, we'll proceed to the vote. Those in favour of government motion 1? Those opposed? Government motion 1 carries.

Shall schedule 1, section 7, as amended, carry? Carried.

Government motion 2: Mr. Delaney.

**Mr. Bob Delaney:** I move that subsection 8 of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be struck out and the following substituted:

"Other specified consumers, first adjustments

"8(1) For the period beginning on July 1, 2017 and ending on April 30, 2018, the adjustments made under section 25.33 of the Electricity Act, 1998 shall, with respect to specified consumers who are not regulated rate consumers, be further adjusted by electricity vendors in accordance with the regulations and in accordance with the determinations made by the board in accordance with the regulations.

"Regulations

"(2) The regulations may specify different adjustments, or methods of determining the adjustments, to be made in respect of prescribed classes of specified consumers who are not regulated rate consumers."

**The Chair (Mr. Shafiq Qadri):** Okay, Mr. Delaney, basically the first line—I need you to read the first line where it says, "I move that."

**Mr. Bob Delaney:** I move that section 8 of the Ontario—

**The Chair (Mr. Shafiq Qadri):** That's cool. Thank you. Questions or comments?

**Mr. Todd Smith:** You didn't say "subsection."

**Mr. Bob Delaney:** I did say "subsection," my first reading was in error.

**The Chair (Mr. Shafiq Qadri):** Further comments on government motion 2? If none, we'll proceed to the vote. Those in favour of government motion 2? Those opposed? Government motion 2 carries.

Shall schedule 1, section 8, as amended, carry? Carried.

We've received no amendments so far for section 9. Shall it carry? Schedule 1, section 9: Shall it carry? Carried.

We'll now proceed to schedule 1, section 10, PC motion 3: Mr. Smith.

**Mr. Todd Smith:** I move that section 10 of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1

to the bill, be amended by adding the following subsection:

"Information and materials included on, with invoices require approval of Auditor General

"(1.1) Information or materials directed by the minister or the board to be included by electricity vendors on or with invoices shall not be included unless approved by the Auditor General."

**The Chair (Mr. Shafiq Qadri):** Comments on motion 3? My own comments: For various intricate reasons it is officially out of order.

*Interjections.*

**The Chair (Mr. Shafiq Qadri):** What is the reason? Because it seeks to attribute additional powers to the Auditor General, which is beyond the scope of this bill. Therefore it is officially out of order.

There are no official amendments to section 10 so far received. Shall section 10 carry? Carried.

Let's now proceed to schedule 1, section 4. Government motion 4: Madam Vernile.

**Ms. Daiene Vernile:** I move that section 11 of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be struck out and the following substituted:

"Subsequent adjustments

"11(1) Despite clause 79.16(1)(b) of the Ontario Energy Board Act, 1998 and subject to subsection (2), the Lieutenant Governor in Council may prescribe methodologies to be applied by the board after April 30, 2018 for the purpose of determining,

"(a) electricity rates for regulated rate consumers; or

"(b) further adjustments to be applied by electricity vendors, in accordance with the regulations and in accordance with the board's determinations, to the adjustments made under section 25.33 of the Electricity Act, 1998 in respect of specified consumers who are not regulated rate consumers.

"Regulations

"(2) The Lieutenant Governor in Council shall have regard to the following in making the regulations:

"1. The purposes of this act.

"2. The clean energy costs borne by specified consumers over time.

"3. Such other matters as may be prescribed.

**1310**

"Same

"(3) The regulations may prescribe,

"(a) different methodologies for different prescribed classes of specified consumers and in respect of different periods of time; and

"(b) different adjustments to be applied in respect of prescribed classes of specified consumers who are not regulated rate consumers and in respect of different periods of time."

**The Chair (Mr. Shafiq Qadri):** Are there comments on government motion 4? If none, we'll proceed to the vote. Those in favour of government motion 4? Those opposed? Government motion 4 carries.

Shall section 11, as amended, carry? Carried.

Government motion 5: Madam Vernile.

**Ms. Daiene Vernile:** I move that subsection 12(2) of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be struck out and the following substituted:

“Same

“(2) If an invoice for the electricity is issued to the person by the specified consumer or a unit submeter provider providing unit submetering for the specified consumer, the amounts or rates payable for the electricity by the person who is liable to pay the invoice shall be determined in accordance with the regulations.

“Same

“(3) The regulations may prescribe different amounts or rates or different methods for determining amounts or rates for different prescribed classes of specified consumers.”

**The Chair (Mr. Shafiq Qaadri):** Comments or questions on government motion 5? If none, we'll proceed to the vote. Those in favour of government motion 5? Those opposed? Government motion 5 carries.

Shall section 12, as amended, carry? Carried.

Government motion 6: Madam Vernile.

**Ms. Daiene Vernile:** I move that subsection 13(2) of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be struck out and the following substituted:

“Same

“(2) For greater certainty, subsection (1) applies regardless of whether any estimate, projection or other input used in calculating the clean energy adjustment was erroneous or out of date at the time of the calculation and regardless of whether any of those estimates, projections or other inputs is subsequently amended, updated or corrected.”

**The Chair (Mr. Shafiq Qaadri):** Further comments on government motion 6? Mr. Tabuns.

**Mr. Peter Tabuns:** Chair, as I read this motion, it strengthens the right of private investors to collect clean energy adjustments from ratepayers even if those adjustments were calculated incorrectly or illegally, so I will be voting against this and I ask for a recorded vote.

**The Chair (Mr. Shafiq Qaadri):** Mr. Delaney.

**Mr. Bob Delaney:** This is a technical adjustment that says, in effect, that the proposed changes would clarify that the obligation to pay clean energy adjustments applies regardless of whether or not an estimate, a projection or another input needs revision, given the passage of time.

**The Chair (Mr. Shafiq Qaadri):** Any further comments before we proceed to the vote?

**Mr. Peter Tabuns:** Recorded vote.

**The Chair (Mr. Shafiq Qaadri):** Recorded vote.

### Ayes

Berardinetti, Colle, Delaney, Potts, Vernile.

### Nays

Tabuns.

**The Chair (Mr. Shafiq Qaadri):** Government motion 6 carries.

Shall section 13, as amended, carry? Carried.

There are no amendments or motions for section 14. Shall it carry? Carried.

We'll proceed now to schedule 1, section 15. PC motion 7: Mr. Smith.

**Mr. Todd Smith:** I move that subsection 15(3) of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be struck out and the following substituted:

“Financial services manager to notify Auditor General and board

“(3) The financial services manager shall, in accordance with the regulations,

“(a) notify the Auditor General of the clean energy adjustment determined under subsection (1) in respect of a reference period and such other information related to the determination of the clean energy adjustment as may be prescribed; and

“(b) if the Auditor General approves the determination, notify the board of the clean energy adjustment in respect of the reference period and such other information related to the determination of the clean energy adjustment as may be prescribed.”

**The Chair (Mr. Shafiq Qaadri):** Mr. Smith, it is with some sense of both grief and regret that I have to inform you that that motion, too, is out of order.

**Mr. Todd Smith:** Is it possible, Chair, to get an explanation of why?

**The Chair (Mr. Shafiq Qaadri):** As I understand it, it seeks to attribute additional powers and oversight to the Auditor General, which is beyond the scope of this bill. If you need further comments—

*Interjection.*

**The Chair (Mr. Shafiq Qaadri):** That's the explanation. If there is more detail that you need, I'm not sure if legislative counsel or anyone would like to weigh in on that? To them, it is self-evident, requiring no further elaboration.

**Mr. Todd Smith:** So there won't be any oversight when it comes to the fair hydro bill?

**The Chair (Mr. Shafiq Qaadri):** Any further comments? PC motion 7 is out of order, withdrawn.

NDP motion 8.

**Mr. Peter Tabuns:** I move that section 15 of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by adding the following subsection:

“Publication of certain information

“(3.1) Before notifying the board of a clean energy adjustment in respect of a reference period, the financial services manager shall publish such information or updates to previously published information as would permit the calculation of a projection of the cumulative impact of the implementation of this act on electricity invoice amounts for the period beginning on November 1, 2017 and ending on April 30, 2047.”

Chair, I move this motion to provide some transparency to this process which will give lower bills at the beginning and much higher bills later on.

**The Chair (Mr. Shafiq Qaadri):** Further comments on NDP motion 8? Mr. Delaney.

**Mr. Bob Delaney:** The government recommends voting against this motion because the proposed amendment would require OPG, as the financial services manager, to perform duties that are outside of its mandate. In fact, regular publication of this information would impose unreasonable process- and resource-related burdens on the financial services manager, thus adding unnecessarily to administration costs.

The impact of refinancing on electricity bills will be fully transparent in the latter part of the refinancing plan, via the clean energy adjustment, which would appear directly on customers' bills.

**The Chair (Mr. Shafiq Qaadri):** Further comments on NDP motion 8? Seeing none—

**Mr. Peter Tabuns:** Recorded vote.

**The Chair (Mr. Shafiq Qaadri):** Recorded vote.

**Ayes**

Tabuns.

**Nays**

Berardinetti, Colle, Delaney, Potts, Vernile.

**The Chair (Mr. Shafiq Qaadri):** NDP motion 8 falls. NDP motion 9. Mr. Tabuns.

**Mr. Peter Tabuns:** I move that section 15 of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by adding the following subsections:

“Clean energy adjustment subject to board approval

“(3.2) A clean energy adjustment determined by the financial services manager in respect of a reference period is subject to the board's approval.

