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**Standing Committee on
General Government**

Access to Natural Gas Act, 2018

1st Session
42nd Parliament

Monday 19 November 2018

**Comité permanent des
affaires gouvernementales**

Loi de 2018 sur l'accès
au gaz naturel

1^{re} session
42^e législature

Lundi 19 novembre 2018

Chair: Dave Smith
Clerk: Sylwia Przewdziecki

Président : Dave Smith
Greffière : Sylwia Przewdziecki

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
GENERAL GOVERNMENT**

**COMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES**

Monday 19 November 2018

Lundi 19 novembre 2018

The committee met at 1400 in committee room 2.

ACCESS TO NATURAL GAS ACT, 2018

**LOI DE 2018 SUR L'ACCÈS
AU GAZ NATUREL**

Consideration of the following bill:

Bill 32, An Act to amend the Ontario Energy Board Act, 1998 / Projet de loi 32, Loi modifiant la Loi de 1998 sur la Commission de l'énergie de l'Ontario.

The Chair (Mr. Dave Smith): It's 2 o'clock, so we will start the clause-by-clause consideration of Bill 32, An Act to amend the Ontario Energy Board Act, 1998.

Are there any comments, questions or amendments to any sections of the bill, and if so, to which section? General comments?

Ms. Jennifer K. French: I've got lots of amendments.

The Chair (Mr. Dave Smith): Seeing as there are no general comments, we will go to section 1 and a new subsection. Ms. French, would you like to speak to the first amendment?

Ms. Jennifer K. French: Do I need to make the motion first or move the amendment?

The Chair (Mr. Dave Smith): Yes.

Ms. Jennifer K. French: Okay. I move that section 1 of the bill be amended by adding the following subsection to section 36.2 of the Ontario Energy Board Act, 1998:

"Purpose of section

"(0.1) The purpose of this section is to facilitate the rational expansion of natural gas distribution systems to rural, northern and on-reserve consumers, while protecting the interests of consumers with respect to prices and the reliability and quality of gas service."

The Chair (Mr. Dave Smith): Any debate?

Ms. Jennifer K. French: Yes. This is something that we have been saying in debate. I would argue that both the government and opposition have been touting this piece of legislation as being for rural, northern and on-reserve consumers, that supposedly that is a priority. This adds purpose to the legislation. It ensures that people across Ontario understand that this is indeed to benefit those communities. Words matter, and in this case, we need to put them in legislation. That is essentially the rationale.

Additionally, by adding that purpose, I think the government has the opportunity to make it clear that these subsidies will be used for a specified purpose. I think that

that is a reassurance to Ontarians, indeed, that those subsidies couldn't be used for an alternative purpose.

The Chair (Mr. Dave Smith): Further debate? Mr. Lecce.

Mr. Stephen Lecce: I will just start off by thanking the opposition for bringing forward these amendments. I'll just say, in good faith, that we are all ears to listen to know how we can strengthen this bill.

We've been clear that our approach when it comes to the expansion of natural gas, by leveraging private capital and private ingenuity, is to get natural gas to tens of thousands of more people and thousands of more homes across the province. That includes, certainly, remote and rural regions of this province, and all communities of this province that otherwise have had a lack of access to this affordable commodity.

I will assure the honourable member that we are here to listen about how we can improve the bill, should it be required. We think, on merit, many of these amendments brought forth ought to be listened to carefully and looked at in the context of the regulatory regime, which we feel, and I think perhaps other stakeholders would agree, would be the best mechanism to achieve the objectives set out, rather than prescribing them in legislation, which actually precludes the government from doing many of the things that you want us to do, as suggested in many of the amendments.

Specifically, with this motion, section 2 of the OEB Act actually has existing powers that apply to all aspects of natural gas, which this applies to. So it would be an unnecessary duplication.

But I just want to say off the top, if I may, Mr. Chair, that we are listening. I am taking close notes to bring back to the Ministry of Infrastructure to see how some of these things could be considered in the context of our regulatory regime, which is the second phase of this, post-legislation.

The Chair (Mr. Dave Smith): Ms. French.

Ms. Jennifer K. French: Not for the sake of argument but for the sake of clarity, just to correct the member's record: I'm not sure this precludes the government from doing what I would want them to do. I think it might preclude the government from doing what the government would want to do, which is again why, as the member is taking careful notes to take back to the folks, by giving this legislation purpose, by clearly saying the words, "rural, northern and on-reserve," I think I and other Ontarians would appreciate that, knowing that the subsidies—

because we're talking about significant monies coming in from ratepayers—not be misused for other purposes.

I would just like to be clear what I would like and what the government would like. We can have another conversation another time, but in the interests of time, just clarity today.

The Chair (Mr. Dave Smith): Mr. Kramp?

Mr. Daryl Kramp: I'm a rural MPP. Quite frankly, I don't think we need it, the simple reason being that the vast majority of urban areas, if you wish to call it that, have natural gas now. They're not even going to be involved with a lot of this bill. This bill will go ahead and service the areas that need the help, the guidance, the assistance and financial support. I think it's just a foregone conclusion. I don't think we have to be specific. The realities of market supply and demand, usage and the facilities in place will basically dictate that very well.

The Chair (Mr. Dave Smith): Ms. French?

Ms. Jennifer K. French: Just so I'm clear, the member said he's a rural member and that we don't need this. What was "this" in this case that we don't need?

Mr. Daryl Kramp: Pardon?

Ms. Jennifer K. French: You said we don't need this, and I would like the member to just—so that I don't interpret incorrectly.

The Chair (Mr. Dave Smith): Mr. Kramp.

Mr. Daryl Kramp: The reality is, we don't need to be specific. I think it's already implied with the result. The reality is that it is the rural areas that are deficient in that they don't have majority access to natural gas. Most of the urban areas do now, and so we understand that it's long and it's costly and it's time prohibitive, but this bill obviously will be designated to go into areas where there's a need. The need is quite obviously in a lot of the rural areas, and I don't think we have to have specifically—we don't need to say, "I'm going to Algoma. I'm going to Hastings. I'm going to Manitouwadge."

I think it's overkill, quite frankly. It's going to go where it needs to go, and it's up to each individual member, the government and the opposition to put pressure on the government and on the legislative and the regulatory board to say, "Look, we want, we need and we expect some service here." That's your job, that's my job and that's the board's job. That's all of our jobs.

But to put any kind of a straitjacket—whether it's this legislation or any legislation—saying, "Thou shalt do, explicitly, this, this, this, this." We can't govern that way.

Ms. Jennifer K. French: I was just making sure that he wasn't saying "this" being rural expansion. You're saying "this" being "these words"—just checking.

Mr. Daryl Kramp: Oh, yes. I will definitely clarify that point then.

Ms. Jennifer K. French: Just for the member.

Mr. Daryl Kramp: I'm sorry there was a—no. If I were to say that, I would be tarred and feathered. So, no, I certainly did not mean that as an exception.

The Chair (Mr. Dave Smith): Any further discussion? Yes, Mr. Glover.

Mr. Chris Glover: I would speak in favour of this amendment and not from any particular perspective. I understand not wanting to put a straitjacket on legislation, but this is just the general goal, and when we're talking—especially the rural, northern and on-reserve communities because those are three communities that often get left out of the decision-making process and often feel left out of the decision-making process. I think for them to hear their three communities mentioned specifically—this is designed to help them.

I think, too, when you're looking at who can bring the pressure to bear that you were mentioning, often the northern and on-reserve communities don't have the ability to bring the pressure to bear. To have their communities mentioned in the purpose I think would strengthen the bill and make them included in the decision-making process. So I would argue in favour of the amendment.

The Chair (Mr. Dave Smith): Mr. Lecce?

Mr. Stephen Lecce: Look, I would accept the premise that for too many years under the former government, northern Ontario and remote parts of this province did not have a voice at the table. The agriculture minister was first a minister from Toronto. So I accept the premise that rural, remote and northern communities and First Nation communities didn't have a voice at the table.

As my colleague correctly stated, our caucus is strengthened, and I think all parties are strengthened, by having that diversity of thought. We are determined, as the Minister of Infrastructure has said both in the Legislature and outside, to ensure that these funds are targeting regions that need it the most. Obviously, those regions include underserved communities—rural, remote and First Nations communities. By its design, that is where we see a lot of those funds going, based on the market realities, as my colleague mentioned.

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We believe it is duplicative in scope. Obviously, in the regulatory regime, to make sure that is tailored to ensure that we hit those regions that you prudently cite—because I think we have the same objective. I just think that the way we get there is, perhaps, where we differ.

The Chair (Mr. Dave Smith): Any other discussion? Yes, Ms. French.

Ms. Jennifer K. French: I am looking forward to having further discussion about the design, seeing as how "by design" leaves a lot to the imagination, because this is not comprehensive legislation. That regulatory regime that we're probably going to hear a fair bit about over the course of today is going to have its work cut out for it, because there really isn't much in this bill. Adding those three groups that, as we've heard, have been historically underserved I think gives them that priority, which they deserve. You can take that back to the regulatory regime.

I'm disappointed to hear that the government will not be supporting those communities here in statute.

The Chair (Mr. Dave Smith): Any further comment? Seeing none, then, section 1—this motion—

Ms. Jennifer K. French: I would like to call for a recorded vote.

Ayes

French, Glover, Schreiner, Stevens.

Nays

Hogarth, Kanapathi, Kramp, Kusendova, Lecce, Sandhu.

The Chair (Mr. Dave Smith): The motion is lost.

Okay. Then the next one, motion 2, section 1, definition of “qualifying investment,” subsection 36.2(1) of the Ontario Energy Board Act, 1998: Ms. French.

Ms. Jennifer K. French: I move that section 1 of the bill be amended by striking out the definition of “qualifying investment” in subsection 36.2(1) of the Ontario Energy Board Act, 1998, and substituting the following:

“qualifying investment” means an investment approved by the board that satisfies the prescribed criteria.”

The Chair (Mr. Dave Smith): Any comments or debate? Ms. French.

Ms. Jennifer K. French: Yes. This amendment places approval authority with the Ontario Energy Board to ensure independent, evidence-based decisions in the public and consumer interest and avoid self-serving decisions or backroom decisions decided by politicians for, potentially, the benefit of others who are not, indeed, the public or consumer.

If anyone’s looking for examples of that, we saw that with the last government. We have a fresh government, and I would challenge this government to consider this amendment. Certainly, we need the oversight. We need to have that be clear and to have the Ontario Energy Board have a clear role.

When I met with the ministry folks and had the conversation—a lot will be yet to be determined, I suppose, in this regulatory regime, but we, as Ontarians, want to know what the Ontario Energy Board’s role is going to be. I think that we should all be able to agree that they should be independent, evidence-based decisions in the best interests of the public.

The Chair (Mr. Dave Smith): Any other comments? Seeing as there are none—

Mr. Chris Glover: Recorded vote.

Ayes

French, Glover, Schreiner, Stevens.

Nays

Hogarth, Kanapathi, Kramp, Kusendova, Lecce, Sandhu.

The Chair (Mr. Dave Smith): That amendment is lost.

Mr. Chris Glover: Mr. Chair, I’m not sure about the process, but is it possible to just ask for a blanket request for recorded votes?

The Chair (Mr. Dave Smith): I believe that in the standing orders, you have to ask for it each time.

Mr. Chris Glover: Each time? Okay. Fair enough.

The Chair (Mr. Dave Smith): Sorry.

Mr. Chris Glover: No, I’m just trying to stay on my toes.

Laughter.

The Chair (Mr. Dave Smith): Okay, moving to the third amendment: section 1, definition of “rural, northern and on-reserve consumers,” subsection 36.2(1) of the Ontario Energy Board Act, 1998: Ms. French?

Ms. Jennifer K. French: I move that section 1 of the bill be amended by adding the following definition to subsection 36.2(1) of the Ontario Energy Board Act, 1998:

“rural, northern and on-reserve consumers” means consumers that satisfy the prescribed criteria.”

The Chair (Mr. Dave Smith): Any comments or debate?

Ms. Jennifer K. French: Yes.

The Chair (Mr. Dave Smith): Ms. French.

Ms. Jennifer K. French: As we have already heard—and it has been reiterated—the government says this bill is about helping rural Ontario, but the word “rural” is never in the bill. This amendment ensures that this rate protection goes to the rural consumers that the government says it intends to help.

This has certainly been what opposition members and government members have celebrated in the Legislature: that there’s an opportunity for our rural, northern and on-reserve consumers to have access to natural gas, in this case, but affordable energy. So, again, this is to make it clear to Ontarians that indeed these are groups that deserve priority.

As I said, the debate in the Legislature has revolved around the notion of giving rural, northern and on-reserve communities access to natural gas, so we are asking you to add the language, to say the words.

I feel like, by voting against this, it’s—I guess we’re calling your bluff. If you aren’t willing to put it in this place in statute that is just a definition, then how can we ensure that the rate protection will indeed go to the rural consumers that you say you intend to help?

Telling us, as Ontarians, that this is about the design, and that urban or suburban spaces already have access to natural gas—well, the suburbs continue to grow and continue to expand. There’s potential here for development incentive, as opposed to being what supposedly is intended, which is to ensure that folks have access to affordable energy, and not just that developers, for example, would have access to a bit of a carrot for them.

This isn’t about developers versus rural Ontarians. This is about saying the words, and actually meaning what you have been saying in the Legislature, and to put that in here.

I’m going to say this now, and I have a sneaking suspicion I’m going to be saying it through the rest of the 18 amendments: Leaving it to regulation, where nobody has input, we just have to cross our fingers and hope that the government, indeed, is following through with what they have been sharing with the community in terms of

their intent. I get really nervous about that. So here is a chance for you to—I realize that what I'm nervous about is probably not going to make you vote either way, but Ontarians would appreciate that kind of reassurance.

The Chair (Mr. Dave Smith): Mr. Lecce.

Mr. Stephen Lecce: I want to thank the member for her concerns. Allow me to call the bluff of the New Democratic Party, if I may, because there are sentiments within your movement, through the Leap Manifesto, who have ironically called for the eradication of natural gas as a commodity offered to consumers in this province—a net savings of \$800 to \$2,500 by switching to natural gas.

While we can today champion the cause of natural gas expansion, I think there is great irony that there are political coalitions and ideologies in this Legislature that actually call for a much more dramatic and, I would assume, even perhaps radical proposition when it comes to removing natural gas as an alternative, affordable form of energy.

I do believe, in good faith, that both the member and I and all of us want to see this targeting those in the greatest need. As my colleague, who represents a rural community, among others in this committee, I think—and I've got a rural part of my riding, although it is in the 905, in full disclosure.

The point is, we have every aim to make sure that affordable access to natural gas is liberalized across the province. With this plan, 30,000 more people will get access to it and tens of thousands more homes.

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What makes affordable natural gas less affordable is the eradication of the option or the choice for the consumer but also the imposition of an additional tax through carbon taxation, which we believe actually will make this energy product more expensive for working people and for middle-class families and small business.

In our judgment we do believe that yes, through the regulations, it prescribes the authorities to narrowcast the focus of this bill. The minister, to his credit, in the Legislature—these are words that matter, and I think words do matter—has been very clear that he wants to see these dollars and these opportunities flow to communities with need. Of course, they will flow to communities that include rural and remote and First Nations communities because we accept the premise—I think all political parties accept the premise—that the former government has not done enough to expand access. We will do everything we can to champion affordable energy in the province, first—if I may, Mr. Chair—through the elimination of the cap-and-trade carbon tax that has removed over \$80 a year for a family, \$285 for a small business in the province. That is already making a material difference in the lives of working people in the province.

I think it's very germane. When we look at access to expansion of natural gas, it's extremely germane, because if we're trying to make affordable energy affordable, adding taxes does the opposite. I think that's contrary to the interests of families in this province who for too many years have had to spend thousands of dollars per annum on expensive energy.

The Chair (Mr. Dave Smith): Ms. French?

Ms. Jennifer K. French: Here we are discussing, clause by clause, a bill that, in fairness, is about natural gas expansion. If this were a bill about affordable energy options, I'm sure that we would have a number of different suggestions. But seeing how this piece of legislation is specific to natural gas expansion, we will by all means stay focused on the expansion of natural gas.

I think it's fair to say that most of the government members are allergic to additional taxes. You may correct me if I am wrong. We can have this debate with further amendments about whether we will call this subsidization a tax or if it's a regulatory charge, because that is an interesting debate to have. So, as the government is considering what, indeed, a tax is and what benefits Ontarians and consumers, I will encourage them to look at what a regulatory charge is, to look at what a tax would be on those ratepayers. But that's for another amendment.

