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JOHN YAKABUSKI, M.P.P. - RENFREW-NIPISSING-PEMBROKE

Oral Questions

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Energy Rates

Mr. John Yakabuski: My question is for the Premier. Yesterday, the executive summary report was released from London Economics International. I'm sure you'd agree this is a very reputable firm in the energy sector. They shed some light on how you, Premier, and the Minister of Energy have kept people in the dark in terms of the effects of your so-called Green Energy Act. They've confirmed what we in the energy industry have been warning the government all along, and that is that businesses and consumers in this province will be hit with increases in their electricity bills of at least 15%, and as high as 50%. Was the Premier aware that this Green Energy Act would result in such a massive rate shock to residents and businesses who already are struggling in these difficult economic times?

Hon. Dalton McGuinty: To the Minister of Energy and Infrastructure.

Hon. George Smitherman: I think that we did appreciate the interventions yesterday. I would say again to the honourable member, I'd be very happy to sit down with him and the team that his caucus has hired to try to compare the numbers.

There are three things that I would like to comment on related to that report. One is that it doesn't amortize the costs the way the costs are amortized in the electricity sector. If we make an investment in transmission that lasts for 50 years, we pay it over 50 years. It has a rate base impact over that time, but they've made different assumptions in the study. It does not give credit to electricity consumers for the benefits of conservation initiatives. It costs them against the consumers but it doesn't give them any credit for the reduced use that would flow, and it assumes, as an example, that the Green Energy Act would not displace any other projects or expenditures which might otherwise be contemplated. These are three examples where we think the report could be improved. I'd be happy to spend more time working with the honourable member on it.

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The Speaker (Hon. Steve Peters): Supplementary.

Mr. John Yakabuski: Again to the Premier: We've discussed the real projected cost to consumers, including seniors and those on fixed incomes, and it's nothing close to what the Premier and the ministers have been suggesting. We know that the average bill is going to go up by at least 15 times what the minister's saying-and as much as 50 times

what the minister is saying—because he said 1%. That's more than \$840 per year when you factor in the recent HST McGuinty tax grab.

Premier, why are you so focused on putting the economy of this province in peril, instead of being right and straight with Ontarians and letting them know the real cost of your spend-and-green disguise?

Hon. George Smitherman: I think part of our difficulty in having a discussion with the honourable member on this issue is that he's not even quite sure what his report says, and he's certainly not presenting consistently what I've said with respect to the pricing implications of the Green Energy Act. What we've said is that we think there will be a 1% per year increase associated with the implementation of the Green Energy Act. That's not 1%; that's 1% per year, and obviously that's very different than what the honourable member has presented.

At the heart of it, though, we also think it's important that the group hired by the opposition takes into consideration the opportunities for people in Ontario and here in this Legislature, in our government buildings and in our homes, to reduce the amount of electricity we use. A strong proportion of the cost associated with the Green Energy Act, and captured in its numbers, is for these very initiatives. Why don't they give the people the benefit of the reductions in the actual use of electricity?

The Speaker (Hon. Steve Peters): Final supplementary.

Mr. John Yakabuski: In respect to what the minister has been saying, it's very difficult to present consistently inconsistency.

Ontarians are entitled to have the facts, not muddied waters. We've become, under your watch, a have-not province for the first time since Confederation. This is a time when we need to attract and retain investment, not scare it away with ever-increasing costs. It's clear from the responses outside of this Legislature that more cost-effective ways may exist and should be explored to achieve similar and higher amounts of avoided emissions and build a green economy. Are you willing to pull this legislation off the table, rethink and look at what's best for both the government and the economy and, most importantly, hard-working Ontario families?

Hon. George Smitherman: No, we won't be pulling the legislation back. We are, with the assistance of a legislative committee, looking for opportunities to enhance the bill, and I know that members on that committee are going to work hard to do so. We've always expressed our willingness to consider amendments as they come forward on numerous occasions. I've offered to meet with the honourable member to talk about those.

But he alluded in his question, I think rather vaguely, to the emerging policies of that party on energy. Are they, as six or seven of their members have said, in favour of the continuance, on a long-term basis, of coal? They were once against that, and as a

government, we've taken seriously the reductions, moving towards the elimination, by 2014, of coal. Do they believe in carbon capture and storage? That sounds rather expensive to me. They're going to take those smoke stacks and shove them into the ground? Where is their cost foundation for this?

We're moving forward with the Green Energy Act. It's an ambitious and bold opportunity to transition the economy here in the province of Ontario. But we look forward to the opportunities to get more input from the-

The Speaker (Hon. Steve Peters): Thank you.