“Same

“(3.3) The board shall not approve a clean energy adjustment in respect of a reference period unless it determines that to do so is in the interest of consumers, within the meaning of the Electricity Act, 1998, with respect to the price of electricity service.”

Chair, if I may, we have a regulator in the province. I think its activities have been heavily circumscribed. I don't think they should be circumscribed. They are the regulator, and they should be regulating these decisions.

**The Chair (Mr. Shafiq Qaadri):** Further comments on NDP motion 9?

**Mr. Bob Delaney:** I find it a very curious proposal. The government recommends voting against it. The proposed amendment would allow for a type of supervisory authority, which is different from that which is associated with commercial financings of this type or this kind, and it therefore creates transactional and financing risks. Ultimately, the proposal made by my colleague would be harmful to the credit rating of the financing entity and, of course, would cost customers more.

**The Chair (Mr. Shafiq Qaadri):** Further comments on NDP motion 9? There being none, we'll proceed to the vote.

**Mr. Peter Tabuns:** Recorded vote.

**The Chair (Mr. Shafiq Qaadri):** Recorded vote.

**Ayes**

Tabuns.

**Nays**

Berardinetti, Colle, Delaney, Potts, Vernile.

**The Chair (Mr. Shafiq Qaadri):** NDP motion 9 falls. NDP motion 10.

**Mr. Peter Tabuns:** I move that section 15 of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by adding the following subsection:

“Cap on clean energy adjustment

“(3.4) If the board determines that the clean energy adjustment in respect of a reference period is greater than it would have been for that period had the funding obligations been incurred under subsection 66(2) of the Electricity Act, 1998 by the financial corporation and not under this act, then the clean energy adjustment for that period shall be reduced by the difference between them.”

The funding mechanism proposed by the government is more expensive than direct borrowing. We need to avoid excessive expense or debt. This motion will help with that.

**The Chair (Mr. Shafiq Qaadri):** Comments on NDP motion 10?

**Mr. Bob Delaney:** The government politely but respectfully disagrees. The proposed amendment would introduce a constraint which is different from that associated with commercial financings of this type or this kind. As with the last proposal, it would therefore create transaction and financing risks, and has the potential to add materially to the cost. The clean energy adjustment is directly related to the refinancing and cannot be repaid only in part.

**The Chair (Mr. Shafiq Qaadri):** Further comments on NDP motion 10?

**Mr. Peter Tabuns:** Recorded vote.

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**The Chair (Mr. Shafiq Qaadri):** Recorded vote.

**Ayes**

Tabuns.

**Nays**

Berardinetti, Colle, Delaney, Potts, Vernile.

**The Chair (Mr. Shafiq Qaadri):** NDP motion 10 falls.

NDP motion 11.



**Mr. Peter Tabuns:** I move that subsection 15(4) of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by striking out “Without changing the clean energy adjustment, the board shall” at the beginning and substituting “The board shall”.

Again, an attempt to give the power of the regulator, the OEB—to oversee this process. The government has often said the regulator is a fierce protector of consumers; I suggest they allow them to protect consumers.

**The Chair (Mr. Shafiq Qaadri):** Further comments on NDP motion 11? Mr. Delaney.

**Mr. Bob Delaney:** Chair, the same comments made as for the previous proposal.

**The Chair (Mr. Shafiq Qaadri):** Thank you.

**Mr. Peter Tabuns:** Recorded vote.

**The Chair (Mr. Shafiq Qaadri):** We’ll proceed to the recorded vote, then, if there are no further comments.

### Ayes

Tabuns.

### Nays

Berardinetti, Colle, Delaney, Potts, Vernile.

**The Chair (Mr. Shafiq Qaadri):** NDP motion 11 falls.

NDP motion 12.

**Mr. Peter Tabuns:** I move that section 15 of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by adding the following subsection:

“Same

“(5) In determining rates under subsection (4), the board shall have regard to the interest of consumers, within the meaning of the Electricity Act, 1998, with respect to the price of electricity service.”

Again, Chair, it’s a question of whether or not we have a regulator in this province and whether or not they are actually in a position to fulfill their role to protect consumers.

When a vote is called, I would like it to be recorded.

**The Chair (Mr. Shafiq Qaadri):** Further comments? Mr. Delaney.

**Mr. Bob Delaney:** The Ontario Energy Board already has the authority to do this, and as such, the amendment is redundant.

**The Chair (Mr. Shafiq Qaadri):** We’ll proceed, then, to the recorded vote.

### Ayes

Tabuns.

### Nays

Berardinetti, Colle, Delaney, Potts, Vernile.

**The Chair (Mr. Shafiq Qaadri):** NDP motion 12 falls.

NDP motion 13.

**Mr. Peter Tabuns:** I move that section 15 of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by adding the following subsection:

“Comparison

“(6) At least 30 days before the board determines rates under subsection (4) in respect of a reference period, the minister, or a public entity designated by the minister for the purpose, shall publish a comparison for each year in the period beginning on November 1, 2017 and ending on April 30, 2047 between,

“(a) the rates at which specified consumers were invoiced and are projected to be invoiced for electricity as a result of the implementation of this act; and

“(b) the estimated rates at which specified consumers would have been invoiced but for the implementation of this act.”

Again, Chair, the process that is set up by this act needs to be made more transparent, particularly when people start having to pay back for four years of making the rates look good.

When we get to a vote, I’d like it recorded.

**The Chair (Mr. Shafiq Qaadri):** Mr. Delaney?

**Mr. Bob Delaney:** There are existing and established processes which may be used for the publication of information related to the impact of the fair hydro plan. More importantly, it is expected that the clean energy adjustments calculated under this section would appear directly on customers’ bills, thus being completely transparent. As well, in later years, the cost of refinancing would be recovered through an adjustment to consumer electricity bills called a “clean energy adjustment.” “Clean energy adjustment” would appear on bills when consumers start to repay the borrowed amount. As such, the proposed amendment, regardless of the helpful spirit in which it is offered, is redundant.

**The Chair (Mr. Shafiq Qaadri):** We’ll have the recorded vote, then.

### Ayes

Tabuns.

### Nays

Berardinetti, Colle, Delaney, Potts, Vernile.

**The Chair (Mr. Shafiq Qaadri):** NDP motion 13 falls.

Shall section 15 carry? Carried.

Shall section 16 carry? Carried.

Shall section 17 carry? Carried.

Government motion 14. Mr. Potts.

**Mr. Arthur Potts:** I move that section 18 of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be struck out and the following substituted:

“Appointment

“18. Ontario Power Generation Inc. is appointed as the financial services manager for the purposes of this act, unless it is unable or unwilling to do so, in which case the minister may appoint a different financial services manager in accordance with the regulations.”

**The Chair (Mr. Shafiq Qaadri):** Further comments on government motion 14?

**Mr. Todd Smith:** Where does this motion come from? Can you explain why this is necessary, Bob?

**The Chair (Mr. Shafiq Qaadri):** Mr. Delaney.

**Mr. Bob Delaney:** Chair, the proposed amendment would allow for the replacement of OPG without amending the act, if it turns out that OPG at some future time and under some future set of circumstances is either unable or unwilling to act as financial services manager. It’s a technical amendment designed to cover a scenario which is very unlikely to occur, but one that represents due diligence. We recommend supporting this amendment because this would allow for greater flexibility in the bill in the event of these extremely unlikely circumstances. This is an insurance policy.

**The Chair (Mr. Shafiq Qaadri):** Mr. McDonell?

**Mr. Jim McDonell:** You talked a little while ago about an NDP motion not being required because the OEB was there to act. I’m just a little concerned now that you’d be worried that there might be a place where they refuse to act in the future. They are working in the best interests of the province of Ontario, and I can’t imagine why they would refuse to act. Any explanation?

**Mr. Bob Delaney:** Neither can I imagine such a scenario, but in the extremely unlikely event such a scenario should occur, this provides a means for the replacement of OPG in a timely and expedient fashion, without having to revisit the act.

**Mr. Jim McDonell:** This is similar to changes made to the Auditor General’s and the chief financial officer’s oversight. It allows the government to actually pull something away without going through normal practices, and I’m concerned that that could be used by the government, as we’ve seen them do already with government advertising. These are changes that have broad impacts in the future. You say it’s unlikely, but what it does is it gives the government a lot of power in the future to ignore what these agencies might, by the regulation that determines what their function is, want to do.

**Mr. Bob Delaney:** I can appreciate the intent of the comment.

The origin of this particular amendment is an extensive legal review in which, in the course of the legal review—it is “What happens in the unlikely event that,” and they said, “Well, at the moment it’s undefined.”

The purpose of this amendment is to ensure that there is a defined course of action in the unlikely and unexpected event that OPG should prove unwilling or unable to carry out its function.

**Mr. Todd Smith:** My concern with this is—Ontario Power Generation, obviously, has to look out for the best interests of Ontario Power Generation as well as this

ringed-off area at OPG where these billions of dollars in debt are going to accumulate. OPG is going to be ensuring that the government or the minister of the day isn’t trying to put things into this ringed-off area that are going to impact the bottom line at OPG. So there has to be that oversight within OPG; otherwise, we could have billions of dollars of debt accumulating at OPG, where they’re not the financial services manager anymore and have no say over what’s going into this debt entity.