Sticking to this one—I'll wander us back if that's okay, and speak to this one—the language that is in the statute is important and not just the language that's in the Legislature and in conversation. I have every faith that the minister is sincere in wanting to bring natural gas and affordable energy to different groups of consumers. We want, in this legislation, for it to say that those consumers are not just consumers, but that they are rural, northern and on-reserve consumers.

Again, that's the motion. I'm looking forward to hearing from the government in a positive way, and I hope they have a change of heart.

We will call for a recorded vote when the time comes, just in case.

The Chair (Mr. Dave Smith): Any further discussion? Mr. Schreiner?

Mr. Mike Schreiner: I think that this is a very reasonable amendment. As I've travelled around the province, I have had people from rural, remote and First Nations communities talk about the need to access affordable energy. I think we're all going to agree that the previous government sometimes had stretch goals that they didn't always achieve.

I think one of the reasons to have a clear definition in this legislation is to ensure that either this government—or maybe a future government—under this regulatory regime doesn't apply a stretch-goal target to something that should be directed to people who are in rural, remote, or First Nations communities. I'd like to take just one second, so that I'm on the record here, Chair, to say that there's a difference between natural gas infrastructure and natural gas. I don't think most consumers care what actually goes through those pipes. It can be renewable natural gas. I think what they want access to is affordable energy, and that affordable energy can be delivered in multiple ways. Nobody here is being prescriptive about it, but we are asking to be more precise about the definition of who benefits from this legislation.

The Chair (Mr. Dave Smith): Any further discussion? Are the members ready to vote, then?

Ms. Jennifer K. French: Recorded vote, please.

Ayes

French, Glover, Schreiner, Stevens.

Nays

Hogarth, Kanapathi, Kramp, Kusendova, Lecce, Sandhu.

The Chair (Mr. Dave Smith): The motion is lost.

Moving on to the fourth amendment, then: section 1, subsection 36.2(2) of the Ontario Energy Board Act, 1998: Ms. French.

Ms. Jennifer K. French: I move that section 1 of the bill be amended by striking out subsection 36.2(2) of the Ontario Energy Board Act, 1998, and substituting the following:

“Board to provide rate protection

“(2) The board, in approving just and reasonable rates for a gas distributor, shall provide rate protection for prescribed rural, northern and on-reserve consumers or prescribed classes of rural, northern and on-reserve consumers with respect to costs incurred by the gas distributor in making a qualifying investment for the purpose of providing access to a natural gas distribution system to those consumers by reducing the rates that would otherwise apply in accordance with the prescribed rules.”

The Chair (Mr. Dave Smith): Any discussion? Ms. French.

Ms. Jennifer K. French: This is similar in principle to the last amendment that we discussed. We want to ensure that the rate protection goes to the consumer base, in this case, rural, northern and on-reserve consumers. The government says it wants to help; that is, putting that protection in there. I think there have to be some checks and balances, that crossing our fingers and just trusting and allowing this to go into the regulatory machine or regime or bucket, whatever we’ll call it—I think it is not unreasonable to ask for those checks and balances, some protections with respect to the costs that are going to ultimately be borne by the consumer classes. Again, we need to put it clearly who they are and in what way we are respecting them and protecting them.

Now, there’s no maximum, no ceiling, no protections, as we’ll talk about in later amendments, and so again this is an amendment that ensures rate protection goes to the consumer groups that we have been talking about, but we’re not willing to put into writing. Again, that is the rural, northern and on-reserve consumers.

The Chair (Mr. Dave Smith): Any other comments? Mr. Lecce.

Mr. Stephen Lecce: I think we share the intention of ensuring rate protection. I want to point the honourable member to the bill. If I may read, Bill 32 would amend the OEB Act, 1998, by requiring the OEB to “provide rate protection for consumers or prescribed classes of consumers with respect to costs incurred by the gas distributor” to expand a natural gas distribution system to those customers.

We agree that that rate protection must be enshrined and codified. It is in the legislation. It does amend the OEB Act and, as was noted earlier—I know we’ll go through a bit of back and forth, perhaps even some comical. Our solution will be to the regulatory side and yours to the legislative side, and I agree: We have differing opinions on the how, but the point is, in the law as it exists in Bill 32, that protection exists, and we will listen attentively on how we can ensure on the regulatory side to be even further prescriptive as the member—and I think a consensus of us—would like to see the regulatory regime, to make sure that it actually targets those constituencies, those communities, those villages and towns that actually need these dollars to flow and that capital to flow.

The Chair (Mr. Dave Smith): Ms. French.

Ms. Jennifer K. French: I know what is in the legislation, and what is in the legislation is as the member read, “consumers or prescribed classes of consumers.” The prescribed classes of consumers leaves it to the discretion of the folks in the regulatory regime.

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I don’t know what “prescribed classes of consumers” is going to mean, could mean, might mean or hopefully will mean. In this case, we’re absolutely going to differ if the government is going to say, “We don’t want it in legislation. We want it in regulation.” I want it, we want it and I would say Ontarians would want it, since they’re going to be on the hook to cover the cost, to be enshrined in statute, in legislation, not in regulation.

The “cross our fingers and wait for regulation”—I have sat across from another majority government in committee and I know that when things go into that regulation machine, you just hope for the best with what comes out. Take from that what you will. I challenge this government to do better, do more and do differently, but I’m not seeing that so far. Just waiting till the end when no one broadly is able to have input, I see as problematic. That’s why I would like it to actually be enshrined in legislation, not in regulation.

The Chair (Mr. Dave Smith): Further discussion? Mr. Lecce.

Mr. Stephen Lecce: No, pardon me. I’m just adjusting this for the inevitable next comments to rebut the honourable members. I’m good, thank you.

The Chair (Mr. Dave Smith): Okay. Seeing as there’s no further discussion, are the members ready to vote?

Ms. Jennifer K. French: Recorded vote.

Ayes

French, Glover, Schreiner, Stevens.

Nays

Hogarth, Kanapathi, Kramp, Kusendova, Lecce, Sandhu.

The Chair (Mr. Dave Smith): The motion is lost.

Amendment number 5, section 1, new subsection 36.2(3.1) of the Ontario Energy Board Act, 1998: Ms. French.

Ms. Jennifer K. French: I move that section 1 of the bill be amended by adding the following subsection to section 36.2 of the Ontario Energy Board Act, 1998:

“Priority of investments

“(3.1) If, for any period of time, the amount required to compensate gas distributors for costs incurred in making proposed qualifying investments is greater than the maximum amount of the total value of rate protection that may be provided, amounts collected to compensate gas distributors shall be distributed by giving priority to those investments that best serve the interests of consumers with respect to prices and the reliability and quality of gas service.”

The Chair (Mr. Dave Smith): Discussion?

Ms. Jennifer K. French: Yes. As it’s written, Bill 32 seems to provide rate protection for any qualifying investment with no prioritization. The government’s FIT program for hydro—not this government, the last government—got into serious problems because projects were basically approved on a first-come, first-served basis, so companies rushed to get their applications in regardless of whether their project was located in the best place or was in the public interest.

I’m taking this back in history a little bit to demonstrate that we would like to avoid this potential problem. This amendment would require the prioritization of projects. I think this helps to ensure projects and expansion initiatives are not just worth it—hopefully they’re worth the investment—but that those decisions need to be based on the best interests of consumers, not just the lobbying power of the incumbent distributors. I think the priority in this case really ought to be given to the most beneficial projects in the event that decisions have to be made based on the compensation and the payout.

Again, if the ratepayer-funded subsidies or the compensation payable is in a given time period, if that amount exceeds the total value of the rate protection, it should be up to the board to give priority to projects that best serve the interests of consumers and the public, not strictly the best interests, potentially, of the incumbent distributors.

The Chair (Mr. Dave Smith): Further discussion? Mr. Lecce.

Mr. Stephen Lecce: I thank the member. I’m encouraged her consideration of coffee may help stimulate all of our minds. It certainly has helped me so far in this committee, even though we’re at number 5 of 18.

I will note to the member that on the regulatory side there was a concern cited as well by the leader of the Green Party vis-à-vis future governments and not having legislative authorities that bind future governments and I hear you on this. I would just want to get into the record and reject the premise and the root of the question, that the consultative process associated with a regulatory regime ended yesterday. It has not commenced substantively. We’ve heard members come to this committee calling for expansion of natural gas, affordable expansion of that commodity.

Should this bill pass, if it passes, we will be continuing to listen, consulting communities, municipalities, our AMO partners, private enterprise, consumer interest groups, every single stakeholder that is associated to make sure that when we have those in the regulations and we’re narrow-casting its scope, we actually reach the right audience. We are very much excited to continue that listening to the relevant stakeholders to make sure that in the regulations we achieve some of the objectives set out by members of this committee.

The Chair (Mr. Dave Smith): Further discussion? Ms. French.

Ms. Jennifer K. French: It’s interesting about reaching the right audience. I’ll remind you of that with a later piece. I just want to remember that.

In terms of prioritizing the projects, who will get to decide what the priority projects are? You say that you’re going to continue to reach different audiences and to have those consultations with, as you said, relevant stakeholders. You’d earlier said that we want to make sure that, in this case, natural gas flows to communities in need, but it really does keep coming back to who gets to determine the need. Who gets to determine which projects get priority if the amount required to compensate the distributors and the time frame and all those pieces start to become problematic? Who gets to choose? If it isn’t clearly written that it needs to be in the best interests of the consumer and the public, then who will be determining that? Flowing to communities in need—if the incumbent distributors say, “This is a project that we value the most,” because perhaps there’s a different price point on it, whereas another rural or northern or on-reserve—hopefully—community is more expensive, does that make it then less of a priority? Who gets to determine the value? It’s not just the cost of the project, but the actual value of that project. I’d love to know that. And I don’t want to wait for it in regulation; I want to know now.

The Chair (Mr. Dave Smith): Further discussion? Mr. Lecce.

Mr. Stephen Lecce: I appreciate the member’s interest in that. The legislation, as I understand, prescribes—there’s a notation in the legislation that the Minister of Energy, following a robust consultation, will develop those regulations to make sure that they set out the program criteria: eligibility, the funding rules, the cost recovery models, all of that.

I think we should be informed by the words of the minister mandated to expand natural gas. It is our government that came to power with a mandate to do that in a responsible way—a way that leverages private capital, a way that expands it to tens of thousands of people, and in a way that allows a more affordable option, particularly in, yes, rural, remote and First Nation communities where, as you will know, Chair, notwithstanding the bountiful access of natural gas in this province, there is just not the infrastructure and the mechanisms reaching to a sufficient amount of houses, residents and businesses.

The Minister of Energy has been mandated under the legislation to do that, but that is predicated on listening to

the people of this province. We have every interest to continue to do that, not to end this debate today at committee but to carry forth this discussion with the people of this province directly and take our direction from them and other stakeholders who we believe have a great interest in ensuring that the objectives set out by this bill are achieved.

I will remind all members that this bill—keeping in mind that I’ve not seen other parties bring forth legislation relevant to the expansion of natural gas to date, at least in this Parliament; I’m sure colleagues in the opposite party have done this in the past, perhaps, but not today. We are the singular political vehicle and the government that has brought forth a bill that will reduce prices for consumers—writ large, full stop—by a minimum of \$800, but perhaps up to a maximum of \$2,500. We believe that is in the public interest and we think that is something that will help move the economy forward in the province.

1440

The Chair (Mr. Dave Smith): Any further debate? Seeing none, are the members ready to vote?

Ms. Jennifer K. French: We’d like a recorded vote, Chair.

Ayes

French, Glover, Schreiner, Stevens.

Nays

Hogarth, Kanapathi, Kramp, Kusendova, Lecce, Sandhu.

The Chair (Mr. Dave Smith): That amendment has failed.

Amendment number 6, section 1, new subsection 36.2(3.1) of the Ontario Energy Board Act, 1998: Ms. French.

Ms. Jennifer K. French: I move that section 1 of the bill be amended by adding the following subsection to section 36.2 of the Ontario Energy Board Act, 1998:

“Board to approve amount of compensation

“(3.1) The amount of compensation to be paid in respect of a qualifying investment shall be approved by the board.”

The Chair (Mr. Dave Smith): Discussion? Ms. French.

Ms. Jennifer K. French: I am really looking forward to this discussion because I have been curious from the beginning, since the original briefing with the Ministry of Energy folks at the infrastructure briefing.

We are interested in knowing, as I know all Ontarians are interested in knowing, what the role of the Ontario Energy Board will be with this expansion initiative. That’s a piece that I’m hoping can be answered in this amendment because this amendment would give the board the ability to approve the amount of compensation—remembering that when I say “compensation,” that is the subsidization paid by ratepayers, Ontario folks who have

a bill to pay and who will be paying extra to cover this expansion. That’s what I mean by “compensation.” We think that there should be an independent, evidence-based process, that it should be the Ontario Energy Board that is involved and gets to approve what that compensation will be.

Again, this government seems to be relegating the Ontario Energy Board to observer status instead of being the watchdog, instead of being the oversight body responsible and accountable—being the grown-up in the room, so to speak.

We’re not clear on what the OEB’s role will be. I’m becoming increasingly convinced, as I said, that they will be relegated to observer status instead of having that clear role. In this case, they should be able to determine that compensation. The OEB, I would say, must be able to continue to oversee these projects when it comes to how much ratepayer money comes in, how fast it goes out to the monopoly incumbents and over what time period.

I was struck during committee when Enbridge came and gave their deposition—I know that members of the committee were here and heard the presentation, and we’ve got a copy of their submission—that Enbridge asked at committee that the total amount of the costs be paid instead of what amounts to, as they said, 60% of the cost of the project.

I would say that someone—in this case, we’re asking for the OEB to be that grown-up in the room—should make sure that no one can run amok while ratepayers have to pay for it. I know darn well that all of the government members in this room and pretty much in the building—and in fairness, they probably mean it—talk a good game about protecting taxpayers’ money. Well, in this case, I know that we’re not supposed to call them taxpayers, but it’s the same person. They’re ratepayers, and the money is being paid by the ratepayers for these projects.

Again, this is, “The amount of compensation to be paid in respect of a qualifying investment shall be approved by the board.” I don’t think is a stretch. In fact, I’m going to be surprised if you vote against this, even though I feel like you will. I will still be surprised, because this fits with what this government shares with the broader community in terms of protecting the dollars that are in their pockets, whether you call them taxpayer pockets or ratepayer pockets.

The Chair (Mr. Dave Smith): Further discussion? Mr. Lecce?

Mr. Stephen Lecce: Indeed, we want to keep the government out of the pockets of working people in this province, which is precisely why we’ve moved forward with tax relief, just to address the issue of affordability. With the expansion of natural gas, it needs to be reminded that there’s actually a net savings for every single consumer and ratepayer in the province of Ontario, as I mentioned earlier, of between \$800 and \$2,500. That is a net savings.

Now, the member raises the OEB’s authority. Section 36(2) has the authority at the OEB, which is prescribed in the law as it exists today before you. When it comes to the

protection of consumers, when it comes to the oversight authorities and to “just and reasonable rates,” that exists in the law, and that’s why we put it in there: to ensure that there is a mechanism to ensure that the OEB has the authority, as it is intended to have, to protect the interests of workers and families who pay the bills. We agree with the member there needs to be oversight protection, and that is precisely the impetus for the inclusion of that in section 36 of the legislation.

The Chair (Mr. Dave Smith): Further discussion? Ms. French?

Ms. Jennifer K. French: Well, I am relieved to hear that we agree that the OEB needs to continue with its oversight responsibilities. This particular amendment is that when it comes to a qualifying investment, as determined under legislation or as determined under regulation, the board will approve the amount of compensation. We can talk all day—in fact, I will, coming up—about what it will cost over what length of time and how we’re going to do it; I’ll get to that point. We have talked in the Legislature about how much it will cost and the supposed minimal amount that will be paid for by the ratepayer, but again, over what amount of time and what that compensation will be, I think, really does need to be determined by the OEB.

The Chair (Mr. Dave Smith): Mr. Lecce?

Mr. Stephen Lecce: Section 90 of the OEB Act, to the member, is included within the legislation. That has the authorities with respect to oversight and with respect to leave to construct—just to be clear on the secondary component of your question, which I didn’t answer in the first round. My apologies; I forgot.