I find it questionable that the minister will have potential control as the financial services manager—or, at least, naming another entity to manage the finances of something that falls within the perimeter of OPG. I don’t understand why this would be necessary, other than that if OPG says, “We’re not willing to do what the government tells us to do. We’re going to remove the financial services manager from the scene and put in someone else to manage this fund.” Is there any explanation as to why this would be done, other than more manipulation by the government into what goes into this debt entity?

**Mr. Bob Delaney:** I think your question is well-raised, and it’s for that reason that we brought along some of the good, hard-working bureaucrats who can come up and provide a little bit of insight into why this particular clause was inserted. Perhaps we could ask some to come forward here.

**Ms. Carolyn Calwell:** Good afternoon. I’m Carolyn Calwell. I’m the legal director responsible for legal services to the Ministry of Energy.

This provision is intended to deal with an unexpected circumstance, but is designed to provide flexibility in the event that OPG is unable or unwilling to act as appointed. This provision, by providing for regulations, allows for a quick response in the event that the unexpected occurs.

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**Mr. Todd Smith:** I don’t follow what the unexpected might be, though. Clearly, there’s a team of people at OPG in place. I don’t quite understand what that unexpected circumstance could be.

**Ms. Carolyn Calwell:** The fact that it is unexpected—it’s essentially an unknown circumstance. It’s contingency planning.

**The Chair (Mr. Shafiq Qaadri):** Mr. McDonell.

**Mr. Jim McDonell:** You’re talking about something on the financial side. You’re not talking about losing power in Ontario. You’re talking about appointing a financial services manager. This bill already is outside the view of the legislative officers, so that there’s no oversight. Possibly, there might be some oversight through OPG, and now we’re finding that if the government of the day is not satisfied with what OPG is doing—or maybe has to do in their own good conscience—they can just step in and do what they want without any overview from anybody other than the minister himself or herself.

**Mr. Bob Delaney:** I would say, to the point, that’s not the intent of this particular amendment. This particular amendment is to prevent there being a dead end should some set of circumstances that we cannot foresee or

anticipate today occur in the undetermined future that would cause OPG to be either unwilling or unable to continue to perform the role as set out in this act in 2017. It is a legal measure of due diligence to ensure that the process of continuing the Fair Hydro Act doesn't come to a defined legal dead end.

There aren't the motives that you ascribe to it. It's an act of honest due diligence caused by a legal review of this that said, "Let's make sure that we provide for a contingency should the unforeseen and unexpected happen," without going into any definition of what that may be years or decades into the future.

**Mr. Todd Smith:** Is it possible for the ministry to remove the financial services manager, as is indicated in this legislation? Or is that incumbent on the financial services manager, for whatever reason that OPG would be withdrawing or deciding they—I just worry about government intervention, and you can understand why. There has been a lot of ministerial intervention in this file over the last number of years. Intended or unintended consequences—that has just been the fact.

Can the ministry go in and remove the financial services manager from the oversight of what actually goes into that entity that's being created at OPG?

**Ms. Carolyn Calwell:** The provision requires that there be a determination that OPG is unwilling or unable to act. So there are circumstances in which this section would be triggered. The section allows for regulations to be developed that would provide fuller circumstances to describe.

**The Chair (Mr. Shafiq Qaadri):** Mr. McDonell.

**Mr. Jim McDonell:** You're saying there are situations, but of course, there's no definition of what those situations are—or are you able to define those? This could apply to anything in government, if you determine that somebody is not willing.

We see, under these same rules, very prominently, the way the Premier spoke today about how they made changes to the review of ads, and we see the result of that now. That has removed all oversight.

Last year, we saw the removing of the ability of the Ontario Energy Board to provide comment on this government's energy policies, for whatever reason. I guess the only reason is because they had ignored them for 10 years and it was embarrassing. Now the Ontario Energy Board is no longer able to comment on this government's energy policies unless they're asked to.

So you can see why we're very concerned about something like this. It's at the whim of the government—and there are no controls or no bounds put on what those decisions might be, other than it might be simply a conscience requirement by OPG not to be able to do something because they believe it's wrong and the people of Ontario would suffer further from this government's intervention.

**Mr. Peter Tabuns:** Chair?

**The Chair (Mr. Shafiq Qaadri):** Mr. Tabuns.

**Mr. Peter Tabuns:** Out of curiosity, would this amendment be necessary if Ontario Power Generation was privatized?

**Mr. Bob Delaney:** Chair, the question presumes an event that is beyond the scope of this bill to pass comment on. The focus of this amendment is if a circumstance arises, regardless of the circumstance, in which OPG, which is the active participant, is unable or unwilling to act as financial services manager. Within the scope of this bill, I don't think it's fair to try to presume what a future government or the management of OPG may do in the years or decades ahead.

What this amendment proposes is an act of responsible due diligence to provide the continuation of the Fair Hydro Act and for the ability of an entity to act as the financial service manager without getting into what set of circumstances by OPG or within OPG may trigger that. It does mean that, should the province find itself, through circumstances it cannot now foresee or predict, without a financial services manager, there is the opportunity and the ability of the province to appoint another financial services manager.

I appreciate the concern, but there are no motives to ascribe here. This is an act of legal due diligence to ensure that a loophole caught in the process of reviewing the act is suitably, legally and properly closed. That's all.

**The Chair (Mr. Shafiq Qaadri):** Mr. Smith.

**Mr. Todd Smith:** I understand those comments. However, in the meetings that I've had with those who are responsible for carrying all of this debt, they are under the assumption that they have some determination as to what actually ends up in this fenced-off area at OPG. When you have the word "unwilling" in there—I apologize, but I have far more faith in the leadership at OPG than I have in the leadership of this government. To throw everything but the kitchen sink inside this ringed-off area inside OPG—those who will be managing this debt believe right now that they have some authority to determine what ends up in this ringed-off area.

What I'm afraid of is that if this government or any government tells OPG, "No, we're going to put these two cancelled gas plants in this ringed-off area at OPG," and they say, "We're not putting those in this. It's not part of the deal," they then become "unwilling" because they're not willing to do what the government tells them to do, and therefore the government of the day can go out and find a willing financial services manager who is going to bury billions of dollars more debt in there than is currently intended to be in this debt entity at OPG.

I think you can fully understand the concern that we have in the official opposition on this amendment. I would ask that we have a recorded vote when we come to that phase.

**The Chair (Mr. Shafiq Qaadri):** We'll go to Mr. Tabuns, then Mr. McDonell.

**Mr. Peter Tabuns:** I asked the question about the potential privatization of OPG because its control by the Ontario government would be substantially diminished. In my mind, I can see the potential for the government initiating a process of selling off OPG and wanting to bring some functions back into another area.

I'd like to know if privatization would be a problem for the financial services manager or the government's

ability to control it. Otherwise, I don't understand why one would have to set up a mechanism for moving it out of OPG.

1340

**Mr. Bob Delaney:** Chair, the bill doesn't presume the actions of any future government or at any future time. The bill as tabled and the amendment as proposed deal with our situation today in the here and now. This amendment doesn't get into what set of circumstances may or may not trigger a decision, which must be by OPG, that it's either unable or unwilling to act; it just says what happens if. The members are proposing different political scenarios that I would say are outside the scope of this bill.

**The Chair (Mr. Shafiq Qaadri):** Mr. McDonell?

**Mr. Jim McDonell:** Let's just look at last week, some of the news that hit the—the tabling of a report talking about the cost of this bill. The cost, at best, is \$45 billion. That's conditional on interest rates not increasing over the next 30 years or 29 years, the government having a balanced budget for those 29 years and not needing any more expensive contracts. What are those chances? It could go as high as \$98 billion.

Now we're removing the opportunity for the OPG—these are the experts that are supposedly running this province as far as energy sourcing, and now you're removing them from the equation on the whim of the minister. If we hadn't found out this information last week, would this amendment have been thought of?

This is data that concerns, certainly, the opposition, and it concerns the people of Ontario. What else could be hidden? These are huge numbers. This is almost the yearly Ontario budget: \$98 billion. It's about as much as you're going to spend on infrastructure over the next 10 years. It's a huge amount of money that this may cost the province of Ontario. So you can see why we're a little concerned. At the whim of a government, they can make some decisions here and it never has to come back to this Legislature.

If something came up that was so life-threatening, I'm sure that the government could get unanimous consent to fix the problem, if it was this bad. But now you're asking us to put—we may never even know because it can be done without public knowledge.

**The Chair (Mr. Shafiq Qaadri):** Mr. Tabuns?

**Mr. Peter Tabuns:** I don't wish to extend this much further, Chair. I note that legal counsel has not been allowed to answer my question. I think that speaks volumes. I appreciate the opportunity.

**The Chair (Mr. Shafiq Qaadri):** Mr. McDonell?

**Mr. Jim McDonell:** Would legislative counsel have any comments on this amendment?

**Ms. Tara Partington:** What's the specific question for me?

**Mr. Jim McDonell:** Any comments on what this amendment opens up, as far as the ability of the government to make changes without any oversight or knowledge of the Legislature?

**Ms. Tara Partington:** I don't have anything to add beyond what has already been said. It is constrained by the necessity for OPG to be unable or unwilling to do so. Otherwise, there are no constraints on the circumstances in which it can happen.

**The Chair (Mr. Shafiq Qaadri):** Any further comments before we proceed to the vote on government motion 14?

**Mr. Peter Tabuns:** Recorded vote.

#### Ayes

Berardinetti, Colle, Delaney, Potts, Vernile.

#### Nays

McDonell, Smith, Tabuns.

**The Chair (Mr. Shafiq Qaadri):** Government motion 14 carries.

Shall section 18, as amended, carry? Carried.

NDP motion 15: Mr. Tabuns.

**Mr. Peter Tabuns:** I move that section 19 of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by adding the following subsection:

“Same

“(5) The board shall not approve a fee under subsection (4) unless it determines that to do so is in the interest of consumers, within the meaning of the Electricity Act, 1998, with respect to the price of electricity service.”

Again, Chair, the OEB has some responsibility in this province to regulate energy prices. It should be reviewing this process, and it should not be approving any fees payable to the financial services manager unless payment of those fees is in the interests of consumers.

**The Chair (Mr. Shafiq Qaadri):** Mr. Delaney.

**Mr. Bob Delaney:** The Ontario Energy Board already has the authority to do precisely what this amendment suggests. As such, the government recommends voting against it because it's redundant.

**The Chair (Mr. Shafiq Qaadri):** Mr. Tabuns.

**Mr. Peter Tabuns:** As I've read things, the OEB seems to be cut out of this whole process. Can you tell me where the OEB gets to regulate the fees payable to the financial services manager?

**Mr. Bob Delaney:** The OEB would determine the fair adjustment amount to be applied to RPP prices and to non-RPP bills, and the OEB would advise the Independent Electricity System Operator of the fair adjustment amount that is to be applied by local distribution companies and retailers to non-RPP bills. Under the Ontario Fair Hydro Plan Act, 2017, the Ontario Energy Board retains its responsibility for setting regulated price plan, or RPP, rates.

**Mr. Peter Tabuns:** So it actually gets to rule on whether or not the amount paid to the financial services manager is justified?

**Mr. Bob Delaney:** Its authority and ability is circumscribed in existing legislation.

**The Chair (Mr. Shafiq Qadri):** Mr. McDonell.

**Mr. Jim McDonell:** We have some concern, certainly, because we're looking right now where there are millions of dollars' worth of advertising being spent on this bill. It's just going back to the ratepayers, and nobody has any say in this. We see the board that may have some comment losing that ability.

There is some concern here. Every time we turn around, there is more and more advertising. I heard something last week, and I was shocked at the end to hear that the people of Ontario were paying for it. I thought it was an election ad. But that's just what we're seeing and why we have a problem with this.

**The Chair (Mr. Shafiq Qadri):** Mr. Smith.

**Mr. Todd Smith:** The OEB has actually, on behalf of the ministry, ordered local distribution companies to include these invoices in the bills and change the format of the envelopes in which the bills appear, even to the colour involved on the outside of the envelope. It's frustrating to hear the government talk about the OEB as if it's an arm's-length agency when, clearly, orders like this—and it's right there in black and white—have gone out to the local distribution companies for these changes to advertise a 25% reduction on bills and include leaflets inside of the bills right up until July 2018. It's that prescribed. I don't know what's happening in June 2018 that will require them to include this on their envelopes and in their bills for that long; it might be a provincial election.

I agree with this amendment. The people of Ontario have lost faith in the independence of bodies like the Ontario Energy Board for reasons that we just described. So we support the NDP on this one.

**The Chair (Mr. Shafiq Qadri):** Further comments on NDP motion 15?

**Mr. Peter Tabuns:** Recorded vote.

**The Chair (Mr. Shafiq Qadri):** Recorded vote.

### Ayes

McDonell, Smith, Tabuns.

### Nays

Berardinetti, Delaney, Potts, Vernile.

**The Chair (Mr. Shafiq Qadri):** NDP motion 15 falls.

Shall section 19 carry? Carried.

NDP motion 16.

**Mr. Peter Tabuns:** I move that the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by adding the following section before the heading "Fair Allocation Amount":

"Auditor General

"19.1 The financial services manager is subject to the authority of the Auditor General under the Auditor

General Act, regardless of the person or entity appointed for the purpose."

I think it's fairly straightforward. The Auditor General should have the—

**The Chair (Mr. Shafiq Qadri):** Mr. Tabuns, again, with extreme regret, I have to inform you that that motion is out of order and expunged, therefore, from the public record henceforth. NDP motion—

**Mr. Peter Tabuns:** You mean it's expunged from Hansard? Is that what you're saying to me?

**The Chair (Mr. Shafiq Qadri):** It's out of order and now officially withdrawn. NDP motion 17.

**Mr. Peter Tabuns:** I thought "out of order" was adequate; you didn't have to nuke it.

I'm going to ask for unanimous consent for it to go forward, because I think my Conservative colleagues also understand the importance of having the Auditor General oversee—

**The Chair (Mr. Shafiq Qadri):** I'm sorry. Once again, unanimous consent for what?

**Mr. Peter Tabuns:** For this motion to go forward.

**The Chair (Mr. Shafiq Qadri):** Is there unanimous consent for this motion to go forward? With difficulty, I heard a no.

NDP motion 17.

### 1350

**Mr. Peter Tabuns:** I move that the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by adding the following section before the heading "Fair Allocation Amount":

"Financial Accountability Officer

"19.2 The financial services manager is a public entity for the purposes of the Financial Accountability Officer Act, 2013, regardless of the person or entity appointed for the purpose."

**The Chair (Mr. Shafiq Qadri):** Once again, it is officially out of order.

**Mr. Peter Tabuns:** I would really appreciate it, Chair, as to why it's out of order. It doesn't change the Financial Accountability Officer Act. It means that an entity that is being set up as part of our energy system is going to be covered by the FAO.

**The Chair (Mr. Shafiq Qadri):** My understanding, Mr. Tabuns, with regard to your amendment 17, is that it seeks to attribute additional powers and oversight to the Financial Accountability Officer, which is beyond the scope of this bill.

**Mr. Peter Tabuns:** Are you saying, Chair, that if we set up any new entity in the Ontario government, that they're outside the scope of the Auditor General and the FAO? Because this is a new entity being set up by the Ontario government under its control.

**The Chair (Mr. Shafiq Qadri):** It's really mostly a scope-of-the-bill-that's-before-us issue, Mr. Tabuns.

**Mr. Peter Tabuns:** Can I just ask legislative counsel on that?

**Ms. Tara Partington:** Questions of scope are really for the Chair to determine, so it wouldn't be appropriate for me to comment here on that.

**Mr. Peter Tabuns:** Okay, so it's not a question of legislation. It's a question of the Chair's determination. Thank you. I appreciate that.

So, Chair, you're in a position to make a ruling that is outside the legal framework. I have a real question and I'm sure that my colleague who tried to ensure that the Auditor General had responsibility for the full width of Ontario public service activities also has an issue. Why are you ruling this out of order when, frankly, the FAO would look after any new little entity or doghouse that was set up by this provincial government?

**The Chair (Mr. Shafiq Qaadri):** Thank you, Mr. Tabuns. I can assure you I'm not freewheeling here. I'm acting on the advice of considered wisdom on this side. As I mentioned, for the reasons that I've outlined, your amendment is out of the scope of this bill.

**Mr. Peter Tabuns:** I think you're reaching too far, but nonetheless.

**The Chair (Mr. Shafiq Qaadri):** All right, as indicated, NDP motion 17 is out of order. We have NDP motion 18.

**Mr. Peter Tabuns:** I move that the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by adding the following section before the heading "Fair Allocation Amount":

"Freedom of Information and Protection of Privacy Act

"19.3 Regardless of the person or entity appointed for the purpose, the financial services manager is an institution for the purposes of the Freedom of Information and Protection of Privacy Act, and its most senior officer is the head of the institution under that act."

Again, for transparency's sake and the ability of citizens to actually call to account those who are—

**The Chair (Mr. Shafiq Qaadri):** With regret, I need to inform you that this motion, amendment 18, is also out of order for precisely the same reason: seeking to indirectly amend the Freedom of Information and Protection of Privacy Act. Once again, it is a scope-of-the-bill issue. This is beyond the scope of this bill, as I mentioned, as it seeks to indirectly amend the Freedom of Information and Protection of Privacy Act.

**Mr. Peter Tabuns:** So, Chair, you're telling me that if any new institution is set up by the Ontario government, any attempt to have it covered by our agencies of accountability would be outside the scope?

**The Chair (Mr. Shafiq Qaadri):** Mr. Delaney.

**Mr. Bob Delaney:** Chair, to the actual motion and for my colleague: Ontario Power Generation and its subsidiaries are already subject to the Freedom of Information and Protection of Privacy Act. As such, you should just take a yes on this. While the proposed amendment is out of order, the power already exists and the amendment proposed is thus not merely out of order but also redundant.

**The Chair (Mr. Shafiq Qaadri):** Procedurally, I would just add that in order to make this amendment go through, you would actually have to simultaneously amend the Freedom of Information and Protection of

Privacy Act to make it correspond. You can't nail that act through this act.

Mr. Tabuns.

**Mr. Peter Tabuns:** So, just following on what the parliamentary assistant has said, if the Auditor General, the FAO and the freedom of information act already have jurisdiction over this body, that's useful for us to have that assurance. I look forward to filing my first FOI and sending my first request to the Financial Accountability Officer.

**The Chair (Mr. Shafiq Qaadri):** So NDP motion 18, as I mentioned, is out of order.

We now move to schedule 1, section 20, government motion 19: Mr. Potts.