But section 90 actually has that noted in the OEB Act, which of course remains in this bill, so I would encourage my colleagues to review that section of our legislation. That, perhaps, will give them the greater confidence that that oversight provision exists and remains, and we expect it to remain under whatever manifestation, however this bill is amended. Should it be amended or whatever, that will remain in this bill, and I’ve been given no impression by any member of any party to remove the OEB function as it was designed to protect the ratepayer of this province.

The Chair (Mr. Dave Smith): Further discussion? Ms. French.

Ms. Jennifer K. French: I will take the member’s recommendation. I look forward to reviewing section 90. I still—call me old-fashioned—would like to see it in writing. I would still like to see it in here, in this amendment, that we are indeed spelling it out, because whatever section 90 says about oversight, I am pretty sure that section 90 does not list anything specific to natural gas expansion, because if it did, we would see it in this.

If that is sort of the broad oversight framework, great. Specific to this piece of legislation, natural gas expansion and qualifying investments, I still would like to see the words, and that’s why this amendment is here. But I thank the member for the reading list. I will go back and check that, but in this case we have an opportunity under this piece of legislation to just make it doubly sure.

The Chair (Mr. Dave Smith): Mr. Lecce?

Mr. Stephen Lecce: While I may not be able to give that level of confidence no matter what I say to the member, I want to assure the population more broadly listening today—no doubt, tens of people—that the legislation as it exists, the OEB Act, section 90, actually includes all forms of energy infrastructure. “Permits to construct” is not tailored by the designers of the OEB Act to one form of energy infrastructure; it really applies to all.

1450
I appreciate you want greater clarity, but it applies to all energy infrastructure, full stop. That includes natural gas. That would include, under the former Liberal government, if they wanted to invest in dirty coal—whatever it is, it’s up to them to do. I just wanted to get that on the record.

The fact is, it applies to all, and I think we should be relieved to know that that function continues in this bill.

The Chair (Mr. Dave Smith): Any further discussion? Are the members ready to vote, then?

Ms. Jennifer K. French: Recorded vote.

Mr. Chris Glover: Recorded vote.

Ms. Jennifer K. French: In stereo.

Ayes

French, Glover, Schreiner, Stevens.

Nays

Hogarth, Kanapathi, Kramp, Kusendova, Lecce, Sandhu.

The Chair (Mr. Dave Smith): The amendment is lost.

Moving on to amendment number 7, then, section 1, new subsection 36.2(4.1) of the Ontario Energy Board Act, 1998: Ms. French.

Ms. Jennifer K. French: I move that section 1 of the bill be amended by adding the following subsection to section 36.2 of the Ontario Energy Board Act, 1998:

“Board to publish information regarding impact on residential consumers

“(4.1) At least 60 days before providing rate protection or making any subsequent changes to rate protection under this section that would have an impact on the amount payable on an invoice by a residential consumer, the board shall publish on its website information about the impact of the contributions required under subsection (4) on a typical monthly invoice for a residential consumer.”

The Chair (Mr. Dave Smith): Discussion? Ms. French.

Ms. Jennifer K. French: Well, simply because the public is on the hook for the cost of the expansion, I think that they should indeed be in the loop. This amendment lets the people know how much the program will cost them ahead of time.

This PC government is demanding this for carbon pricing, so I don’t think they would have any trouble with that similar transparency in this case. The OEB must make information public on their website, make information

relevant and helpful, and I would say educational, to ratepayers and explain what's going to ultimately end up on their bill. I think that this is an accountability and transparency piece. I can't imagine that this would be contentious.

The Chair (Mr. Dave Smith): Further discussion? Mr. Lecce.

Mr. Stephen Lecce: Well—
Interjection.

Mr. Stephen Lecce: Pardon me? Sorry, I missed that. I'm always open to a good heckle; I just couldn't hear you.

Look, there's an interesting choice of words. I just want to respond to the nomenclature used by the honourable member, an "increase." By the New Democratic Party's own admission in their own deputations and communications on this file, we accept as a Parliament—the honourable member from Guelph, all of us accept that the transition to natural gas will "save money," not increase costs. There's no ancillary increase to the end user. There is a minimum savings for a household of \$800 to \$2,500—800 to 2,500 bucks in the pockets of working people. We should celebrate that success by liberalizing access to natural gas.

I raised this earlier and there was a subtle notation about its relevance. The way we achieve affordability is by, yes, creating that transition, making it viable in the marketplace, but also by opposing any ancillary increase in taxes that make energy more expensive.

I reject the premise that we should not be discussing this in the broader context of affordability of commodities in the province of Ontario. There are too many people in every one of our ridings who are energy poor. We are resolved, through Bill 32, to provide affordable energy to people. We are resolved to save people money.

I agree with the member. Words matter; language matters. An accurate description of the result of this legislation, if passed, is that there will be a net savings of hundreds, potentially thousands of dollars. That is an incremental win. It's part of our broader economic reform of relief for the people of this province after many years—even the member from Guelph cited it—of construction of bad public policy. I'm being very generous in my nomenclature, if I may be so kind.

We've got to get this right. We're putting forth a plan that will reduce prices through that transition to natural gas and we are standing up for the ratepayers of this province by opposing ancillary taxes on the workers, commuters and, conversely, small businesses that depend on this product.

The Chair (Mr. Dave Smith): You can raise a point of order.

Ms. Jennifer K. French: Oh, point of order—or is it just my turn?

The Chair (Mr. Dave Smith): It will be your turn after the point of order. Normally, you would raise a point of order when he is speaking.

Ms. Jennifer K. French: Well, I didn't want to interrupt. He was on a roll. But while I appreciate all of the member's words, I didn't see their relevance to this

particular amendment. Specific to this amendment, I would like to know if the government has thoughts on why the public wouldn't be in the loop.

In this case, this is about how before a project kicks in, 60 days before a program kicks in, this would be on the website. The OEB must publish the information about the impact on the monthly bills to consumers. This is a transparency piece. This is after things have been approved and they're going forward, so that the broader community will understand what it is that they are indeed paying for.

That was what this is about. I didn't hear an answer to that. I did hear about money in their pockets, and that's fine, but the money that is coming out of their pockets for the subsidization, for those subsidies—that is an add on their bill. At what point—if it's not at least 60 days, does the government have a better idea about when we should educate the broader community?

Just for a point of clarity, because I don't keep track of all of the things I say, the member said that he took exception to my use of the word "increase." I have no idea what that was in reference to.

The Chair (Mr. Dave Smith): Mr. Lecce.

Mr. Stephen Lecce: I will answer the question, and I will not forget this time.

"Increase," I believe, was the word—I'll have to review the Hansard. But the point is that there was a synonym—you connoted that this bill will increase the cost on the ratepayer. I'm suggesting that, notwithstanding the costs associated for consumers who are being levied, the net savings is hundreds of dollars. To assert that this is going to cost someone an iota when we know that, by expansion, people who don't have access to natural gas will now have access—that transition will save them, in this case, significant monies vis-à-vis the enabling costs with it.

When we look at the premise of the bill, its mandate is to help make that transition more viable in the marketplace and also to help people get access to natural gas that, right now, is significantly less expensive than any form; for example, propane, which is much more expensive.

To your question, we agree that consumers ought to be informed of any rate change. The OEB retains the authority and the mandate to inform consumers of those changes. We have confidence that they will undertake the mandate given to them by law to communicate any changes to rates to the public seriously, doing it in a way that is transparent and accessible for the people of this province. But I just want to reconfirm the net savings for those who are making that transition would be upwards of \$2,500, and we think those savings are in the public interest.

The Chair (Mr. Dave Smith): Ms. French.

Ms. Jennifer K. French: Well, I'm afraid that now, I'm a little bit more confused.

What I had started out saying was that because the public is on the hook for the cost of the expansion, they should be in the loop. My basic understanding of this is that, while the member is now saying that this will be a cost savings to folks, there is a cost to this expansion. That's the whole point of this bill, to spread that cost over a prescribed group of folks—we can argue about who and

over what time and all of that—over the ratepayer base. There will be a cost borne by those ratepayers.

1500

When we were in the briefing with the ministry, we asked if it was a tax, that cost that will show up on the bills—if that will indeed be considered a tax. It was explained that that will be considered a regulatory charge because they argued that there will be a benefit. That benefit I don't think we're defining quite the same way, but that is secondary. The member just said that the savings will be for those transitioning or for those who have access to natural gas, but there will be a cost on the existing ratepayer base, whether that's everyone across the province or whether that's geographically specific. That's what we've been asking for in debate, to understand who will pay that additional amount.

Back to the amendment: This is saying that it should be on the website to make it clear to the public what their responsibility is and what their contribution is going to be. I don't understand—I haven't heard an argument against this amendment. This is letting people know how much the program will cost them ahead of time: if it's going to be over the next 10 years; if they're only going to pay for it for the next two years; if this particular geographic region will be left out of it because it's borne by the northern communities. I don't know because everything is in your regulatory regime bucket.

So, for this, I think it's fair to ask that the people of the province know how much the program will cost them ahead of time. Like I said, you guys are asking for this on carbon pricing. It makes sense to have that same kind of transparency when we're talking about additional natural gas subsidy pricing.

The Chair (Mr. Dave Smith): Mr. Schreiner.

Mr. Mike Schreiner: One of the concerns I have with this legislation is that we are opening the door to asking existing consumers to subsidize the expansion of natural gas in the province. Those existing consumers have a right to know what the cost is going to be.

There's already precedent where the OEB has made rulings in the past that don't necessarily always allow for that transparency and accountability. On the cap-and-trade program, they ruled that the cost of that did not have to be placed on consumers' bills, so consumers were not clear about the cost of the program. I thought that was a mistake. I thought the previous government should have been very transparent about it.

My fear here—and this is why I'm supporting this amendment—is that existing natural gas consumers will be subsidizing the expansion of natural gas in this province, and they have a right to know what that cost is. That's exactly what this amendment is asking for. To me, that's just basic transparency and accountability in governance.

The Chair (Mr. Dave Smith): Ms. Stevens.

Mrs. Jennifer (Jennie) Stevens: I'm going to speak in favour of this amendment. I don't understand why the question hasn't been answered of why the government is not willing to explain to the ratepayers why being

transparent and posting it on the OEB website 60 days prior to any kind of contribution that's required—I think that this amendment speaks to basic transparency and communication to the ratepayer, which is the most important part of this amendment: that we're speaking to the ratepayer and giving them some kind of a safety net so that they know what they're going to be contributing to. If it's 60 days before, at least they're not going to be blindsided. So I'm speaking in favour of this.

The Chair (Mr. Dave Smith): Any further discussion? Seeing none, are the members ready to vote?

Ms. Jennifer K. French: We would like a recorded vote.

Ayes

French, Glover, Schreiner, Stevens.

Nays

Hogarth, Kanapathi, Kramp, Kusendova, Lecce, Sandhu.

The Chair (Mr. Dave Smith): This motion is lost.

Amendment number 8, section 1, a new subsection 36.2(4.2) of the Ontario Energy Board Act, 1998: Ms. French.

Ms. Jennifer K. French: I move that section 1 of the bill be amended by adding the following subsection to section 36.2 of the Ontario Energy Board Act, 1998:

“Board to review

“(4.2) The board shall review the program for rate protection and compensation with respect to qualifying investments, having regard to the interests of consumers with respect to prices and the reliability and quality of gas service and shall approve the program for compensation in accordance with this section.”

The Chair (Mr. Dave Smith): Debate or comment? Ms. French.

Ms. Jennifer K. French: As we know, the OEB is the oversight body and, as we've been reassured, it will continue to be the oversight body—hopefully. Good. But of course, the board should be able to review programs, compensation, service quality, reliability. Skyrocketing hydro prices, probably in most part, could have been avoided if the OEB had been empowered to review certain decisions ahead of time to make sure they were in consumer interest. That was not this government. We all watched that unfold with the last one, and this amendment would ensure that the flaws of Liberal hydro policies aren't repeated with natural gas.

I don't see this as particularly complicated. We should all learn from previous mistakes, and as we're bringing in a new framework, we should learn from that and move forward in a more responsible way, frankly.

The Chair (Mr. Dave Smith): Further debate? Mr. Kramp?

Mr. Daryl Kramp: As the member just said, this is not complicated. This is very, very simple, but it's a natural

responsibility of the board. If anybody has served on a board, whether it's on compensation or whether it's on general government, this is a natural responsibility that that board has, always has had and always will have. It's redundant to just basically state what is obviously obvious within the constitutional responsibilities of those boards.

The Chair (Mr. Dave Smith): Ms. Kusendova?

Ms. Natalia Kusendova: Just to add to what my colleague has said, section 2 of the OEB Act, 1998, already provides that the Ontario Energy Board, in carrying out its responsibility, does protect the interests of consumers with respect to prices and the reliability and quality of gas services.

I just wanted to speak a little bit about red tape. We've been clear. Our Premier and our government have been clear that we are reviewing regulations and we are not in the business of creating more red tape in this province, and I think that goes along with any legislation that we put forth.

We are very descriptive in our language and not prescriptive because we do not want to duplicate unnecessary regulation that is already enshrined in regulation. Section 2 is already quite clear on the mandate of the OEB and, therefore, this additional amendment would make it more redundant.

The Chair (Mr. Dave Smith): Ms. French?

Ms. Jennifer K. French: Well, I reject the premise of the arguments about this being a redundant amendment. I hear what you're saying about the concept of red tape and prescriptive versus descriptive, but with what we saw with the Liberal hydro policies and the fact that the OEB, all of the current legislation notwithstanding, wasn't empowered to review certain decisions ahead of time to make sure that they were indeed in the best interests of the consumer—that is what gets us to this point. That is a previous government, but the OEB found itself outside of and without being empowered to put eyes on certain parts of the decision-making process that might have affected the outcome—and we, all of us in this room and all of us across the province, might be in slightly less of a mess when it comes to hydro prices that have skyrocketed.

Looking at that, and learning from that, why on earth would you want to not ensure that that couldn't happen again?

1510

So to hear the argument of “We don't want to tie the hands of folks,” well, yes, we do. Not tie the hands, but we want to ensure that the oversight body is indeed able to put eyes on these projects and make decisions that are in the best interests and to weigh in on those decisions, not just to rubber-stamp them at the end but to have a voice in the process.

I'm not at that table, but I have a bill to pay and the folks in Oshawa and the folks across our communities probably want to make sure that those decisions are indeed being made in their best interests. So I don't see this as redundant. I think this is careful and responsible, which is what government is supposed to be. I don't see this as red tape. I see this as clearly defined involvement. It isn't

limiting them to the specific involvement, but it's giving them the ability as an oversight body—they should be able to review programs, review compensation, review service quality and reliability.

The Chair (Mr. Dave Smith): Further debate? Seeing none, are the members ready to vote?

Ms. Jennifer K. French: A recorded vote, Chair.

The Chair (Mr. Dave Smith): This is a recorded vote.

Ayes

French, Glover, Schreiner, Stevens.

Nays

Hogarth, Kanapathi, Kramp, Kusendova, Lecce, Sandhu.

The Chair (Mr. Dave Smith): This motion is lost.

The next amendment, amendment number 9, section 1, new subsection to 36.2(4.3) of the Ontario Energy Board Act, 1998: Ms. French.

Ms. Jennifer K. French: I move that section 1 of the bill be amended by adding the following subsection to section 36.2 of the Ontario Energy Board Act, 1998:

“Limitation, benefit from qualifying investment

“(4.3) No compensation with respect to the costs incurred by a gas distributor in making a qualifying investment shall be payable by a prescribed consumer or a prescribed class of consumers if the consumer or the class, as the case may be, does not benefit directly or indirectly from the qualifying investment.”

The Chair (Mr. Dave Smith): Comments and debate? Ms. French.

Ms. Jennifer K. French: This takes us back to what I had mentioned earlier about the surcharge or the cost or whatever we're going to call it that will show up on the bills of some group of ratepayers—all or some.

The ministry told us that the surcharge is not a tax or would not be considered a tax because existing consumers will benefit from these expenditures and from the expansion. This amendment ensures that that will indeed be the case.

As we've heard in debate and as we've brought up, the fundamental principles of the OEB—one of them is that decisions made and investments made must benefit everyone. When we asked the ministry about tax versus regulatory charge, it was interesting because they said it would be a regulatory charge because all folks benefit, that because there will be expansion somehow that will increase demand and therefore increase the benefit. I got tangled in the logic, so I'm happy to hear from this government. Maybe they can offer some clarity.