**Mr. Arthur Potts:** I move that section 20 of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be struck out and the following substituted:

"Minister to calculate fair allocation amount

"20(1) Before the first funding obligation is incurred, the minister shall calculate a fair allocation amount in respect of each reference period as follows:

"1. Determine, in accordance with the following steps and the regulations and by applying such method as the minister considers appropriate, the estimated clean energy costs to be allocated to specified consumers in respect of the reference period:

"i. Determine the clean energy costs incurred or expected to be incurred in respect of all reference periods.

"ii. Determine the clean energy benefits in respect of,

"A. all reference periods, and

"B. the prescribed period of time that preceded the first reference period and during which clean energy costs were incurred.

"iii. Attribute the value of the clean energy benefits determined under subparagraph ii across the reference periods and the period of time described in subparagraph ii B.

"iv. Allocate clean energy costs determined under subparagraph i in proportion to the relative attributions of clean energy benefits determined in subparagraph ii in respect of the reference periods.

"2. Subject to subsection (2), determine, in accordance with the regulations and by applying such method as the minister considers appropriate, the estimated financing costs, consisting of such types of costs as may be prescribed, in respect of the reference period.

"3. Determine, in accordance with the regulations and by applying such method as the minister considers appropriate, the estimated clean energy costs that would have been payable, in the absence of this act, by specified consumers in respect of the reference period.

"4. Determine the amount, if any, by which the sum of the determinations under paragraphs 1 and 2 exceeds the determination under paragraph 3.

"5. Calculate the sum of the amount determined under paragraph 4 and such other amounts as may be prescribed in respect of the reference period.

"Part II adjustments

“(2) If the board has made a determination under section 9 or 11 in respect of the reference period or in respect of a prior reference period and, as a result of the determination, the prescribed circumstances arise, the minister shall take the prescribed steps to make the prescribed adjustments to the determination made under paragraph 2 of subsection (1).

“Minister’s considerations

“(3) In calculating a fair allocation amount, the minister shall have regard to the purposes of this act and such other matters as may be prescribed.

“Minister to inform Financial Services Manager

“(4) The minister shall provide the fair allocation amount in respect of each reference period to the Financial Services Manager.

“Recalculation

“(5) The calculation of a fair allocation amount under this part may be changed by such person as may be prescribed, subject to the following requirements:

“1. The prescribed person shall comply with such requirements as may be prescribed.

“2. Subsections (1), (2) and (3) apply to the new calculation, with necessary modifications, as if that person were the minister.

“Same

“(6) No change under subsection (5) shall affect any clean energy adjustment that arises as a result of a funding obligation that has been incurred before the change.

“Information

“(7) The minister, the IESO, the financial services manager, the board and electricity vendors shall provide such information as may be prescribed in accordance with the regulations for the purposes of facilitating a change under subsection (5).”

1400

**The Chair (Mr. Shafiq Qadri):** Comments on government motion 19? Mr. McDonnell?

**Mr. Jim McDonnell:** I’m just wondering—this gives the minister direct control over any green energy benefits or financing costs, and actually the ability to order the financial services manager to do whatever he feels he wants to do. He can, I guess, overrule any advice you’re getting from them or—it completely leaves the minister with a dictatorial-type of ability in this bill, without any oversight, because we see there’s no oversight in this bill.

We saw last year, when we went through the cap-and-trade bill that this government put through, that they removed all oversight from the Auditor General and the chief financial officer on that bill, too, the ability to see where this money goes. We’re setting up something where things can be cross-subsidized with no information, no ability for the public to even know. That gets to be very dangerous.

**The Chair (Mr. Shafiq Qadri):** Mr. Tabuns.

**Mr. Peter Tabuns:** Yes, I would say as well that this is written in a way that may allow the minister to lock in a fair allocation amount for decades. It is extraordinarily broad. It’s also striking to me that this bill is being

heavily rewritten on the fly. One really has to ask what other unintended consequences will arise out of this. I don’t think this is a good amendment. I don’t think it’s a good bill, but this is also an amendment that makes it worse, and so I urge people to vote against it.

**The Chair (Mr. Shafiq Qadri):** Mr. Smith?

**Mr. Todd Smith:** It’s not a good bill; I would agree with my friend from the third party. All you have to do is look back at the three days of committee last week in which we heard from energy experts who actually admitted that this was a product of the government rushing this process through committee and through the Legislature to take electricity off the table over the summer months this summer. Now we’re seeing amendments like this one. It’s a wide-ranging amendment that, as my colleagues have said, basically allows the minister free rein over not only what could potentially appear in that new debt entity that’s being created at OPG, but ways to monkey with the debt retirement charge which is coming back, and play games with that.

So I’m really concerned. As I was talking about earlier, this is an everything-but-the-kitchen-sink kind of scenario for the minister. He can throw everything he wants in this debt entity and he or she can manipulate the numbers however he or she wishes. It’s dangerous, in my opinion, given the way that the Ministry of Energy has been manipulated by politicians. It’s certainly made a mess of our electricity sector. That’s why we’re dealing with this Bill 132 in the first place, because of the mess that’s been made by too many ministers sticking too many fingers in the pie.

**The Chair (Mr. Shafiq Qadri):** Mr. Delaney.

**Mr. Bob Delaney:** The rather colourful assertions ascribed by my colleagues are flat-out incorrect. The proposed amendment, in fact, doesn’t do anything the previous version doesn’t, but it clarifies the way that the minister is to calculate the fair allocation amount for each reference period. What it does is determine the clean energy costs to be allocated to specified consumers, and the financing costs in accordance with regulations. It determines clean energy costs that would have been payable in the absence of this act. It determines the amount by which the allocated clean energy costs and financing costs exceed the amounts determined under paragraph 2, and it calculates the amount determined under paragraph 3, plus or minus any amount prescribed by regulation.

Its purpose is, following an extensive legal review, to clarify the original intent of the bill. The new subsection 20(2) would allow for regulations to prescribe how the minister would account for part II, “fair adjustment,” in the determination of the fair allocation amount for each reference period. The reason the government recommends voting for this motion is because the proposed amendment clarifies the manner by which the minister is to calculate the fair allocation amount for each reference period, and by laying out this process in legislation we can ensure transparency and consistency in the method of calculation.

**Mr. Todd Smith:** Recorded vote.

**Mr. Peter Tabuns:** Yes, recorded.

**The Chair (Mr. Shafiq Qadri):** Mr. McDonell?

**Mr. Jim McDonell:** It's almost laughable when they use the word "transparency" anymore because this does anything but that. The previous government set up the original debt retirement charge. That was in full view of the public. Of course, this government got caught extending it much longer than it should have been by the regulations to see—or allowed it to die. Now they bring the same thing back, but nobody has any ability to check or to look at what costs are going in, whether it's still there. I guess you learned from your last mistake where there was some ability for the public and experts to actually comment on what was going on.

There's no transparency here. You've done everything you can to make sure it's as untransparent as it can be. There's no deciding what amounts belong. Green energy benefits should have nothing to do with the financing. Financing is strictly you're borrowing money to pay something and extend the life. That's it. Those costs should be standard.

But we see everything that this government does is to make sure they can make whatever changes they want and that nobody can comment and nobody will be any the wiser, whether it was a good plan or a bad plan except by comparing them to other jurisdictions where we see the costs significantly lower than the power costs in this province. In my own riding in Cornwall, there's a significant difference in cost between Ontario Hydro Energy and—because they don't buy from Ontario Hydro or OPG. They're allowed to purchase their power from Quebec. It shows the mismanagement of this file.

**The Chair (Mr. Shafiq Qadri):** Mr. Delaney.

**Mr. Bob Delaney:** One final comment, Chair. The allegations made by my colleague Mr. McDonell are factually incorrect, purely speculative and, in any event, well outside the scope of this proposed amendment.

**The Chair (Mr. Shafiq Qadri):** We'll proceed to the recorded vote.

#### Ayes

Berardinetti, Colle, Delaney, Potts, Vernile.

#### Nays

McDonell, Smith, Tabuns.

**The Chair (Mr. Shafiq Qadri):** Government motion 19 carries.

PC motion 20.

**Mr. Jim McDonell:** I move that subsection 20(5) of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be struck out and the following substituted:

"Recalculation

"(5) A calculation of the fair allocation amount under this part may be changed by the Auditor General or by

such person as may be prescribed, in accordance with such requirements as may be prescribed."

**The Chair (Mr. Shafiq Qadri):** Once again, a scope-of-the-bill issue, seeking to attribute additional powers and oversight to the Auditor General. PC motion 20 is therefore ruled out of order.

PC motion 21.

**Mr. Jim McDonell:** I move that subsection 20(7) of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be struck out and the following substituted:

"Information

"(7) The minister, the IESO, the financial services manager, the board and electricity vendors shall provide such information as may be prescribed to each other, the Auditor General and other persons as may be prescribed, in accordance with the regulations for the purposes of facilitating a change to a calculation of the fair allocation amount."

**The Chair (Mr. Shafiq Qadri):** For similar issues, the scope of this bill exceeded by attributing additional powers and oversight to the Auditor General, PC motion 21 is also out of order.

We'll proceed to consider the section, then, as amended. Shall schedule 1, section 20, as amended, carry? Carried.

We'll now proceed to schedule 1, section 21, government motion 22. Madam Vernile.

#### 1410

**Ms. Daiene Vernile:** I move that subsection 21(1) of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by striking out "for the purposes of acquiring and financing an investment asset" and substituting "for the purposes of a financing entity acquiring and financing an investment interest".

**The Chair (Mr. Shafiq Qadri):** Any comments on government motion 22? Mr. McDonell.

**Mr. Jim McDonell:** Is there any explanation for the purpose of this amendment?

**The Chair (Mr. Shafiq Qadri):** Mr. Delaney?

**Mr. Bob Delaney:** This is a technical change. The proposed motion would clarify that the financing plan would address the acquisition of an investment interest by a financing entity. It would add further clarity and precision to the bill. It doesn't change anything in the bill. It would clarify that the financing plan would address the acquisition of an investment interest by a financing entity, and is a question of legal due diligence.

**The Chair (Mr. Shafiq Qadri):** Further comments on government motion 22? We'll proceed to the vote. Those in favour of government motion 22? Those opposed? Government motion 22 carries.

Government motion 23: Mr. Delaney.

**Mr. Bob Delaney:** I move that paragraph 1 of subsection 21(3) of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by striking out "to reflect determinations of the board under part II in respect of the reference period" at the end and



substituting “by the readjustment amount, if any, in respect of the reference period”.

**The Chair (Mr. Shafiq Qaadri):** Further comments on government motion 23? Seeing none, we’ll proceed to the vote. Those in favour of government motion 23? Those opposed? Government motion 23 carries.

Government motion 24: Madam Vernile.

**Ms. Daiene Vernile:** I move that subsection 21(4) of schedule 1 to the bill be amended by striking out clauses (a) and (b) and substituting the following:

“(a) the amounts are payable in respect of a reference period in respect of which there is no readjustment amount; or

“(b) if there is a readjustment amount in respect of the reference period, the amounts payable in respect of the clean energy adjustment in respect of the reference period do not exceed the fair allocation amount in respect of the reference period after subtracting the readjustment amount.”

**The Chair (Mr. Shafiq Qaadri):** Madam Vernile, I need you to read where it says, “I move that clauses 21” and beyond—just that; two sentences.

**Ms. Daiene Vernile:** Okay. I move that clauses 21(4)(a) and (b) of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be struck out and the following substituted.

**The Chair (Mr. Shafiq Qaadri):** Further comments on government motion 24? Mr. Delaney.

**Mr. Bob Delaney:** Anticipating the question from my colleagues, this is a technical amendment intended to add clarity and precision to the bill. The intent of the bill remains unchanged.

**The Chair (Mr. Shafiq Qaadri):** That’s highly helpful of you, Mr. Delaney. Mr. McDonell?

**Mr. Jim McDonell:** I’m just, again, somewhat concerned. It leaves this entirely up to the minister of the government of the day to determine what they feel the public might buy as a fair allocation amount, and does not, in any way, tie them to any expert advice. Previously, we saw where the minister has the ability to set these amounts.

**The Chair (Mr. Shafiq Qaadri):** Mr. Delaney?

**Mr. Bob Delaney:** In fact, the proposed amendment does exactly the opposite. It clarifies that clean energy adjustments are not payable until after April 30, 2021, unless they are payable in reference periods that do not involve part II adjustments that result in a readjustment amount; or, if the reference period does involve part II adjustments that result in a readjustment amount, the clean energy adjustment is not more than the fair allocation amount for that reference period minus the readjustment amount for that reference period. If that’s not a technical amendment, I don’t know what is.

**The Chair (Mr. Shafiq Qaadri):** Mr. McDonell.

**Mr. Jim McDonell:** I think that the concern here becomes that to “exceed the fair allocation amount” is determined by the minister, and not determined by anything else. The word “fair” is very non-technical, I guess, is what you might say.

**The Chair (Mr. Shafiq Qaadri):** Mr. Delaney.

**Mr. Bob Delaney:** Then let’s put it into layman’s language: In the early years, a portion of the costs covered by the global adjustment would be refinanced to lower hydro bills for today’s electricity ratepayers.

**The Chair (Mr. Shafiq Qaadri):** We’ll proceed, then, to the vote, unless there are further comments. Those in favour of government motion 24? Those opposed? Government motion 24 carries.

NDP motion 25.

**Mr. Peter Tabuns:** I move that section 21 of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by adding the following subsections:

“Financing plan subject to board approval

“(4.1) The financing plan is subject to the board’s approval.

“Same

“(4.2) The board shall not approve the financing plan unless it determines that to do so is in the interest of consumers, within the meaning of the Electricity Act, 1998, with respect to the price of electricity service.”

Again, Chair, this is intended to ensure that the regulator, the Ontario Energy Board, is actually regulating. Given the public statements about the power of the board, I don’t see why the government would have any difficulty with this amendment. When it comes to a vote, I would like it to be recorded.

**The Chair (Mr. Shafiq Qaadri):** Mr. Delaney.

**Mr. Bob Delaney:** I appreciate the caution offered by my colleague; however, the Ontario Energy Board already has the authority to protect consumers and will continue to do so. Indeed, the creation of the financing plan would already have a clearly defined process which protects consumers while executing on the goal of spreading the costs more fairly over time.

The only reason the government recommends voting against this amendment, however generous the spirit within which it’s offered, is because it’s redundant and the OEB can already do it.

**The Chair (Mr. Shafiq Qaadri):** Mr. Tabuns.

**Mr. Peter Tabuns:** Just to be clear, the OEB gets to vote, to question and to hold hearings and make a decision on the financing plan. Is that what you’re saying to me?

**Mr. Bob Delaney:** The proposed legislation strives to strike an appropriate balance between transparency, expediency and financeability.

**The Chair (Mr. Shafiq Qaadri):** Mr. McDonell.

**Mr. Jim McDonell:** I think that is a no.

**Mr. Peter Tabuns:** You took the words right out of my mouth, Jim.

**The Chair (Mr. Shafiq Qaadri):** If there are no comments, we’ll proceed then to the recorded vote.

**Ayes**

McDonell, Smith, Tabuns.

### Nays

Berardinetti, Colle, Delaney, Potts, Vernile.

**The Chair (Mr. Shafiq Qaadri):** NDP motion 25 falls.

NDP motion 26.

**Mr. Peter Tabuns:** I move that section 21 of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by adding the following subsection:

“Plan to be published

“(5.1) The financial services manager shall publish the financing plan at least 30 days before the incurrence of any funding obligations in respect of that plan.”

Again, if there is going to be transparency, records have to be out in the public realm and people have to be able to see them and, if necessary, comment. When we get to a vote, I would like it recorded.

**The Chair (Mr. Shafiq Qaadri):** Further comments on NDP motion 26? Mr. Delaney.

**Mr. Bob Delaney:** On this one, the government has a substantive issue. The financing plan is to be used by the OPG Trust to govern financing commitments and to inform the Minister of Energy. Release of the financing plan has the potential to create transaction-related risks and financing risks by undermining the ability for the financing manager to interact with the markets. As such, it also has the potential to add materially to financing costs, and, therefore, the government recommends voting against this motion.

**The Chair (Mr. Shafiq Qaadri):** Mr. Smith, then Mr. Tabuns.

**Mr. Todd Smith:** It’s just amazing to me to listen to the government members, how in one breath, they want to be open and transparent, but in the next breath, they are anything but open and transparent.

This is a good motion that my colleague from the NDP has put forward. The financial services manager can be and should be transparent when it comes to recouping this money. I agree with my colleague that this is a good amendment to this bill—that was hastily put together, I might add again.

**The Chair (Mr. Shafiq Qaadri):** Mr. Tabuns.

**Mr. Peter Tabuns:** I would have thought, Chair, that anyone who is issuing debt on a bond market would have stated fully what exactly are the circumstances, the context, the risks.

If, in fact, the government is saying that publishing that information would be a risk, one has to ask how honest they’re being with those people who may well make those investments or buy those bonds. It raises big questions. If I were an investor and told that we’re keeping things quiet so that there won’t be a problem with those who might buy these instruments, I’d have real questions.

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**The Chair (Mr. Shafiq Qaadri):** Mr. McDonnell and then Mr. Delaney.

**Mr. Jim McDonnell:** I think, typically, when you’re going to the market for the amount of money that this government is talking about, there has to be a plan. Certainly the ability to review that under public scrutiny might be very worthwhile.

When they say that they’re worried about adding some costs to the cost of borrowing—I mean, this bill has the potential of adding almost \$100 billion to the costs of energy over the next 29 years. If you’re not worried about that, how the hell could you be worried about something as minor as this?

**The Chair (Mr. Shafiq Qaadri):** Mr. Delaney.

**Mr. Bob Delaney:** I appreciate the comments. However, the financing plan is intended to be a confidential document describing how OPG Trust would undertake financing. I’m sure my colleagues will grasp the fact that its release prior to the sale of the initial and subsequent offerings would affect financeability, and as such, the government can’t support the amendment.

**The Chair (Mr. Shafiq Qaadri):** Further comments on NDP motion 26?

**Mr. Peter Tabuns:** All I want is a recorded vote.

**The Chair (Mr. Shafiq Qaadri):** We’ll proceed, then, to the recorded vote.

### Ayes

McDonnell, Smith, Tabuns.

### Nays

Berardinetti, Colle, Delaney, Potts, Vernile.

**The Chair (Mr. Shafiq Qaadri):** NDP motion 26 falls.

We’ll move now to government motion 27. Mr. Potts.

**Mr. Arthur Potts:** I move that subsection 21(6) of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by adding “but no such amendment shall affect any clean energy adjustment that has already been determined under section 15 or any funding obligations that have already been incurred before the amendment” at the end.