But in this case, we're saying, direct or indirect, that it shouldn't be—I want to know who gets to determine that benefit. Well-intentioned people who are crafting this legislation and doing a lot of the heavy lifting when it comes to keeping track of all of this—I appreciate them, but I don't think it should be up to them to determine the

benefit. I think that the Ontario Energy Board should indeed, as they have been doing as a regulatory and oversight body, be able to determine what is a benefit, either direct or indirect, to make sure that this qualifies.

The Chair (Mr. Dave Smith): Further comments? Seeing none, are the members ready to vote?

Mr. Chris Glover: Recorded vote.

The Chair (Mr. Dave Smith): Since this is a recorded vote, could the members please raise their hands to be recognized.

Ayes

French, Glover, Schreiner, Stevens.

Nays

Hogarth, Kanapathi, Kramp, Kusendova, Lecce, Sandhu.

The Chair (Mr. Dave Smith): This amendment is lost. Amendment number 10, section 1, a new subsection 36.2(4.4) of the Ontario Energy Board Act, 1998: Ms. French.

Ms. Jennifer K. French: I move that section 1 of the bill be amended by adding the following subsection to section 36.2 of the Ontario Energy Board Act, 1998:

“Limitation, amount not to exceed value of benefit

“(4.4) The amount of compensation payable with respect to the costs incurred by a gas distributor in making a qualifying investment by a consumer or a class of consumers shall not exceed the value of the direct or indirect benefit received by the consumer or the class, as the case may be, from the qualifying investment.”

The Chair (Mr. Dave Smith): Further discussion? Ms. French.

Ms. Jennifer K. French: As we have been told by the ministry, and as I’ve said a couple of times, if we’re going to call this a regulatory charge and if, indeed, it is a regulatory charge, then it must be a benefit. What the ratepayers will pay shouldn’t exceed the value of the benefit.

The member earlier was talking about benefiting and reducing costs overall, so I think that this is in keeping with that fundamentally: that it shouldn’t “exceed the value of the direct or the indirect benefit received by the consumer or class.”

If, indeed, consumers or classes of consumers are going to benefit, I think it should be clear how, and it shouldn’t exceed the costs incurred.

The Chair (Mr. Dave Smith): Further discussion? Mr. Kramp.

Mr. Daryl Kramp: I think it’s totally unrealistic to suggest that. The reason I would say that is that costs are going to vary dramatically from project to project. It’s not a one-size-fits-all here. You might be running a line through two miles of sandy loam; another project might be 40 kilometres through hard rock—with both benefiting, say, 2,000 people. You have to recognize that it’s going to cost substantially more for one project, and the company

couldn’t get a return on that without more subsidy whatsoever.

You can’t have a one-size-fits-all. The energy board has to take a look at it overall and the government will have to assess the overall benefit gain—X amount of dollars out—somehow, and they will have to quantify that back and forth. But to make it specific, like this would be, to project to project is just not feasible.

The Chair (Mr. Dave Smith): Mr. Lecce.

Mr. Stephen Lecce: I want to re-emphasize—actually, a point of clarification, if I may, just because there seems to be some confusion around my commentary about the net savings. Perhaps, it was just my lack of clarity more than the interpretation. But the savings is for those who are making the switch from propane or oil or electric heating to natural gas. That savings is rather significant—as I’ve noted, again, \$800 to \$2,500—and it is in the public interest to see that savings being realized for tens of thousands of people, upwards of 30,000 people.

The minister, in former commentary, I think had been a bit more prescriptive of what the associated costs would be. If I’m not mistaken—and I think that I’ve said this to this committee before—he said in a former speech, “No more than \$1.”

I think we have some granularity around what the minimum-maximum is. Obviously, through the regulatory regime—and I know that that answer may give anxiety to some or concern, but the reality is that, through the process of consulting with those in the front lines and with ratepayers and with stakeholders, we will be able to come to the granularity that I think we all seek, which is to be the specificity, but there is a savings.

There is a savings also realized through the elimination of cap-and-trade from natural gas bills. Let me be very germane, very specific, very granular, very targeted in the application not just to all energy, but to natural gas. There’s an \$80 savings there alone.

We believe that, overall, all consumers—those who have natural gas and those who do not—every single person who utilizes a form of energy in this province is saving money because of the actions we took in the first 100 days. That is a factual statement. Enbridge: If you go to their bills, it literally says, “Because of the elimination of cap-and-trade, you are saving X.” That’s a market decision. You may have seen this yourself. I saw it on my own quarterly bill. I was pleased to see that, as a ratepayer, but I was also pleased to see that that savings is officially being put back into the pockets of people, where it belongs.

1520

The Chair (Mr. Dave Smith): Ms. French.

Ms. Jennifer K. French: To the member’s point earlier about fair examples about putting in the infrastructure, and that different communities are going to have different needs: We are familiar with the Canadian Shield. We know that putting lines through granite versus fields are two very different situations. I don’t disagree with the statement that you can’t have a one-size-fits-all.

But in this case, because we are not clear, because it isn’t in statute, and it remains to be seen in regulation, I

have the same questions about it: Will the costs be borne by all? Will all the costs be borne by all?

So to your point, for some of the more expensive projects, I'm going to guess, if it's drilling through rock versus somewhere else, we don't know the prescribed ratepayer base that will pay for that. We're not sure if it's regionally jurisdictional that they'll be paying for it, or if it is indeed the folks in Oshawa. If it's across the entire ratepayer base—that's something we've been asking for, for clarity. The minister talks about if it's a dollar a day. Is that based on a number of approved projects that are spread over the next 10 years or over the next five years? We just don't have the numbers, because everything is, "Wait and see. It's in regulation. How can you question us? It's a-comin'."

One size can't fit all, and yet here we are with this subsidy regime that we're not clear on. We don't know if it's all ratepayers all the time, or for only six months.

If the project is coming to your community and you don't have to pay for it because it's being otherwise subsidized, yes—to the member's point—you're going to see a savings, because you are a transitioning consumer. You're transitioning from propane or whatever, so for that particular project, you may not bear the cost of it, or the subsidy. But for the next project a couple of towns over, will you be paying for that? We just don't know.

I'm not being belligerent here. There is no clarity, because it has yet to be determined. When I sat down at our briefing, everything was yet to be determined. There were not answers at that point. That was a month and a bit ago. Maybe we have them now.

What we have with this particular amendment is saying that there is a value attributed to these projects. Actually, I appreciate what Mr. Kramp had said about how there will be people who figure that out. Who is getting the projects, and over what time—all of that will be determined, but there will be value determined.

This is saying that the costs borne by the consumer, or class of consumers, shouldn't exceed the value of that direct or indirect benefit, yet to be determined.

If my benefit as a consumer in Oshawa is, "You are benefiting because others get more affordable access, and you should feel good about that; that is your indirect benefit"—then that's a tax, by the way, not a regulatory charge. But if there is actual value that you are going to connect to that subsidy that I'm paying in Oshawa, or that we're paying in St. Catharines, then we think that there should be some actual language around that, to reassure consumers that we're not just taking advantage of their generosity on what could be a minimal amount.

I think it is fair to say that somebody is looking at what they're getting out of this direct or indirect benefit versus the cost.

The Chair (Mr. Dave Smith): Mr. Schreiner.

Mr. Mike Schreiner: I'm going to ask this question in an effort at non-partisanship, and just an effort at having good dialogue within committee.

One of the concerns I have is that it's not clear, how much existing ratepayers will be subsidizing the expansion

of natural gas across the province, or even what protections are in place for those ratepayers. Maybe those ratepayers should subsidize some of it to help their fellow Ontarians and just be good people supporting each other, but it's not clear anywhere in this legislation what kind of protections are in place, what kind of compensation mechanism is in place.

I appreciate the comments from MPP Kramp that you can't have a one-size-fits-all, so I've been struggling with how you would word something or how you could put something forward in this legislation. I'm asking. The government benches obviously have more resources at their disposal to help in solving this question, but the question is: Are there any mechanisms? Can the government suggest any mechanisms to protect existing ratepayers in terms of how much they will be on the hook for this legislation?

I think that's the intent—I mean, I don't want to speak for the member but I think that's what's driving the intent of this particular amendment and a few prior amendments that I did vote for: How do we ensure protections for existing ratepayers? Because otherwise we're going to have people up in arms about why my bill went up when I thought this bill was being implemented to help us save money, and it's actually starting to cost me money.

I'd just ask, really in the spirit of non-partisanship: Can we come up with some resolution around this?

The Chair (Mr. Dave Smith): Mr. Lecce?

Mr. Stephen Lecce: Look, I think you know it is imputing the motive of the question. I'm pleased to clarify, because what I meant earlier, to my colleague from Guelph, is that every single taxpayer—those who have natural gas today and those rural or remote communities that do not have natural gas—every one of those, both parties, both of the tranches of individuals or consumers who exist in this province, are saving through the elimination of the cap-and-trade carbon tax. There are hundreds of dollars back in their pockets.

We don't see this in isolation. Hear me out: We see this as part of a broader package to put money back into people's pockets. To suggest on one hand that we can look at one element of legislation in isolation to the rest, days after—no, I think it is in keeping with our duty to look at what is the end result in the pocket and the purse of every single consumer in the province. We know, as a matter of fact, that the cap-and-trade carbon tax, by design, when we conceived the implementation and rollout—this would put money back into every constituent's pocket, full stop, and so to suggest there is a net increase—we'd say there is not.

At the end of the day, the metric which I think we need to evaluate success when it comes to government policy, at least according to a Conservative—and I know you've framed it in a non-partisan way, but my convictions are rather apparent. My mandate is to put money back in people's pockets. We sit on our side—we were given a mandate to deliver tax relief and energy relief to people who paid too much, we've thought, for many years under the former Liberal government. So everyone will save. That is a fact. Those who transition will save upwards of \$2,500. That is a fact.

To the third component by the honourable member—to be fair, you both cited a question about where the protection is. Where is that ratepayer protection? I think it's a fair question. Rate protection and compensation to be provided under the proposed program would still be subject to the OEB, to approval in the context of the prescribed criteria set out in the regulation.

Permit me to get rather excited at times, but I'm somewhat confounded, because the OEB retains their authorities in this legislation, as they have in the past. There is an oversight body, and to suggest that there is not or that it is weakened or marginalized or negated—point in the statute where it suggests that. It does not. It suggests that the OEB will remain in place. It suggests that the OEB will retain its fiduciary function of protecting consumers, and we have confidence that they will do that. In fact, through the regulatory regime, we'll look to strengthen that mechanism, but I think we are very determined to make sure that every consumer is protected and, conversely, that every consumer has more money in their pockets at the end of the fiscal year.

The Chair (Mr. Dave Smith): Ms. French?

Ms. Jennifer K. French: I appreciate the intent that at the end of the fiscal year, all things considered, whether there are other programs or other decisions made by this government that affect people's bills—I don't want to say that's not relevant, but the thing is that that is one concept over here. This, specifically, with this piece of legislation: If we are going to allow there to be a charge, a surcharge, a tax, an add-on—I don't know what to call it—an extra amount on their bill that covers the cost of expansion for someone else, that is a stand-alone issue. That is specific to this. If net net by the end of the year—all of the other things that this government does or doesn't do, things like the Fair Hydro Plan, whether that gets to continue. All of these things you add up, and at the end, if there's a savings for some or savings for all or savings for fewer than you had hoped, that is a separate conversation.

1530

Specific to this bill, specific to this legislation and specific to this expansion regime, we are asking about what that will look like on the bill. What is it going to say? Is there going to be a maximum? Is it going to be that once you start helping out and people have the expansion, you're paying for it for the rest of time, or if it's just a couple of years? Mr. Schreiner asked a question about how people would know. I would direct him to the website, except that amendment got defeated, so good luck.

Again, I think when it comes to accountability and transparency, that has to be at the forefront, because we've already played this game with the last government. The whole province said they were not transparent enough for folks to feel reassured. So maybe take this back to the team that is helping prepare for committee. We do need to reassure Ontarians that we, as the Legislature, have their best interests at heart and are willing to prove that to them by putting caps or maximums or value frameworks or websites.

The Chair (Mr. Dave Smith): Mr. Schreiner?

Mr. Mike Schreiner: With all due respect to the member opposite, I believe we're talking about Bill 32, not Bill 4, today, so just to be very clear about that.

The second point I want to make is—I don't know, Mr. Chair, if it is appropriate to refer to the names of people who gave deputations to committee or not?

The Chair (Mr. Dave Smith): Yes, it is.

Mr. Mike Schreiner: It is, okay. Mr. Adams gave a deputation to this committee. I'll be on the record: Tom Adams and Mike Schreiner don't agree a lot on energy policy. Historically, we've largely disagreed, but he made some points in his deputation that I thought were very relevant to this conversation. He was suggesting that this legislation potentially—and I don't think it's the intent of the government here actually. I think there's a lot of good intention on the part of the government here, so I want to be clear about that.

But his concern is that we are walking away from a historical regulatory regime that has protected ratepayers in this province, and he made the case that the previous Liberal government made mistakes in the Green Energy Act—and I would agree. As somebody who is a huge supporter of green energy, they made a lot of mistakes in the way the Green Energy Act was rolled out in terms of costs.

Mr. Adams made, I think, a fairly good argument that this legislation potentially is opening the door to the same mistakes being made. I'm not suggesting this government is going to make those mistakes. I'm just saying the door is being opened to it because of how much we're relying on regulation and not legislation to protect consumers—existing consumers, in particular.

I honestly don't know what the answer to that is. I think some of these rate protection amendments are at least getting at that issue. So if there's another way to get at that issue in this bill, I'm all ears, and I'd love to see the government bring forward an amendment related to that.

But I do think Mr. Adams's warnings were valid and legitimate warnings, and I hope this committee considers them and maybe we can find a way forward that does provide some assurances to existing ratepayers that they will be protected, and if their prices do go up, it will be done in a transparent way so they are aware of why those rates are going up.

The Chair (Mr. Dave Smith): Further discussion? Seeing as there is none, are the members ready to vote?

Ms. Jennifer K. French: Recorded vote, Chair.

The Chair (Mr. Dave Smith): Since this is a recorded vote, could the members please raise your hand and be recognized.

Ayes

French, Glover, Schreiner, Stevens.

Nays

Hogarth, Kanapathi, Kramp, Kusendova, Lecce, Sandhu.

The Chair (Mr. Dave Smith): This amendment has failed.

Amendment number 11, section 1, a new subsection 36.2(4.5) of the Ontario Energy Board Act, 1998: Ms. French.

Ms. Jennifer K. French: I move that section 1 of the bill be amended by adding the following subsection to section 36.2 of the Ontario Energy Board Act, 1998:

“Board to publish report

“(4.5) The board shall, at least 30 days before the approval of compensation with respect to the costs incurred by a gas distributor in making a qualifying investment, publish a report on its website that includes the following:

“1. The total amount of compensation payable with respect to the qualifying investment.

“2. A description of evidence demonstrating the direct or indirect benefits of the qualifying investment to the public and to consumers required to pay the compensation.”

The Chair (Mr. Dave Smith): Discussion? Ms. French.

Ms. Jennifer K. French: This ensures that there will be an evidence-based cost-benefit analysis of qualifying investments before approving any subsidies. The lack of evidence-based cost-benefit analyses under the Liberal government was a big reason for the skyrocketing hydro rates. We don't want to find ourselves in that same situation, especially when we're at the beginning threshold and we can do things differently. I would encourage you to do things differently.

We as consumers have a right to know how much this is going to cost Ontario. We've had some conversations about costs and about benefits and about the end of the fiscal year, but fundamentally, how much is this going to cost? We should know the cost of each expansion project.

How do we decide what benefits the public? How is that going to be determined? I said it a little bit tongue-in-cheek, but if the benefit to the public is that the public should feel good about itself in helping their fellow Ontarians—I'm not diminishing that, but I do think that when we are asking Ontarians, in whole or in part, and certain ratepayer classes to subsidize that expansion, there should be that accountability. There should be clear justification, clear benefit analyses and actual numbers to this, not just feel-good pieces.

If it's going to be indirect benefit or direct benefit, prove it. I think that we owe Ontarians that, at the very least. What is a benefit? Over what time period will folks be expected to foot the bill? How long will we be covering these projects? If a project takes a year to complete, will the costs be borne beyond that year? If we're looking at things across the whole province over the next 10 years and everyone pays their percentage share of that and, again, if it's regional-jurisdictional—I don't know, and neither do you, and neither did the government bureaucrats that we were talking to on this file when we spoke a month and a half ago. I'm giving them full credit; I'm sure that these details have been fleshed out since then.