**The Chair (Mr. Shafiq Qaadri):** Any comments? Mr. Tabuns.

**Mr. Peter Tabuns:** Yes, I’ll ask for a recorded vote on this. I’m worried that the way this is set up, it will tie the hands of future governments. That could be a substantial problem, Chair, so I would urge people to vote against.

**The Chair (Mr. Shafiq Qaadri):** Any further comments on government motion 27? Mr. Delaney.

**Mr. Bob Delaney:** The assertion made is incorrect. The proposed addition merely clarifies that amendments to the financing plan would not affect any clean energy adjustment or funding obligation, and it helps ensure that the refinancing can be secured at a low cost, as investors will have dependable repayment—again, a technical change.

**The Chair (Mr. Shafiq Qaadri):** Any further comments on government motion 27? Seeing none, we'll proceed to the recorded vote.

### Ayes

Berardinetti, Colle, Delaney, Potts, Vernile.

### Nays

Tabuns.

**The Chair (Mr. Shafiq Qaadri):** Government motion 27 carries.

Government motion 28: Madam Vernile.

**Ms. Daiene Vernile:** I move that section 21 of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by adding the following subsection:

“Readjustment amount

“(8) In this section,

“‘readjustment amount’ has the meaning set out in the regulations.”

**The Chair (Mr. Shafiq Qaadri):** Further comments on government motion 28? Seeing none, we'll proceed to the vote. Those in favour of government motion 28? Those opposed? Government motion 28 carries.

Shall section 21, as amended, carry? Carried.

Government motion 29: Madam Vernile.

**Ms. Daiene Vernile:** I move that subsection 22(3) of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by striking out “The financial services manager shall not” at the beginning and substituting “Neither the financial services manager nor a financing entity shall”.

**The Chair (Mr. Shafiq Qaadri):** Further comments on government motion 29? Mr. McDonell.

**Mr. Jim McDonell:** Just an explanation for the reason for this amendment?

**The Chair (Mr. Shafiq Qaadri):** Mr. Delaney?

**Mr. Bob Delaney:** The proposed motion would clarify that a financing entity, in addition to the financial services manager, may not allow for recourse against the assets of an electricity vendor, the board, OPG or the province.

**The Chair (Mr. Shafiq Qaadri):** Further comments? Seeing none, we'll proceed to the vote. Those in favour of government motion 29? Those opposed? Government motion 29 carries.

Shall section 22, as amended, carry? Carried.

NDP motion 30: Mr. Tabuns.

**Mr. Peter Tabuns:** I move that the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by adding the following section before the heading to part V:

“Auditor General

“22.1 Every financing entity is subject to the authority of the Auditor General under the Auditor General Act,

regardless of whether the entity is a subsidiary of the financial services manager.”

Again, for transparency.

**The Chair (Mr. Shafiq Qaadri):** Once again, unfortunately, the motion is out of order as it similarly tries to ascribe additional powers and oversight to the Auditor General.

We'll now proceed to the next motion, which is NDP motion 31.

**Mr. Peter Tabuns:** I move that the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by adding the following section before the heading to part V:

“Financial Accountability Officer

“22.2 Every financing entity is subject to the authority of the Financial Accountability Officer under the Financial Accountability Officer Act, 2013, regardless of whether the entity is a subsidiary of financial services manager.”

Again, for transparency.

**The Chair (Mr. Shafiq Qaadri):** Again, out of the scope of this bill, therefore out of order.

We'll proceed now to NDP motion 32.

**Mr. Peter Tabuns:** I move that the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by adding the following section before the heading to part V:

“Freedom of Information and Protection of Privacy Act

“22.3 Every financing entity is an institution for the purposes of the Freedom of Information and Protection of Privacy Act, and its most senior officer is the head of the institution under that act, regardless of whether the entity is a subsidiary of the financial services manager.”

Again, for transparency.

**The Chair (Mr. Shafiq Qaadri):** Thank you, Mr. Tabuns. Again, out of the scope so also out of order.

We are now proceeding to schedule 1, section 23. The next five sections have not received any amendments or motions. May I consider them en bloc?

*Interjections.*

**The Chair (Mr. Shafiq Qaadri):** Shall, therefore, sections 23, 24, 25, 26 and 27 carry? Carried.

We'll now proceed to NDP motion 33.

**Mr. Peter Tabuns:** I move that section 28 of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by adding the following subsections:

“Subject to board approval

“(3) The application of subsections (1) and (2) to a specified portion of the regulatory asset that is transferred under section 26 is subject to the prior approval, obtained by the financing entity, of the board.

“Same

“(4) The board shall not provide approval under subsection (3) unless it determines that to do so is in the interest of consumers, within the meaning of the Electricity Act, 1998, with respect to the price of electricity service.”

Again, to respect the role of the regulator.

**The Chair (Mr. Shafiq Qaadri):** Further comments on NDP motion 33?

**Mr. Bob Delaney:** Chair, as we have discussed from time to time during the afternoon, the Ontario Energy Board already has the authority to protect consumers and will continue to do so.

**The Chair (Mr. Shafiq Qaadri):** Further comments? Mr. Tabuns?

**Mr. Peter Tabuns:** I think it's just clear that the OEB is cut out of this picture, won't be able to protect consumers and explicitly has been sidelined. With that, I'd ask for a recorded vote when it comes.

**The Chair (Mr. Shafiq Qaadri):** Mr. McDonell?

**Mr. Jim McDonell:** Just hearing that response from the government member, it was only about this time last year, when we were going through the cap-and-trade legislation, that the government removed the OEB from being able to comment on any of these policies. Where they may have the ability to comment, they are not allowed to comment by that legislation. There is some concern, I guess by our side, that we're really in the dark when it comes to moves that can be made by this government because there's no ability for the public to be aware of what's happening. The Ontario Energy Board cannot comment publicly unless they're asked to by the minister. That was very explicit.

**The Chair (Mr. Shafiq Qaadri):** Any further comments? Mr. Delaney?

**Mr. Bob Delaney:** I would like to address those. Under the Ontario Fair Hydro Plan Act, 2017, the Ontario Energy Board retains its responsibility for setting regulated price plan, or RPP, rates. The OEB would determine the fair adjustment amount to be applied to RPP prices and non-RPP bills. The RPP calculation would account for the fair adjustment amount. The Ontario Energy Board would advise the Independent Electricity System Operator of the fair adjustment amount that is to be applied by local distribution companies and to retailers for non-RPP bills, which, I hope, directly addresses the comments made by my colleague.

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**The Chair (Mr. Shafiq Qaadri):** Mr. McDonell?

**Mr. Jim McDonell:** My comment rests with the ability of this government to determine what credits can come from cap-and-trade benefits. The OEB is specifically excluded from being able to comment on that part of it, so when you have an equation and you eliminate the ability to look at one of the determinants, the entire equation comes under the same conditions. If you have A, B and C and you can't look at A, you can't determine the credibility of the calculation, because they have been specifically eliminated from commenting on that publicly, unless asked for by the minister.

**The Chair (Mr. Shafiq Qaadri):** Any further comments on NDP motion 33? If not, we'll proceed, then, to the vote—a recorded vote.

**Ayes**

McDonell, Smith, Tabuns.

**Nays**

Berardinetti, Colle, Delaney, Potts, Vernile.

**The Chair (Mr. Shafiq Qaadri):** NDP motion 33 falls.

Shall section 28 carry? Carried.

We've received no motions or amendments for the next 12 sections—sections 29, 30, up to and including 39 and 40. Can I consider them en bloc? Shall they carry? Carried.

We'll now proceed to government motion 34.

**Ms. Daiene Vernile:** I move that schedule 1 to the bill be amended by adding the following section:

“Compliance and restraining orders

“Application to court

“40.1(1) On the application of an investment interest owner, the Superior Court of Justice may make an order described in subsection (2) if it is satisfied that an electricity vendor, the IESO or the financial services manager has failed to comply with or has contravened this act or the regulations or that one of those entities will fail to comply with or will contravene this act or the regulations.

“Order

“(2) The Superior Court of Justice may, by order,

“(a) direct the electricity vendor, the IESO or the financial services manager to comply with this act or the regulations;

“(b) restrain the electricity vendor, the IESO or the financial services manager from contravening this act or the regulations; or

“(c) require compensation to be provided by the electricity vendor, the IESO or the financial services manager to the investment interest owner.

“Same

“(3) An application under subsection (1) may be made by an investment interest owner in addition to exercising any other right of the investment interest owner.”

**The Chair (Mr. Shafiq Qaadri):** Further comments on motion 34? Mr. Tabuns.

**Mr. Peter Tabuns:** It seems an extraordinary power to give to investors, to intervene in the operation of the electricity system. Thus, I recommend voting against.

**The Chair (Mr. Shafiq Qaadri):** Mr. McDonell and then Mr. Delaney.

**Mr. Jim McDonell:** I've seen that, previously, the amendments are overruling the OPG and these agencies, with the ability for the minister to put in place its own financial services manager, which is the OPG, as the bill starts out. But the power that it gives him, if the OPG would feel that there needed to be some public consultation, or for some reason—a reason that they would not define—would not make the decisions this

government feels necessary, then they give the power to the courts to basically squash any of their comments.