Again, back to the amendment: This is saying that the board will actually have to be accountable and have a published report in terms of the costs incurred by a gas distributor in making a qualifying investment, to publish that report, again, on the website—I know how the last amendment went in reference to the website, but I think that that's a fair place to put it so that it is, indeed, accessible to the broader folks. I think that we should bring it back to evidence demonstrating, again, the direct or indirect alleged benefit of the qualifying investment.

The Chair (Mr. Dave Smith): Mr. Kramp.

Mr. Daryl Kramp: I understand how important it is to have oversight and accountability. I served on public accounts for 11 years. But the whole text of where the opposition appears to be going on this, with the greatest of respect, appears to be that you really don't have any confidence in the OEB, so therefore, the government should just do their job for them. That almost appears to be—

Interjection.

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Mr. Daryl Kramp: Let me finish, please.

That perception is there; put it that way. The challenge I see is, of course, the energy board has a heavy responsibility on this. General direction is given by the government, but they also, then, have to publish their information, their reports. They're subject to analysis. They're subject to evaluation. They're subject to adjudication, if necessary, and that does happen. But to suggest that the government has to micromanage every step, every resolution, every directive that they take, quite frankly, that would make them—we're doing their job for them.

You put good people in place, you expect them to do the job with a set of guidelines, with a set of rules, with a set of responsibilities, and sure, there has to be an accountable time for them to do that. If they don't do it, yes, all hell has to break loose, and they have to be held accountable for their actions. But you're suggesting all of a sudden with all of these regulations coming forward that you want the government, basically, to do the job for them—no. We need to hold them accountable, we have to give them a general sense of direction, and when they're not doing their job—or if they're doing the job, we say, “Bully for you.” If they're not, then we need to come down heavy and suggest how and why.

I can assure you that we would be hearing wholeheartedly from the opposition members if they don't do the job, as should and would be the case. But what I'm suggesting here is, I think the government is making a very, very sound decision to be able to share the pain and share the gain, to let develop—let's provide a service for people; let's be a caring, sharing society. That's the Canadian way. I'm quite comfortable moving forward in this direction, and I just don't see a major challenge to this. I don't know why it is so contentious, quite frankly. If there is an abuse—maybe there was an abuse; I wasn't here for that. But if there was an abuse, yes, okay—held accountable. Of course, they were definitely held accountable on June 7, as should be the case.

If that would be the case, moving forward, and we have the same kind of repetitive responsibility by the government in charge, obviously, the level of accountability would be there too. But let's not expand our responsibility beyond the multiple responsibilities we already have. Let them do their job, stay on top of it, administer it, monitor it, but otherwise, we've got to get our fingers out of a little bit of this; otherwise, we're just sitting with a massive load of bureaucracy that's in total paralysis all the time. We can't go down that road.

I say that respectfully, because I understand where the member is coming from on this. I understand her reason for trying to ensure that there is that equitable balance and oversight and yet there's also a transparency that is there, because without that—nobody wants to have the wool pulled over their eyes and have the pea-in-the-shell game. We don't want that. But I'm quite confident that the direction on this particular bill is good and is sound; otherwise, I would not be supporting it. I say that with no ifs, ands or buts, as a government member but also as a responsible parliamentarian.

The Chair (Mr. Dave Smith): Further discussion? Ms. French.

Ms. Jennifer K. French: Respectfully, I would say that the member is not clear on where I am going with this or where I've been going with this, because unequivocally, I do not want the government fingers in this any more than they are. In terms of the accountability side, I want the OEB—we want the OEB, we've been clear, to have the responsibility for oversight.

I am appreciative of the comments from the government members who have said they will continue in that oversight role, because when we first saw this piece of legislation, we got pretty darn nervous because it isn't laid out. Their role isn't clearly prescribed with this particular expansion project. So to refer me back to, "Things haven't changed. They get to still be the oversight body"—I'm glad to hear that. But specific to this expansion, I want to see it in writing that it is, indeed, the OEB responsible and involved in these decisions and not this government, because I don't want the government making decisions about the value or the benefit. I want an independent, evidence-based decision to be made by the OEB, as they do in other areas.

This is a new framework. This is one more thing—they're going to keep doing their job. This is a whole new framework, which is why we want it spelled out that, indeed, it isn't up to government fingers or back rooms to make these decisions.

I reject much of what was said, in terms of that I want the government more involved; I do not. I would like this to continue to be an independent, evidence-based oversight regulatory body that is involved. We have been very clear from the beginning. But this specific amendment is not cumbersome. In this specific amendment, the only thing that is adding to the responsibilities of the OEB—it's not adding; it is specifying that they publish a report on its website, and we have said what should be in that report, right? The total amount.

So to the member's point about the OEB will continue to do the things it's supposed to do, I will take him at his word, and hope and trust that that is indeed the case. But I make no apologies for asking for that to be in the statute, for that to be something that nobody can sidestep because it's cumbersome, or nobody can sidestep because it isn't convenient, or because whatever challenges could come up in this process to publish a report on its website that says the total amount of compensation payable and a description of the evidence that delves into the value and the benefit, direct or indirect. All we're asking is that if the board is already going to do this work—it's my understanding that the member was saying that the board is going to continue to have their role—then we want that to be public. We want that report to be on their website—done.

The Chair (Mr. Dave Smith): Mr. Schreiner.

Mr. Mike Schreiner: I appreciate the member opposite's comments. I know we have a new government in Ontario now, but the reality is, the previous government interfered in a number of OEB processes. I realize this is a new government—it wasn't this government who did that—but I think those of us in the opposition benches are looking for some assurances that that type of interference doesn't happen again. A lot of that was done through directives to the OEB, and so we're looking at some ways to prevent that from happening.

I realize it wasn't this government that did that. I think that's the assurances we're trying to bring forward for the people of Ontario—not in a prescriptive way, not in an overburdened way, not in a regulatory way, but in a way that ensures that the work of the OEB is not interfered with by the government.

The Chair (Mr. Dave Smith): Further discussion? Ms. Stevens.

Mrs. Jennifer (Jennie) Stevens: I have to follow on the coattails of MPP Schreiner. When these amendments are brought forward, we're bringing them forward so that we have safety nets—I can't explain that enough to the government side—safety nets and safeguards for the ratepayers. That's what amendments are for, so that we're not doing knee-jerk reactions a year from now. We're doing proactive measurements to make sure that the legislation is put in place at the right time.

When we go line by line, like we are today, we are just making sure we're taking away the grey areas with some of these amendments. We're bringing amendments so we get rid of the grey areas and we make it positive legislation, so that everybody is clear and we're not just going on bumper-sticker slogans like "putting money back in the pockets of the taxpayers." What we're doing here is going line by line to make sure that the amendments are safeguards for the ratepayers.

I just wanted to say that. That's why I am in favour of the amendments.

The Chair (Mr. Dave Smith): Further discussion? Mr. Lecce.

Mr. Stephen Lecce: There is nothing sloganistic about putting \$285 in a small-business pocket in St. Catharines or in any riding. I will say this—

Mrs. Jennifer (Jennie) Stevens: Point of order, Mr. Chair?

The Chair (Mr. Dave Smith): Point of order, yes.

Mrs. Jennifer (Jennie) Stevens: I was just saying that these amendments are made—

The Chair (Mr. Dave Smith): That's not a point of order, I'm afraid.

Mr. Stephen Lecce: Mr. Chair, my point simply is—and I understand that the members opposite are seeking a greater level of granularity and clarity. I have telegraphed, I think, in good faith, our interest in listening and ensuring that those perspectives are both taken under advisement and studied by the minister, and contemplated in the regulatory aspects of the next step on this. But I will say that I would reject any premise that “putting money back in your pockets” is antithetical to what our mandate is as legislators.

1550

Now, we may disagree in good faith—your mandates are according to your values—but I believe it is absolutely consistent with the mandate of our government. We were given a mandate by the people with a singular mission: to put money back in the pockets of people. Some will roll their eyes at that mandate, but I would argue that the metric of our success is the dollars saved in people's pockets to date. We've been at this, Chair, for 130 or 140 days. I don't even know. Do you know?

Mr. Mike Schreiner: Five months.

Interjection: It's 141.

Mr. Stephen Lecce: For 141 days, and we are not counting, Mr. Chair. But the point is that in 140 days, we've already seen the cap-and-trade carbon tax removed from bills—

Ms. Jennifer K. French: We're discussing Bill 32.

Mr. Stephen Lecce: Yes, well, the cap-and-trade carbon tax applies to natural gas, if I could remind my colleagues. It applies to propane. It applies to every form of energy commodity in the province. The point is that we are undeterred from that mission.

And I know that there have been members—actually, I sat in the Legislature on the debate when we were passing the cap-and-trade carbon tax, which applies to natural gas, which applies to this commodity specifically—dismissing 280 bucks in the pockets of people and 80 bucks in the pockets of families. We don't. We think that every step of the way, those savings as an aggregate are a positive.

It is the Premier of this province who made it very clear that we will continue on that mission of relief. If that messaging perhaps is not qualitative enough, let's point to some data points: Today, a person's natural gas bill is saving \$80 and a small business saves \$285 in every one of our ridings.

We are opposing the federal carbon tax, which would be applied to natural gas and this commodity. We believe that it is absolutely consistent with our government's mandate and we would hope all members would support our effort to make life more affordable.

Mrs. Jennifer (Jennie) Stevens: Point of order.

The Chair (Mr. Dave Smith): Ms. Stevens has a point of order.

Mrs. Jennifer (Jennie) Stevens: We're debating the amendment moved by MPP French here, and we're debating Bill 32. All due respect to the parliamentary assistant, but I think that we should get back to what we're debating and what amendment we're debating.

The Chair (Mr. Dave Smith): If you'd like to bring it back to this particular amendment, please.

Mr. Stephen Lecce: Thank you, Chair. I will take that opportunity—both, in one notation, for the record—just to respond to the honourable member's comments. This is an exchange, so if someone introduces a concept that is not irrelevant or inconsistent for me to respond to, Chair—but the question was with respect to the board and the authorities on the board.

Now, the proposed legislation already contemplates the ability to require the board and any entity involved, in providing for rate protections through reports. That's necessary. That exists, Mr. Chair. That existed in the legislation before we came into committee and it exists in the legislation when we leave this committee. And so, I will encourage members to reflect upon the language of the legislation as it is written today, as it was introduced weeks and months ago.

I get it. I'm not an authority on this, and I say this with humility. Perhaps there are natural gas authorities on the other side, I don't know, but I am not one. What I am an authority on is knowing what my constituents sent me here to do, and that is very much to improve affordability for people.

We believe this bill—Bill 32, specifically; I will say it in French and English—actually helps to facilitate that end. For those who want to make sure that that protection is in place, I will certainly encourage them to reflect on the language. The bill already contemplates this ability, for the board to do and to report publicly accordingly.

The Chair (Mr. Dave Smith): Mr. Glover? Further discussion?

Mr. Chris Glover: Sure. I'll just respond to a couple of comments. One is that whenever you look at cost or savings on something, you have to look at both sides of the balance sheet. When you look at the \$285 that you say the cap-and-trade system is saving each person in Ontario, you also have to weigh that against the cost of carbon pollution and other pollution in our atmosphere.

The Environmental Commissioner, as MPP Schreiner mentioned earlier in a previous meeting, said that global warming has cost each Ontarian \$350 just in the first six months of this year, with the flooding in Ottawa and with the 1,300 forest fires. That is a cost that is going to be going up and up and up. When you look at the \$285 in savings from eliminating the program to reduce carbon emissions, there's also the cost of those carbon emissions.

Another cost—it hasn't been brought up here before, but the Toronto Board of Health, which I sat on before, received a report last summer. It showed that just in the GTA, car pollution kills 200 people a year. So that's another cost of pollution and of not reducing the emissions from our cars and also from our houses.

I'm actually generally supportive of the principle behind this bill. I think it's right that we should be providing natural gas to communities that would normally not get it. I remember, in the 1970s, watching an Ontario hydro bill, and they were talking about hydro expansion to northern communities. My father said, "You know, we're paying for that." I said, "Well, that's not fair. Why should we be paying for these northern communities?" He said, "Because we're all Ontarians, and we all deserve electricity." We're all Ontarians, and we all deserve access to natural gas. That's what this bill is supposed to do.

The challenge, and what we're really debating, and what all these amendments have been about so far, is about transparency, to make sure that this is done in a fair and transparent way, and that there are reports that come back to the community, so that if we are paying for the expansion of natural gas, for the capital infrastructure, so that other people benefit from natural gas, we know what the cost is and we know what contribution some communities are making for other communities, to drive that benefit.

These amendments, all of them so far, have just been about that transparency, to know what we're actually paying for. So I am very supportive of all the amendments so far.

The Chair (Mr. Dave Smith): Further debate? Ms. French.

Ms. Jennifer K. French: The parliamentary assistant had encouraged us to reflect upon the language introduced in the legislation originally and to date. But I'm happy to also reflect upon the language of the legislation going forward, because that is what we're doing, line by line and clause by clause. So, as we have the opportunity to fine-tune and to improve upon, I'm not just going to reflect; I'm going to actively do my best to contribute. Clearly, this government is actively choosing to reject a fair number of those, and that's the nature of committee, as it turns out.

But specific to the point that the OEB will continue to have the responsibility—I've already said this—of writing reports and doing its work: Fine. Good. This particular piece of legislation, as with every individual, particular piece of legislation, requires its own specifics. We're not saying anything broadly about how the OEB should or shouldn't have the ability or the requirement to write reports. What we're saying is, specific to this new framework, specific to natural gas expansion, they should publish a report on their website.

I appreciate the way that Mr. Schreiner put it: that we're coming back to transparency; we're coming back to that accountability that we have learned from the last government.

I'm not just putting that on this government because I'm nervous because of what we've learned before. I'm nervous going forward, because if I am sitting across from a government that constantly is saying, "Trust us," "Don't worry, it will happen in regulation," "Our intent is the following," "We are taking this under advisement"—where do you take it? You're taking it into a room where

we don't have eyes and we don't have Hansard transcripts. We just have to cross our fingers.

I will take you at your word that that is the intent, but here, we have an opportunity, line by line, through this piece of legislation that I am well reflecting upon. I want the OEB, in this case, to publish a specific report with the following things in it. I don't understand why that's a problem. Maybe it's too challenging to put on a website. I don't know what the hazard is in this case. But that is this amendment. And while I appreciate all of the discourse, that is this amendment.

The Chair (Mr. Dave Smith): Further discussion? Mr. Lecce.

Mr. Stephen Lecce: I do believe I am on the record responding substantively to the honourable member's comments about the amendment.

1600

But I do want to respond to my colleague from Spadina-Fort York because he cited an ecological cost vis-à-vis climate change and one that I accept, that climate change is real. I will just note for the record that Ontario—since 2003, when you compare Ontario's actions with respect to the fight against climate change and the reduction of omissions, we have reduced emissions by more than 20% in this province, whereas the country as a whole is 1.5%. My point, Chair, is that we are doing our part; the people of Ontario are doing their part. I'm quite proud of the actions taken to reduce the ecological footprint left for future generations. Conversely, I'm proud that it was our government that closed the first coal plant in this province. That's a matter of fact. We're the party that created the Oak Ridges moraine.

Now specific to natural gas, I will just note, if I may, that we want to look to the OEB to provide that communication to the public and do their job, as my colleague, MPP Kramp noted, to communicate that information as they are mandated to do under the act, and the authorities are retained under this bill. Nothing changes substantively, both in form—there's no subtle amendment. That mandate continues to be a part of their core function as an oversight regime.

My hope is that part and parcel of all the actions we've taken on this front we'll have a more robust economy, more productivity and ultimately growth in rural regions of the province where they have seen disproportionate adversity to some of the energy policies of the former government, where we've seen job losses, manufacturing losses that, to be frank, have really, in many cases, created deep distress in small-town Ontario. We have resolved to fix that, to change that trajectory and we think that Bill 32, among other bills we've introduced that are part and parcel of our economic agenda, will help achieve that end.

The Chair (Mr. Dave Smith): Thank you. Further debate? Seeing as there is none, are members ready to vote?

Ms. Jennifer K. French: With a recorded—

Mr. Chris Glover: Recorded vote. I've got you.

Ms. Jennifer K. French: All right.

Ayes

French, Glover, Schreiner, Stevens.

Nays

Hogarth, Kanapathi, Kramp, Kusendova, Lecce, Sandhu.

The Chair (Mr. Dave Smith): This amendment is lost. Amendment number 12, section 1, a new subsection 36.2(4.6) of the Ontario Energy Board Act, 1998: Ms. French.

Ms. Jennifer K. French: I move that section 1 of the bill be amended by adding the following subsection to section 36.2 of the Ontario Energy Board Act, 1998:

“Payment of compensation

“(4.6) The amount of compensation payable with respect to the costs incurred by a gas distributor in making a qualifying investment shall be approved before the proposed qualifying investment is made and shall not be increased following the approval.”

The Chair (Mr. Dave Smith): Discussion? Ms. French.

Ms. Jennifer K. French: I think this amendment is fairly straightforward and ensures consumers that once a subsidy is approved, it won't later be increased if there's a cost overrun. This amendment protects consumers from costly project scope creep or potential creep, which I feel like that's kind of a natural place for all of us to land—that once the cost-benefit analysis has been done, once everything has been sorted out by the powers that be and the decision-makers, that is the cost borne by the ratepayers.

Again, the subsidy or the surcharge or the tax or the extra or the add-on or—I don't know what to call it, but that additional cost to a bill that will cover a project, we're basically saying that once it is decided, the cost of that project, that qualifying investment, once it's been approved, that number stays the same so that our ratepayers can budget accordingly, can see it reflected on their bill and know that that is what they will have to pay.

Ideally, they would have had at least 60 days to see it coming on the website, but we've said no to that and I will not let that go. But once it's been determined, it should stick and it should be consistent so that our ratepayers know what is going on and what they are responsible to pay.

The Chair (Mr. Dave Smith): Further debate? Seeing as there is none—

Ms. Jennifer K. French: Recorded vote. I have a good feeling about this one.

The Chair (Mr. Dave Smith): Since this a recorded vote, could the members please raise their hand to be recognized?

Ayes

French, Glover, Schreiner, Stevens.

Nays

Hogarth, Kanapathi, Kramp, Kusendova, Sandhu.

The Chair (Mr. Dave Smith): That amendment is lost. Amendment number 13, section 1, new subsection 36.2(4.7) of the Ontario Energy Board Act, 1998: Ms. French.

Ms. Jennifer K. French: I move that section 1 of the bill be amended by adding the following subsection to section 36.2 of the Ontario Energy Board Act, 1998:

“Limitation

“(4.7) The minister shall establish the maximum total value of rate protection that may be provided with respect to a period of time specified by the minister before any compensation may be paid with respect to that period of time.”

The Chair (Mr. Dave Smith): Debate? Ms. French.

Ms. Jennifer K. French: Yes. This amendment ensures consumers that, once a subsidy is approved, it won't be subsequently increased—nope; I'm reading the wrong thing. It's 13, sorry. I would like to correct my record.

This amendment ensures that the maximum total cost of the program is known before compensation is approved for specific projects so that everyone knows ahead of time what they're getting into. I think that's fairly straightforward. If we're going to charge Ontarians the cost of expansion for natural gas for other Ontarians, they should know what that cost will be and what their responsibility for what portion, for how long, will be theirs. This is the minister establishing a maximum total value of rate protection. It's ensuring that the upper limit, so the maximum total cost of the program, is known before that compensation is approved for specific projects, as I said, so that everyone knows what they're on the hook for.

The Chair (Mr. Dave Smith): Further debate? Seeing that there is none, are the members ready to vote?

Ms. Jennifer K. French: Yes, with a recorded vote.

The Chair (Mr. Dave Smith): Since this is a recorded vote, could the members please raise their hand and be recognized?

Ayes

French, Glover, Stevens.

Nays

Hogarth, Kanapathi, Kramp, Kusendova, Lecce, Sandhu.

The Chair (Mr. Dave Smith): This amendment is lost. Amendment number 14, section 1, a new subsection, 36.2(4.8) of the Ontario Energy Board Act, 1998: Ms. French.

Ms. Jennifer K. French: I move that section 1 of the bill be amended by adding the following subsection to section 36.2 of the Ontario Energy Board Act, 1998:

“Minister to publish information

“(4.8) At least 60 days before rate protection is provided with respect to a prescribed period of time, the minister shall publish on a website of the government the total value of rate protection with respect to that period of time.”

The Chair (Mr. Dave Smith): Discussion? Ms. French.

Ms. Jennifer K. French: Yes, please. This lets folks know how much the program will cost them ahead of time. As I’ve said before, this PC government is demanding this for carbon pricing. They shouldn’t have a problem with similar transparency. We have already seen other amendments defeated—which is disappointing—that accomplish the same thing, which is to give information to the ratepayers who are responsible for covering the cost of the expansion—or subsidizing it, excuse me, not covering the entire cost. The Enbridge folks had asked that the whole cost be borne by the ratepayer base, which by the way, I’m glad the government didn’t bring forward as an amendment. I was waiting for it, though.

But this is an opportunity, again, with at least 60 days, to share the information with the broader community.

I do hope that while the government keeps defeating these amendments that, as we’ve heard, the government is listening and will take this back, and it will all be considered during regulation.

1610

But I really think that you should take this to heart. You referenced the June 7 decision made by Ontarians. A big part of that was because they didn’t trust their government, and they didn’t feel that there was transparency in, basically, all things.

You’re refusing these amendments here in statute, which is immensely disappointing and, I hope, not going to set the tone for the next four years.

But definitely take that back, that Ontarians have a right to know what they are responsible for paying. They have a right to know the time frames. They have a right to know what, indeed, they are subsidizing. In this case, this is the total value of rate protection with respect to that period of time. If they’re going to be subsidizing something, is it going to be for a year? For five years? For 10 years? For all of the time? For all of the things? For only the local ones? Make it clear to Ontarians.

You’re not making it clear in law today, which I think is problematic, but you have the opportunity in regulation to go back and actually do these things: to publish it on the website, to actually make it clear to Ontarians. So I challenge you to do that.

And you could throw us a curveball and support this one, for fun, so I’ll still hold my breath and hold that hope.

The Chair (Mr. Dave Smith): Further debate? Mr. Lecce.

Mr. Stephen Lecce: I was looking for a baseball analogy, but I just couldn’t find one—to the honourable member.

Allow me to be consistent, which I think is a strength in politics. If I may point to the regulatory section of the

legislation, section 6(d), I’m going to read it verbatim, for those who may not have the legislation in front of them: “(d) prescribing maximum amounts of the total annual value of rate protection that may be provided under this section.”

The legislation already contemplates the ability to require the board, and any entity involved, to be frank, in providing rate protections and to report on it as required.

I’m not calling into question the motive for these motions; I think I understand. But I just would want to ensure that we’re not utilizing this process for any political posturing when we know that the bill literally says, as I just read verbatim, it would ensure and provide “maximum amounts of the total annual value of rate protection that may be provided under this section.” That is to be done through the Lieutenant Governor in Council, essentially, through regulatory regime.

We agree it should happen. In fact, not only do we agree with it and—“Oh, jeez, who’s the PA to declare this?” No, the designer of the bill, the government of Ontario, the elected government, actually considered this in advance, because I think we share a concern that these rates have to be reasonable, justifiable and affordable for the end-user experience.

But it was contemplated. Perhaps that will ease just a small minutia of the anxiety of the honourable member. I just want you to know we were thinking about this when the bill was crafted, because we listened to stakeholders who called for that protection and called for that maximum, as the bill was designed.

The Chair (Mr. Dave Smith): Further debate? Ms. French.

Ms. Jennifer K. French: I appreciate that the parliamentary assistant is concerned about my anxiety, but, no, none of it has been alleviated today, so that’s disappointing.

But I have, as I do, when the member points out something for me to reference—referencing the same section that he read, under the regulations portion:

“(6) The Lieutenant Governor in Council may make regulations”—for the folks at home, that’s cabinet. They make regulations, basically.

“(d) prescribing maximum amounts of the total annual value of rate protection that may be provided under this section.”

While we’ve used the words “rate protection,” and we’ve talked about maximum amounts of rate protection, in that section it says “annual.” Looking at the amendment, the difference here is saying that “the minister shall publish on a website of the government the total value of rate protection with respect to that period of time.”

If it is a project or it is a cost that is going to be borne by ratepayers over 10 years—and I don’t know what I’m talking about, because it’s not in the bill. I don’t know how big these projects are. I don’t know if we’re adding them all up and, year over year over year, the subsidy I’m responsible for paying as a ratepayer will increase as more projects are added. I don’t know what those numbers will

look like, but the total annual value of rate protection will change, potentially, year over year.

This is saying that the total value, total versus annual—I don't know if I'm splitting hairs here, but I think the total—if that cost is going to be spread over four years, then there would be a number that is appropriate to share that is the cost borne by folks over that four years, right? I'm using numbers that I am pulling from the air because I can't pull them from the bill, because they're not there. But I would say that yes, as the member pointed out, it is in here to be considered under regulations, so perhaps looking at it when you're in that regulatory—

Mr. Stephen Lecce: Chamber.

Ms. Jennifer K. French: I was going to say “closet”—corner, backroom, space, whatever. But while you're considering that, to look at how, yes, the annual cost matters to folks—they will want to know what they are paying on each bill per year, but I think that project by project, the overall total value should also be considered. So again, I would encourage you to support this amendment, because this uses words like “total value of rate protection.”

The Chair (Mr. Dave Smith): Further discussion? Mr. Kramp.

Mr. Daryl Kramp: The member appears obviously concerned—and rightly so; most members would be—with the transparency of information, the responsibility of whether it's a department, committee or general government—but we should have some solace in the fact that that's already there for us. The entire consolidated estimates will dictate—will not dictate; will actually tell every dollar the government has spent. Most people don't realize that that's fully available to every one of us, in government expenditure. That's there.

And, of course, we have the Office of the Auditor General. If there are concerns registered, if members and/or departmental officials feel that perhaps there isn't enough transparency and/or the line of equilibrium isn't exactly where it maybe should be, the Auditor General and the parliamentary finance officer—we have our officers who are able to independently look into this as well. We have a number of safeguards.

I understand. Where do we start and where do we stop with scrutiny? I understand that we need to be accountable to the taxpayer, and we have to deliver results, and there has to be fairness and balance in that. But I go back to my previous point: We already have a significant number of bureaucratic tools at our disposal to be able to evaluate information that is out there.

Where do we stop? I suppose that if we wanted to, we could say exactly today—how much does the coffee cost to come in here? How much did the tea cost? Who paid for it? Where did it go? We could take this indefinitely, and I honestly think it's a little—I understand the concern; I do. Given the track record, I understand the concern, but I reiterate my point that we have a number of tools available to not only put on the brakes, but throw a spotlight on government actions and/or inactions.

The Chair (Mr. Dave Smith): Further debate? Ms. French.

Ms. Jennifer K. French: When it comes to where we start and where we stop with the scrutiny, we never stop with the scrutiny, I would argue. When it comes to this particular piece of legislation, we've all done really well to bring in lots of connecting pieces to this bill, but fundamentally, we're here going line by line through this bill, making sure that this piece of legislation is what it needs to be to be the strongest piece of legislation, with the details to be left to regulation.

This is the same exact thing that we saw from the last majority government, which was not so heavy on the meat and potatoes on the statute side, but everything left to regulation; whereas I would submit, respectfully, that a strong piece of legislation has been fleshed out initially, and then it's fine-tuning that is left behind the closed doors, in regulation, rather than the general outline which we see here.

1620

It's not fine-tuning, then, that happens during regulation; it is the bulk of the work and decision-making. That is fundamentally problematic. We can never scrutinize those decisions because they're not made at committee. They're not made in the Legislature. We don't debate what goes into regulation. I would say that we should start, when it comes to scrutiny, with the actual piece of legislation, so I would have hoped there was more in it to begin with.

This specific amendment is asking to, again, publish on a website—what a rogue and radical thought—the total value of rate protection. This isn't about how much coffee costs or what tea costs or what tools are available. This is specific to this piece of legislation. Extrapolating it to other issues is not germane to this. This is specific to natural gas expansion.

When the folks in your own riding say, “Hey, how much is this going to cost? Do I have to pay this for just a couple of years? Is this the flat amount that it's going to be over the next five or the next 10?” You're going to say—I'm going to say, “I don't know”; I don't know what you're going to say. It's “I don't know” because there is nothing so far that we can point to that lays that out. So here's a chance. Take it.

The Chair (Mr. Dave Smith): Further discussion? Mr. Kramp.

Mr. Daryl Kramp: I'm going to say that we should never say, “I don't know.” That information is and can and will be available to each and every member of Parliament. Is it maybe out there on a billboard? No. But is it available? Yes. We're working at it.

The Chair (Mr. Dave Smith): Further discussion? Seeing none, are the members ready to vote?

Ms. Jennifer K. French: Yes, and we'd like a recorded vote.

Ayes

French, Glover, Schreiner, Stevens.

Nays

Hogarth, Kanapathi, Kramp, Kusendova, Lecce, Sandhu.

The Chair (Mr. Dave Smith): This amendment is lost. Would the member like to withdraw amendment number 15?

Ms. Jennifer K. French: Nope.

The Chair (Mr. Dave Smith): Okay. Amendment number 15, section 1, new clause 36.2(6)(a.1) of the Ontario Energy Board Act, 1998: Ms. French.

Ms. Jennifer K. French: I move that section 1 of the bill be amended by adding the following clause to subsection 36.2(6) of the Ontario Energy Board Act, 1998:

“(a.1) prescribing criteria for the purpose of the definition of ‘rural, northern and on-reserve consumers’ in subsection (1);”

The Chair (Mr. Dave Smith): Now would the member like to withdraw it? This motion is dependent on the passage of motion 3, which did not pass. Therefore, this motion is out of order.

Ms. Jennifer K. French: Yes, but I just wanted to say those words again.

The Chair (Mr. Dave Smith): Amendment number 16, section 1, clause 36.2(6)(b) of the Ontario Energy Board Act, 1998: Ms. French.

Ms. Jennifer K. French: I move that section 1 of the bill be amended by striking out clause 36.2(6)(b) of the Ontario Energy Board Act, 1998, and substituting the following:

“(b) prescribing rural, northern and on-reserve consumers or classes of rural, northern and on-reserve consumers eligible for rate protection under this section;”

The Chair (Mr. Dave Smith): Debate? Ms. French.

Ms. Jennifer K. French: Oh, I get to debate it? Okay. In this case, this is essentially a housekeeping amendment that if amendment 3 passed, which, sadly, it didn’t—but I’m glad to have the opportunity to debate. Do we get to vote on this?

The Chair (Mr. Dave Smith): Mm-hmm.

Ms. Jennifer K. French: Awesome. Okay, so then, again, to have it on the record that we do believe that the prescribed classes of consumers who would stand to benefit from this expansion be rural, northern and on-reserve communities. Again, here’s an opportunity to put that in writing and to make it so in statute.

The Chair (Mr. Dave Smith): Any further debate? Seeing as there is none, are the members ready to vote?

Ms. Jennifer K. French: Yes, with a recorded vote.

The Chair (Mr. Dave Smith): Since this is a recorded vote, please raise your hands to be recognized.

Ayes

French, Glover, Schreiner, Stevens.

Nays

Hogarth, Kanapathi, Kramp, Kusendova, Lecce, Sandhu.

The Chair (Mr. Dave Smith): This amendment is lost.

Mr. Daryl Kramp: Point of order.

The Chair (Mr. Dave Smith): A point of order, Mr. Kramp?

Mr. Daryl Kramp: Yes, Chair. I’m just curious as to why that was not ruled out of order. I don’t need an answer now, but perhaps by the next meeting there could be an explanation. It did refer, I thought, to the previous motion, which was defeated, so I could just ask for a little clarification, maybe at the next meeting.

The Chair (Mr. Dave Smith): Sure.

Ms. French?

Ms. Jennifer K. French: I also thought so.

The Chair (Mr. Dave Smith): No.

Ms. Jennifer K. French: Okay.

The Chair (Mr. Dave Smith): Procedurally, then, if I take a step back, if any one of amendments number 1, 4 and 16 had carried, then amendment number 3 would be in order. We had to wait up until amendment 16; 3 really shouldn’t have been spoken to, or may have been delayed to a later time. What Ms. French was actually referring to is that had 16, 4 or 1 carried, then we should have been visiting 3 at that point.

Mr. Daryl Kramp: Okay. Well, thank you, Chair. Given the collegiality, I do appreciate the explanation.