**The Chair (Mr. Shafiq Qaadri):** Mr. Delaney?

**Mr. Bob Delaney:** This is another clarification amendment that basically says what happens in the event of a scenario with an extremely small probability—what sequence of events should transpire at that point. All this does is define what that sequence of events is going to be.

**Mr. Peter Tabuns:** Recorded vote.

**The Chair (Mr. Shafiq Qaadri):** Recorded vote.

### Ayes

Berardinetti, Colle, Delaney, Potts, Vernile.

### Nays

McDonell, Smith, Tabuns.

**The Chair (Mr. Shafiq Qaadri):** Government motion 34 carries.

Government motion 35.

**Ms. Daiene Vernile:** I move that paragraph 7 of subsection 41(1) of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule 1 to the bill, be amended by striking out “a breach under section 29” and substituting “the failure of any person or entity to give effect to the rights and interests provided for under section 29”.

**The Chair (Mr. Shafiq Qaadri):** Comments on government motion 35? Mr. Tabuns.

**Mr. Peter Tabuns:** Again, I think it allows extraordinary insertion of private investor rights into the operation of a government energy plan. I think it’s unprecedented. I urge people to vote against it, and I ask for a recorded vote.

**The Chair (Mr. Shafiq Qaadri):** Any further comments on government motion 35? Mr. Delaney.

**Mr. Bob Delaney:** Chair, this is a technical amendment that serves to add further clarity and precision to the bill. It doesn’t change its intent or practice.

**The Chair (Mr. Shafiq Qaadri):** Any further comments? We’ll proceed, then, to the recorded vote on government motion 35.

### Ayes

Berardinetti, Colle, Delaney, Potts, Vernile.

### Nays

Tabuns.

**The Chair (Mr. Shafiq Qaadri):** Government motion 35 carries.

NDP motion 36.

**Mr. Peter Tabuns:** I move that section 41 of the Ontario Fair Hydro Plan Act, 2017, as set out in schedule

1 to the bill, be amended by adding the following subsection:

“Restriction on partisan invoicing information

“(3) Paragraphs 4 and 5 of subsection (1) do not authorize regulations permitting, requiring or authorizing a person or entity to permit or require the inclusion of information on or with invoices that is partisan in nature, as determined by the Auditor General.”

**The Chair (Mr. Shafiq Qaadri):** Mr. Tabuns, once again, with extreme regret and without malice, I inform you that amendment 36 is out of order for precisely the same reasons delineated since the beginning of this meeting. Therefore, NDP motion 36 is out of order and is out.

Shall section 41, as amended, carry? Carried.

Mr. McDonell.

**Mr. Jim McDonell:** I just go through and we see that a number of the amendments have been ruled out of order. It would alleviate a lot of the opposition’s concern, I would think—speaking on behalf of at least the official opposition—if we were to have the Auditor General’s overview. I seek unanimous consent that we actually allow that to happen. A lot of our concerns would be alleviated by providing that oversight that we feel is so important.

**The Chair (Mr. Shafiq Qaadri):** Mr. McDonell, you’re welcome to call and comment for anything. We need it a little more specific. What are you precisely asking for?

**Mr. Jim McDonell:** That the committee would, through unanimous consent, grant that the Auditor General does have oversight over this legislation.

**The Chair (Mr. Shafiq Qaadri):** All right. Procedurally, there are a number of steps that we ought to follow, but I will ask: Do we have unanimous consent for—

**Mr. Bob Delaney:** No.

**The Chair (Mr. Shafiq Qaadri):** Okay. We’ll move on.

Yes, Mr. Smith?

**Mr. Todd Smith:** I would just like to say, if I could, that in a little more than a week we’re seeing a new debt entity created as a result of this bill: \$45 billion to \$93 billion in debt and interest payments as a result of Bill 132. The government has rammed this through the House, and it will be rammed through the committee and on Wednesday morning with another 30 minutes of debate.

This is a bill that has set off alarm bells not only with the opposition parties, but with the independent officers of the Legislature that have been stripped of any oversight. When it comes to this bill, the Auditor General, appearing before our committee last week, said that this bill doesn’t meet Canadian public sector accounting practices—and raised a number of other concerns as well. The Financial Accountability Officer, of course, had some grave concerns about the financial distress that this bill could cause for the province, all while not appearing on the government’s books.

Here in the amendment and clause-by-clause phase, we've raised some more concerns about the Minister of Energy possibly being able to take over this new multi-billion dollar debt entity if they're not happy with the way the financial services manager is controlling this new debt entity—if they're unwilling to do what the government says they should be doing.

Given all of those concerns, in the short amount of time that we've been able to examine and scrutinize this extraordinary bill and what it creates, and given that, in all of the United States, what the Liberals have created here in the last week and a half has never been done before, this is a monumental piece of legislation that the government has rammed down our throats. I just want to say that, as the official opposition energy critic, I can't accept anything the government is doing when it comes to this particular bill.

**The Chair (Mr. Shafiq Qaadri):** We'll now proceed to schedule 1, part VIII. There are now four sections that have not received motions or amendments. May I consider them en bloc? They are 42, 43 and 45.

**Interjection:** And 44.

**The Chair (Mr. Shafiq Qaadri):** Yes: 42, 43, 44 and 45. Shall they carry? Carried.

Shall the preamble of schedule 1, as amended, carry? Carried.

Shall schedule 1, as amended, carry?

**Mr. Peter Tabuns:** Can I have a recorded vote on whether or not schedule 1 will be carried?

**The Chair (Mr. Shafiq Qaadri):** That's fine. We can do that. Once again, a recorded vote on the very last point there: Shall schedule 1, as amended, carry?

#### Ayes

Berardinetti, Colle, Delaney, Potts, Vernile.

#### Nays

McDonell, Smith, Tabuns.

**The Chair (Mr. Shafiq Qaadri):** Schedule 1, as amended, carries.

We have received no amendments or motions for the following schedules and sections; therefore, may I—

**Mr. Peter Tabuns:** Chair, if we have a vote on the adoption of schedule 2, I would like a recorded vote on that schedule.

**The Chair (Mr. Shafiq Qaadri):** Fair enough. We'll do that now.

First of all, may I consider schedule 2, sections 1, 2, 3, 4 and 5, en bloc? Shall they carry? Carried.

Therefore—this is a recorded vote—shall schedule 2 carry?

*Interjections.*

**The Chair (Mr. Shafiq Qaadri):** Sorry; we're a little confused here. We'll do that again.

Shall schedule 2 carry?

#### Ayes

Berardinetti, Colle, Delaney, Potts, Tabuns, Vernile.

**The Chair (Mr. Shafiq Qaadri):** Schedule 2 carries. Shall section 1, as amended, carry? Carried.

Shall section 2 carry? Carried.

Section 3? Carried.

*Interjections.*

**Mr. Arthur Potts:** Recorded, on the whole bill.

**Mr. Peter Tabuns:** Yes, recorded, on the whole bill.

**The Chair (Mr. Shafiq Qaadri):** Fine.

Shall the title of the bill carry? Carried.

This is where we'll do a recorded vote, as I presume folks would like it: Shall Bill 132, as amended, carry?

#### Ayes

Berardinetti, Colle, Delaney, Potts, Vernile.

#### Nays

McDonell, Smith, Tabuns.

**The Chair (Mr. Shafiq Qaadri):** Bill 132, as amended, carries.

Shall I report the bill, as amended, to the House?

*Interjections.*

**The Chair (Mr. Shafiq Qaadri):** All in favour of my reporting the bill or perhaps your—

**Mr. Mike Colle:** Carried.

**The Chair (Mr. Shafiq Qaadri):** Yes, carried. All those opposed? Carried.

*Interjection.*

**The Chair (Mr. Shafiq Qaadri):** All right, we'll do it—my Clerk is forcing me to do it.

Shall I report the bill, as amended to the House? All those in favour?

*Interjections.*

**The Chair (Mr. Shafiq Qaadri):** All those opposed? I will report the bill, as amended, to the House. Thank you.

The committee is adjourned.

*The committee adjourned at 1444.*



## **STANDING COMMITTEE ON JUSTICE POLICY**

### **Chair / Président**

Mr. Shafiq Qadri (Etobicoke North / Etobicoke-Nord L)

### **Vice-Chair / Vice-Président**

Mr. Lorenzo Berardinetti (Scarborough Southwest / Scarborough-Sud-Ouest L)

Mr. Lorenzo Berardinetti (Scarborough Southwest / Scarborough-Sud-Ouest L)

Mr. Mike Colle (Eglinton–Lawrence L)

M<sup>me</sup> Nathalie Des Rosiers (Ottawa–Vanier L)

Mr. Jim McDonell (Stormont–Dundas–South Glengarry PC)

Mr. Arthur Potts (Beaches–East York L)

Mr. Shafiq Qadri (Etobicoke North / Etobicoke-Nord L)

Miss Monique Taylor (Hamilton Mountain ND)

Ms. Daiene Vernile (Kitchener Centre / Kitchener-Centre L)

Mr. Bill Walker (Bruce–Grey–Owen Sound PC)

### **Substitutions / Membres remplaçants**

Mr. Bob Delaney (Mississauga–Streetsville L)

Mr. Todd Smith (Prince Edward–Hastings PC)

### **Also taking part / Autres participants et participantes**

Ms. Carolyn Calwell, legal director, legal services branch, Ministry of Energy

### **Clerk / Greffier**

Mr. Christopher Tyrell

### **Staff / Personnel**

Ms. Tara Partington, legislative counsel