The Chair (Mr. Dave Smith): Not a problem.

Our next amendment is number 17, section 1, new subsection 36.2(6.1) of the Ontario Energy Board Act, 1998: Ms. French.

Ms. Jennifer K. French: I move that section 1 of the bill be amended by adding the following subsection to section 36.2 of the Ontario Energy Board Act, 1998:

“Limitation, regulations governing invoices

“(6.1) A regulation made under clause (6)(m) shall not provide for any partisan advertising on an invoice.”

The Chair (Mr. Dave Smith): Discussion? Ms. French.

Ms. Jennifer K. French: The last government was notorious for using hydro bills for government messaging and, I would respectfully say, propaganda. There was a lot of push-back from our communities and from the opposition—certainly both groups of the opposition. This amendment prevents the same thing from happening with natural gas bills.

To take us back to something that we heard earlier from the parliamentary assistant about the cap-and-trade carbon tax messaging as he had already seen on his bill: I’m connecting that dot to this dot, and I’m concerned. I’m hopeful that we’re not going to see anything that could be construed as partisan advertising on an invoice, celebrating this particular government. What I hope we see on invoices—what we’re not going to see on websites, apparently—is education or clarity about the charges,

about the tax or charge or—we haven't decided what to call it, but that additional amount on the bills.

This is very clear, and I know that the Conservative members of the opposition, the last time around, stood alongside the NDP on this issue and were horrified with the gall, I will say, of the partisan nature of the government advertising, the propaganda on the bills. So here we are, fresh slate, and the opportunity to commit, as a unified committee, that we do not believe that these bills should have any partisan advertising on the invoice.

1630

The Chair (Mr. Dave Smith): Further discussion? Mr. Lecce.

Mr. Stephen Lecce: The notation I made earlier, as a point of clarification—that was not a directive of government or the OEB, if I understand it correctly. The various utilities in the province—on their own volition, I believe—included that the costs were being brought down as a consequence of government policy. So that's a private sector decision not influenced by me, I would submit—at least, that's what I was led to believe.

The point is that when it comes to government advertising, we shared concerns of the former government abusing the advertising for political self-interest. There are Treasury Board guidelines in this province, and they exist federally as well, that prohibit that type of self-interest being driven, as we saw, by the former Liberal government.

I think it is incumbent on all of us to raise concerns and lessons from former governments. I certainly will reflect upon this and bring it back to the ministry in the context of how to ensure that that history does not repeat itself. We have a shared interest in making sure facts are communicated to the public, not partisan self-interest, as was done by the former government, particularly in the latter years of their time in office.

The Chair (Mr. Dave Smith): Ms. French.

Ms. Jennifer K. French: My own homework—and you're welcome to join me in this homework, or do it yourself, is more what I mean; I won't do your homework for you, if you were going to ask—is where the decision is made for what shows up on our various bills. I can't say with absolute certainty, one way or another, but the perception of ratepayers, of bill payers, of folks who navigate all of their bills on a regular basis, when they see education and information, I would say that that is positive. When they see advertising or government celebration or congratulatory messages, they're going to perceive that as partisan. I don't know where that comes from, in that example, but I assure the member I'll find out.

There is something else. Again, I can't think of what the legislation was, but I know that the last government changed the rules of the game to allow themselves to use those invoices as a vehicle for messaging. Respectfully, maybe there's an idea there, as this government continues to repeal Liberal policies and legislation. I wonder how they would feel about revisiting that and reassuring folks across the province that it isn't an appropriate vehicle. But anyway, that's not in this piece of legislation.

I'm hopeful, then, since no one is arguing that this isn't an inappropriate thing—I don't know. I'm looking across—none of the members who are at committee here sat on the opposition benches with us in the last session. But I know that it's on the record that this now government, the PC caucus, certainly had spoken against that partisan advertising. So I am hopeful, when we vote on this amendment, that this will be the one, that this will pass here today.

The Chair (Mr. Dave Smith): Further discussion? Seeing none—oh, sorry. Mr. Kramp.

Mr. Daryl Kramp: I have substantial sympathy for the member on this issue. However, it's way too broad. Partisan advertising: What is partisan advertising? Where do you start? Where do you stop with this?

I would suggest that maybe, moving forward in this committee, at some particular time, you might find a willing person across the table from you, if you find something that is definitely abusive in that. I think we have a moral responsibility to communicate but to communicate with integrity. If we find something that is totally outlandish or out of order, please feel free to remind this member at that time.

The Chair (Mr. Dave Smith): Further discussion? Ms. French.

Ms. Jennifer K. French: I'm not sure what that was referencing. Did I suggest that someone doesn't have integrity?

Mr. Daryl Kramp: What I was referencing is that I'm not going to support this motion at this point in time, but I do have a fair bit of respect and courtesy for the principle of righting a wrong and preventing further wrongs.

Ms. Jennifer K. French: Okay.

The Chair (Mr. Dave Smith): Further discussion? Seeing none, are the members ready to vote?

Ms. Jennifer K. French: Yes, but with a recorded vote.

The Chair (Mr. Dave Smith): Since this is a recorded vote, please raise your hand to be recognized.

Ayes

French, Glover, Schreiner, Stevens.

Nays

Hogarth, Kanapathi, Kramp, Kusendova, Lecce, Sandhu.

The Chair (Mr. Dave Smith): This amendment is lost.

The next amendment is amendment 18, section 1, subsection 36.2(8) of the Ontario Energy Board Act, 1998: Ms. French?

Ms. Jennifer K. French: Is it my turn? I just want to be clear on the rotation. Okay.

I move that section 1 of the bill be amended by striking out subsection 36.2(8) of the Ontario Energy Board Act, 1998.

The Chair (Mr. Dave Smith): Further discussion? Ms. French.

Ms. Jennifer K. French: If we all turn in our bills to section 8, which is “General or particular,” I’ll read what is originally here and what the amendment hopes to accomplish.

In this case it says, “A regulation under this section may be general or particular in application and may prescribe different rules for different persons or classes of persons.”

As written, it is all the things for all the people at all the times, and all the stuff. What this amendment hopes to do is to rein it in a bit, to remove the “general or particular” clause, because as it stands now, this gives this government carte blanche to enact different rules that apply to different people in different circumstances.

The government shouldn’t need such broad authority. The only reason to enable such authority, I would think, is that the government, it would seem, doesn’t know what sort of regulatory authority it truly requires. It sounds like it’s just trying to cover as many bases as possible, if I can refer back to that baseball analogy.

But in this case, I hearken back to what I’ve already referred to: When we got our briefing on this bill and were asking specific questions, and everything is left to regulation—even the broad strokes of what it’s hoping to accomplish, or which classes of ratepayers over what length of time, and what constitutes a benefit—all of that was, “We’ll figure it out in regulation. We’ll figure it out down the road.”

As it’s written now, it says, “general or particular ... may prescribe different rules for different persons or classes of persons”—all the things. So we would again challenge this government to have some focus, to know what it is wanting to accomplish. We would have hoped to have seen that in the actual statute, but this is kind of that last chance to make a different choice.

I think that this “figure it out later” approach is problematic as we look at different pieces of legislation, but specific to this one, we are saying that the government doesn’t require carte blanche, and so I’m not sure why it’s in there. That’s all.

The Chair (Mr. Dave Smith): Further debate? Mr. Lecce.

Mr. Stephen Lecce: Well, allow me to hit a home run on number 18.

Interjections.

Mr. Stephen Lecce: Just let the record state that the member is laughing. I just want that to be clear.

Ms. Jennifer K. French: She was coughing.

Mr. Stephen Lecce: No, I heard a laugh.

I am informed by, under the regulatory section of the legislation—

Ms. Jennifer K. French: Section 8.

Mr. Stephen Lecce: Section 6(e), in fact.

Ms. Jennifer K. French: Section 6(e)?

Mr. Stephen Lecce: “E” for “excellent legislation,” which reads, “prescribing classes of consumers for the purposes of subsection (4);” and it enumerates a variety of subsections in the earlier point. The point is that the

amendment could actually limit the scope of our regulation-making powers—maybe by design—and this is what the amendment is intended to do.

1640

But as we conclude on motion 18, I believe, unless there’s any other business, I just want to say that we obviously, as a government, have opted to come to this committee with a determination to listen. I don’t want the members opposite to leave here thinking that the ideas they brought forth and the interests they are trying to advance are being lost on this committee, on the government or on the Minister of Infrastructure himself. I assure the members that the spirit of these actions will be very much contemplated in our regulatory regime, where they will have a say. We will be open to listening to them and will be happy to provide a secondary briefing for the critic, for the member from Oshawa, which I understand our ministry was able to do. The point is that we, in good faith, are going to be listening and reflecting on how we can invoke those spirits within the regulatory side of this. Of course, I do mention that some of the authorities do exist as prescribed under that section of the bill.

If I could just take a few seconds to reiterate the motivation for this legislation in the first place: It’s to expand access to natural gas, to ensure that the private sector has skin in the game. The member opposite mentioned that she feared that we may have removed the skin in the game that companies have to put in; I feel very strongly that they have to have skin in the game in ensuring the expansion of natural gas, the expansion of that infrastructure. I’m very pleased to see that the government has maintained that requirement. Everything we do in the context of Bill 32 is going to be seen through the lens of improving access, improving affordability, improving the vitality of our small business sector and our farming communities that obviously long for this affordable commodity.

The Chair (Mr. Dave Smith): Any further debate? Ms. French.

Ms. Jennifer K. French: While I have fully and totally appreciated, as I always do, meeting in committee, it is disappointing that zero out of the 18 well-thought-out—these amendments all have fallen flat. I’ve heard the parliamentary assistant, and while I will agree that perhaps they haven’t fallen on deaf ears, and I appreciate the engagement of the members opposite, that does not alleviate any of the concern that I have on behalf of the folks across the province that indeed these changes will be reflected once the bill comes out the other side and goes through regulation, and then happens to our bills and happens to our province.

If the motivation is to expand access, this is the framework legislation that accomplishes that. If the motivation is to expand access to rural, northern and on-reserve communities, I don’t know how I can trust that. I don’t see that. This government has chosen to defeat those amendments.

Saying that the private sector now has skin in the game—we heard from the incumbent distributors that they have all the skin in the game. They account for 99-point-

whatever the percentage is, almost the entire—they provide all of the access to natural gas. Of course they have skin in the game. This is not suddenly allowing them to be a part of this; they are the system.

I think that while I've heard the member's list of all the ways that the government is endeavouring to improve the vitality of our province, I would encourage them and challenge them again to not follow in the footsteps of the last government, to put measures for transparency and accountability in the statute, out of the gate, where you can point to it and say to the folks across Ontario, "We are going to assure you that this is in your best interests. You will be able to see that." Whether it's on the website or whether it's in a report, I think that would not just behoove you as the governing party, but I think that that would be appreciated by my constituents, your constituents and folks across Ontario.

This particular amendment is such an appropriate way to end this committee and this clause-by-clause session because we are saying, "Don't just figure it out later. Don't just leave yourselves the general or particular powers to do all the things for all the people and figure it out later." Legislation should be thoughtful at the beginning, not just, "Get it out the gate so that it becomes a headline." It should come out the gate and be ready to go with the fine tuning that should happen during this process, not be left to be figured out after it has been passed into law, and then figure out the substance of it. That is concerning—to just figure it out later as a legislative approach.

I'm disappointed in the fact that, while we've been reassured that we've been listened to—I don't know why we didn't take this opportunity to strengthen the legislation that we have before us, rather than just kicking this can down the road, because that is what the last government did at every turn—kick the can down the road—and here we are again. I hope that perhaps this government could maybe be better than the last one, and here's an example. Here's a case where we could have undertaken to do things differently and have that transparency and accountability.

The Chair (Mr. Dave Smith): There's an opportunity to discuss the entire bill when we get to that portion, if members would like to make comments at that point.

Further discussion? Mr. Kramp.

Mr. Daryl Kramp: Just with regard to motion 18, it says "may prescribe different rules for different persons or classes of persons." There is a reality that we all have to accept: Bloor and Danforth do not have the same challenges and/or demographics, necessarily, as Prince Edward county, Capreol, Porcupine or Cornwall. I think government has to have some latitude to be able to try to devise legislation and/or motions and/or bills that are pertinent to the realities that we all face.

But one thing that I am encouraged by today: I honestly think it has been a pretty fair meeting, and I think there have been a number of very, very strong suggestions made, but there's sort of a two-pronged approach here. The bill is one thing; the regulations, as you realized, are another component of the legislation moving forward.

I've heard the opposition members, as well as my own members. I think our government will be courteous, wise and prudent when we enact the regulatory element of this legislation, to actually make it work for the people. I would hope that you're going to be pleasantly surprised and you will see that it is actually for the people.

The Chair (Mr. Dave Smith): Further debate? Mr. Lecce.

Mr. Stephen Lecce: My honourable colleague stressed the importance or the aspiration that this government would be, I believe the word was, "better" than the former government. I want to assert that our record to date, in 100-odd days, is better, because the metric is not how we feel leaving this room; it is how much money is back in people's pockets. I think that's important.

I appreciate political rhetoric. Some may want to prioritize that over monies in the pocket. I'm choosing to emphasize the qualitative benefit of our approach implemented through Bill 32 but also supported by a variety of legislative measures that are putting money back in the pockets of working people in the province. That is perhaps the most important way by which we can measure the positive outcomes associated with our legislation.

When I vote on Bill 32, as I have to date and when I do in its next phase, I am assured that my constituents—hard-working middle-class people in King–Vaughan, people across the GTA in this case, but really across the province of Ontario, including in rural parts, as MPP Kramp has noted—that every single Ontarian is better off materially, with more money in their pockets. This bill will do two important things: (1) it will expand access to natural gas to tens of thousands of people, and (2) it will reduce prices associated for those who are making that transition from expensive energy to a more affordable commodity. That is important. That is the centre of the mandate, the impetus, what's driving this legislation. I would urge members to vote positively on this bill at its next reading, because we believe, without exception, that if you can save \$2,500 in your pocket, that's a very positive thing. I believe the members opposite would accept that premise.

1650

The Chair (Mr. Dave Smith): Further debate—but I would remind members that we will have an opportunity to discuss Bill 32 as a whole later on in this process.

Ms. French?

Ms. Jennifer K. French: A point of clarification: I'm happy to stop talking about this particular amendment that is before us and allow it to go to a vote, but at what point can I rebut some of the thoughtful comments from the member opposite? If I relinquish this time now in the interests of voting on this amendment—later in the process, is that indeed coming up today or is that when we're back in the Legislature?

The Chair (Mr. Dave Smith): The second-last line on this is, "Shall Bill 32 pass?" There will be discussion about Bill 32 at that point. However, because the members have brought things up, you're free to rebut those comments at this point.

Ms. Jennifer K. French: Okay, I'm just connecting the dots a little more closely.

The parliamentary assistant has said a few times about the aims of this particular piece of legislation to (1) expand access and (2) to reduce prices for those transitioning. Is that a fair summary of the two points? Okay. Assuming that it is, my challenge to those two points, if those are indeed the aims: On expanding access, we wanted to know to whom? We wanted to ensure that the "to whom" was clear, that we are expanding access, as we've heard the government say, to those in need. I don't trust that "those in need" is going to necessarily reflect the rural, northern and on-reserve communities if we're not willing to say it explicitly. Crossing my fingers is not—I'm not okay with that as my reassurance.

The other piece is the reducing prices for those transitioning. I suspect that that's going to be this government's go-to in terms of explaining this piece of legislation, but what else is accomplished is increasing the cost of the bill and putting an amount on the bills of those who are not transitioning, but those who are subsidizing that and covering that subsidized cost of expansion. We have asked, time and time again in this committee and in the Legislature as well, to know what those costs are going to be, for how long, for whom and asking for those details. Just the "trust us" and "wait for regulation"—it's not in me. It's not an easy sell to me.

For those to be the main points of this legislation—I wish things had gone differently and we had better answers. But also the qualitative benefit, as the member talked about, we wanted to know—and we asked thoughtful questions today with the amendments—the quantitative benefit as well, the direct and indirect benefits. The qualitative benefit: If I'm tucking myself in at night knowing that I have done my duty as an Ontarian and helped people, that's fine, but what is indeed the quantitative benefit? We had the opportunity to spell that out and give Ontarians some clarity, and this government chose not to.

The Chair (Mr. Dave Smith): Further debate? Mr. Glover, first.

Mr. Chris Glover: I'd just like to echo the comments by MPP French. Generally, we want to support this bill. The member opposite just asked us to support this bill, that he wants us to vote for it. If you really want us to vote for it, then work with us on making some amendments, because none of these amendments were actually contradictory to the spirit of the bill or the general intent of the bill. They were all about just making the bill more transparent, more clear and putting things in statute where people have public input into the decision-making process rather than into regulation where the public does not have any input. Those are the things that we were asking for, and they're all within the spirit.

If you really would like to see opposition support for this bill, then just work with us and make some amendments to make it more transparent and clear, and to put things into statute rather than regulation.

The Chair (Mr. Dave Smith): Further debate? I would remind the members that we are discussing amendment 18. There is an opportunity to discuss the bill as a whole later on.

Mr. Lecce, would you like to speak?

Mr. Stephen Lecce: Yes. The question posed was related to qualitative data points, and I think it's only reasonable, Chair, to be able to respond substantively to that concern and criticism levelled. Allow me to provide a few. This bill will liberalize access to over 30,000 people. This bill will reduce rates for residential consumers, on natural gas alone, of \$80 per annum; \$285 for a small business. This bill, for those who transition from more expensive forms of energy like propane will save at least around \$800 to as much as \$2,500.

Mr. Chair, these data points should be instructive for how we vote, because if we are concerned about facts, if we are focused on the qualitative aspects of how we decide, as legislators, to govern ourselves, then let those numbers be very sombre in your mind in how we look forward to ensuring that the province is open for business as we expand the economic agenda that I think all parties, I'd like to believe, would support.

Those things that are very specific to natural gas—in fact, they only apply to natural gas, all four of those notations; I have not even gone to cap-and-trade, in the interest of keeping with your request, Chair—but those things, those savings and that expansion, I think, are very positive. So to the members opposite, I will just note that we will reflect in good faith on any way we can strengthen this legislation and ultimately improve upon its mandate, which is affordable energy for the people of this province.

The Chair (Mr. Dave Smith): Further debate? Seeing none, are the members ready to vote?

Mr. Chris Glover: Recorded vote.

The Chair (Mr. Dave Smith): Since this is a recorded vote, please raise your hands to be recognized.

Ayes

French, Glover, Stevens.

Nays

Hogarth, Kanapathi, Kramp, Kusendova, Lecce, Sandhu.

The Chair (Mr. Dave Smith): This amendment is lost. Since we have gone through all of the amendments on section 1, is there any debate on section 1? Seeing none, are the members ready to vote? Shall section 1 carry? Please raise your hand for those in favour.

Ms. Jennifer K. French: Is it a recorded vote?

The Chair (Mr. Dave Smith): You did not ask for it.

Ms. Jennifer K. French: Is it still counted?

The Chair (Mr. Dave Smith): Yes. We just don't say your names.

Again, shall section 1 carry? Those in favour, please raise your hand. Those opposed? Section 1 is carried.

Section 2: Seeing there are no amendments, is there any discussion for section 2? No discussion? Are the members ready to vote?

Shall section 2 carry? Those in favour, please raise your hand. Those opposed? Section 2 carries.

Section 3: There are no amendments. Is there any discussion for section 3? Seeing none, are the members ready to vote?

Those in favour of section 3, please raise your hand. Those opposed? Section 3 carries.

The title of the bill: Is there any discussion on the title of the bill? Seeing there is no discussion, are the members ready to vote on the title of the bill?

Those in favour of the title, please raise your hand. Those opposed to the title of the bill, please raise your hand.

Ms. Jennifer K. French: Am I allowed a point of order or a point of clarification?

The Chair (Mr. Dave Smith): Yes.

Ms. Jennifer K. French: Sorry, I'm confused. We were going in order. We were at 3, and then we went to the title. What happens to 4 or 5? Just for the interest of clarity and process—I am just confused. I was expecting section 4 to be next.

1700

The Chair (Mr. Dave Smith): The bill only has three sections.

Interjection: You're looking at the amendments.

The Chair (Mr. Dave Smith): You're looking at amendments, yes.

Ms. Jennifer K. French: I'm not looking at amendments. I'm looking at subsections. I apologize to the committee.

The Chair (Mr. Dave Smith): Okay. Bill 32 in its entirety: Is there any discussion now about Bill 32? Mr. Schreiner.

Mr. Mike Schreiner: Yes, thank you. I refrained from this conversation during the discussion on the amendment.

Interjections.

Mr. Mike Schreiner: I know—time. But just to be on the record here, I think the parliamentary assistant said “an interest in strengthening this bill.” I believe we had an opportunity today to take advantage of an instance to strengthen the bill. It's unfortunate that it appears that committee work is not open to the kind of collegial discussion that can happen, and the kinds of changes to actually strengthen a bill, as I had hoped or maybe anticipated, as a member of the committee.

While the debate and the decorum have certainly been outstanding, compared to what we see in the House, I hope, moving forward, that we have an opportunity to have a chance to strengthen a bill in committee. I feel like there were some amendments put forward today that would strengthen this bill, and in particular strengthen the oversight, the accountability, the transparency and the rate protection for certain classes of consumers. Unfortunately, those were all defeated, and I think those were amendments that would strengthen the bill.

So I just want to be on the record, before voting, that I voted, and I know other colleagues here—and I want to compliment the member from Oshawa for putting forward, I thought, some thoughtful amendments that would have strengthened the bill today. I just want it to be put on the record that some of us attempted that today, and we'll take that under consideration as we vote on this bill.

I do think that extending natural gas services to people in the province is beneficial, especially if those natural gas services are clean, renewable natural gas. Providing opportunities for Ontario farmers and others to increase their revenue and use this infrastructure, not necessarily for fossil-fuel-based natural gas but for renewable natural gas, has huge benefits for the province from an economic standpoint, an affordability standpoint, and a climate-action standpoint.

I hope, moving forward, that the government has listened to the ideas put forward by members of the opposition, and that the government will take that into consideration in the regulatory aspect of this, because we don't want to repeat the same mistakes that the previous governments made with energy policy in this province.

The Chair (Mr. Dave Smith): Further debate? Ms. French.

Ms. Jennifer K. French: Not to focus too specifically on the term “liberalize,” but I think that's an unfortunate goal, to liberalize anything when it comes to energy, having seen the last government liberalize all the things—and we're still paying for them. I know that's not what the member meant, but I just want to make sure.

This has been an opportunity that I think, unfortunately, turns out to have been a missed opportunity. Having sat across from a majority government in committee for the past four years, oftentimes those were members who were not engaged in the process. I appreciate that the members opposite have been very engaged in this process.

Still, it is disappointing that it all comes out the same, and that the opposition amendments are not going to be considered. They're not going to be adopted. To be listened to is not the goal.

What happens in this Legislature, or what we teach our grade 5s about how our process works, is that there is a piece of legislation that goes through committee. We hear from community members. We hash it out. We make it better. We catch things that would be problematic. We improve things that we've learned from depositions or along the way, and then the bill comes out the other side and it is indeed better. Then the fine tuning—well, not even the fine tuning. Then the regulations are supposed to be the nitty-gritty details that are not contentious, are not the broad strokes, right?

That's not what I've seen in the last four years, and that's not what I'm seeing today. What I'm seeing, I would say, is a piece of legislation that sells well. Everyone agrees that people need access to affordable energy. This is a framework to expand natural gas to folks in the province. It's problematic that this government isn't willing to say “rural, northern and on-reserve communities” except in the Legislature, but not in the legislation. It's problematic that we don't know what it will cost.

We hear about those transitioning from one form of energy to this who will supposedly have lower costs—and I say “supposedly” totally fairly, because we don’t have numbers to work with. We don’t know for how long they will have any kind of cost savings. On that particular project that brings them natural gas, perhaps it will lower their energy costs. Yes, that’s the whole point of doing this. But then if that same group is going to be subsidizing neighbouring communities, over time how much will we see the cost on their bill go up? We don’t know, and we should.

We’ve asked for mechanisms to communicate to the broader community what the costs will be, what the benefits—direct and indirect—will be, to prove it, to have a cost-benefit analysis. This government says no. This government has said, “We’ll look at it. Thanks for your feedback. We’re listening.” The parliamentary assistant: I appreciate when he says that this will be taken under advisement essentially, that we’re being listened to and it will go to the regulatory regime. Well, that isn’t good enough.

This is the opportunity to strengthen legislation. That is what committee accomplishes. That is what it is for. To say, “This government is going to do it. Any way we can make this bill stronger, we’ll do that”—well, nonsense. This is the opportunity line by line—literally clause by clause—to make it stronger.

If that were the case, then the people who came to give their expert opinions or give just their ratepayer opinions and to weigh in—I was actually surprised when I got the packet of amendments and it only had amendments from the NDP. I’m surprised that the government hadn’t heard something, some nugget of input, and didn’t actually make some of their own suggestions: “Oh, you know what? Good thing we learned that. We’re going to submit an amendment.” This is the time.

Moving the substantial legislation into the regulatory backrooms is problematic. It’s problematic going forward; it’s problematic on this particular piece of legislation. I think Ontarians deserve clarity. I know that this is a government made up former opposition members who used to clamour for the same thing that we did, which was transparency.

We’ve said, “Put it out there,” and you’ve said, “Not today.” We have said that invoices shouldn’t have non-partisan advertising, and we’ve been told, “Well, you know, that’s pretty broad. How do we define ‘partisan’?” That is problematic for me. That is problematic for Ontarians. I think partisan is partisan is partisan. To not be willing to pass an amendment that says invoices that are going into all of the homes of Ontarians should not be for partisan advertising and to reject that speaks volumes.

This has been congenial, collegial—all the things—but it has not accomplished what I think Ontarians send us here for, which is to create solid legislation in the best interests of Ontarians, that they can actually point to and understand. Because the “Just trust us; we’re making it better. The intent, the spirit of this legislation”—we’ve heard a lot of that, and that is not something we can take

to the bank. That is not something we can take to rate-payers and reassure them that, indeed, this is going to have their best interests at heart, spirit and intent aside.

The Chair (Mr. Dave Smith): Further discussion? Mr. Lecce.

Mr. Stephen Lecce: Very briefly, I just want to make the record clear. By invoking classical liberalism—what I mean by “economic liberalization,” in short, is the lessening of government regulations in an economy exchange for private intervention or private sector participation, which is literally what that means and which is precisely what this bill helps achieve.

1710

With that said, Chair, I will just note that the former government—you’re right, we should be students of history and look back on what former governments have done and learn from them. One of the things they did was to call for the phase-out of this commodity over many years, through secret memos leaked. And I know when I mentioned this last committee, it got one of our stakeholders—the honourable member cited that they came forward and brought perspective. One of the concerns by that stakeholder was just how foolish the position of the former government was, perhaps in congress with the economic needs of industry, consumers and farmers in the province.

With that said, unlike the former government, which did two things—I think secretly they wanted to advance a phase-out of natural gas, which would be rather anti-theoretical to economic interests of the province; concurrently, they raised the prices associated with those commodities in the province.

We are doing two things very differently, as a contrast between then and now. First, we are supporting the transition to a cleaner and more affordable form of energy, particularly propane or other commodities; two, we are reducing the rates associated with the use of that energy source by hundreds of dollars. No matter who you are and where you live, everyone is better off. Every single person is better off at rates of hundreds of dollars, and I think that’s important.

I will assure the member, just if I may conclude, that we will, as parliamentarians, as government members and as a committee—and in my limited capacity as the parliamentary assistant—reflect upon the recommendations brought forth. This is not to deter or undermine the use of this committee: I accept that this is a forum for debate and discussion. Where I disagree is that the discussion ended by simply voting against it through the legislative mandate that’s requested by the member. There is also a regulatory option—the record should note that—and you all know that.

We will look seriously at how we can include the spirit of those proposals through the regulatory side. I think that approach will serve the public well, because at the end of the day, what I think Ontarians want is access to affordable energy in their communities, which we know this bill expands by over 30,000 people. They want access to a more affordable option, which will save upwards of \$2,500 for those who make the transition. They want a

government that supports affordable energy. We're doing that from hydro to natural gas. We've seen reductions at the pumps as a consequence of cap-and-trade, as we're seeing reductions for natural gas—or, we will see reductions, I should say, be realized for individuals, for families and, of course, for businesses.

With that, I appreciate the perspective shared by the members opposite, notably the member from Oshawa, who helped lead this on her party's behalf, and I assure all members that we will take this back to the ministry seriously.

The Chair (Mr. Dave Smith): Further debate? Ms. French.

Ms. Jennifer K. French: It was just the “every single person is better off”—I really wish that you guys had passed that amendment so that we would actually know that, not just hear it. In what way is every single person better off? That wasn't clear in the briefing. It certainly hasn't been made clear through this process.

We wanted to know what the benefit or indirect benefit would be, how that would be valued, who would decide that. That is still a significant piece to this. Making that clear to Ontarians, I think, is going to be really, really important, as you're asking not just for buy-in and support of all of the people, but you're actually asking for their money. You're asking for their money to offset the cost of this expansion, to subsidize it, so they should understand the value and how on earth this is justified as a regulatory charge versus a tax, because that is not clear to me.

The other piece is, for the member to say that there is a regulatory option or that this is part of a process and now the next part is the regulatory bit: Well, that's fine for the parliamentary assistant and maybe for a handful of other folks in this room, but no one on this side of the committee will be privy to the regulatory pieces. That's why we have public debate and access to committee. We have a committee and we invite folks from across the community, whether they be experts or they are just interested in the issues. We invite them. That is the public access part.

This right now is when we debate, discuss and talk about which pieces to use to strengthen the legislation or not. The regulatory chapter is closed. The regulatory piece to this is just for you, just for the government, whomever that is: for the bureaucracy, for the ministry, perhaps for the parliamentary assistant—for whomever is decided to be included in that regulatory process. There are no eyes on that. There is no access to that.

This committee and every committee going forward that we're all a part of is when we do the hashing out of how to strengthen a bill. Historically, regulation is the bits and pieces, the numbers and the reports. It's not so much making it better as it is making it work. It's what makes it function. Now, we have a change to that. We had it with the last government as well, that they would leave substantive pieces to regulation to be decided, so we did not know the big pieces to this puzzle. Now we're seeing it again, and that worries me. It worries me that for the next four years—is this what we're going to see, that the big pieces and the substantial bits that should be included in

statute are all left behind the regulation curtain? That's a problem.

The member can talk about the next phase; none of us are in it. That's disappointing. This is our chance—my chance, anyway—to be heard on these issues. I'm glad that we put forward these amendments. I will look forward to third reading, when we get to say all of these things again in the public forum.

The Chair (Mr. Dave Smith): Further debate? Ms. Hogarth.

Ms. Christine Hogarth: I've listened to this debate, and Mr. Schreiner, I really liked what you had to say about this committee. We do need to work together to strengthen some of these bills.

Ms. French, I appreciate all of the work you did with your amendments, but one thing you said is that the regulatory option is not closed.

Ms. Jennifer K. French: No, I said it's closed.

Ms. Christine Hogarth: Sorry, you said that it's closed. It's not closed. We are going to be judged by the people of Ontario who elected us. We ran on transparency and we ran on accountability. That is what all of us at this table ran on, what all of our ministers ran on. It is not closed. We are going to be judged at the end of the day on the regulatory portion of this bill that will come forward.

A lot of your amendments that you brought forward today are captured in that regulatory component. I have to have faith that our minister, our PA and the people who are going to be putting these regulatory parts together will do the right thing. As I said, we will all be judged at the end.

That's all I wanted to comment. Thank you.

The Chair (Mr. Dave Smith): Further comments? Mr. Schreiner.

Mr. Mike Schreiner: Very briefly—I know the time—I will respectfully say that democratic accountability is more than just elections. It's something that should happen more than every four years. The committee structure is when we have an opportunity for the people to participate. The people don't get to participate in regulations.

I know the member from Oshawa was saying that we don't get to participate, and that is true, but more importantly, it's the people of Ontario. The legislative process and the next almost four years of legislative process is the opportunity for the people to participate. The previous government forgot that; I hope the current government doesn't.

The Chair (Mr. Dave Smith): Further debate? Seeing none, are the members ready to vote? Shall Bill 32 carry? Those in favour, please raise your hand. Those opposed, please raise your hand. Carried.

Is there any debate before I present the bill to the House? Seeing none, are the members ready to vote? Shall I report the bill to the House? Those in favour, please raise your hand. Those opposed, please raise your hand. Carried.

Thank you very much, everyone. We're adjourned.

The committee adjourned at 1720.

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