



First Session - Thirty-Fifth Legislature  
of the  
**Legislative Assembly of Manitoba**

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**STANDING COMMITTEE  
on  
PUBLIC UTILITIES  
and  
NATURAL RESOURCES**

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39 Elizabeth II

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*Chairman  
Mr. Ben Sveinson  
Constituency of La Verendrye*



**VOL. XXXIX No. 8 - 10 a.m., THURSDAY, NOVEMBER 22, 1990**



**MANITOBA LEGISLATIVE ASSEMBLY  
Thirty-Fifth Legislature**

**Members, Constituencies and Political Affiliation**

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	Liberal
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CARR, James	Crescentwood	Liberal
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
CHEEMA, Gulzar	The Maples	Liberal
CHOMIAK, Dave	Kildonan	NDP
CONNERY, Edward, Hon.	Portage la Prairie	PC
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	NDP
DOER, Gary	Concordia	NDP
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	Liberal
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Clif	Interlake	NDP
EVANS, Leonard S.	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	NDP
GAUDRY, Neil	St. Boniface	Liberal
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
HARPER, Elijah	Rupertsland	NDP
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	NDP
LAMOUREUX, Kevin	Inkster	Liberal
LATHLIN, Oscar	The Pas	NDP
LAURENDEAU, Marcel	St. Norbert	PC
MALLOWAY, Jim	Elmwood	NDP
MANNES, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	NDP
McALPINE, Gerry	Sturgeon Creek	PC
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold, Hon.	Rossmere	PC
ORCHARD, Donald, Hon.	Pembina	PC
PENNER, Jack, Hon.	Emerson	PC
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	NDP
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	NDP
STEFANSON, Eric	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	NDP
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	NDP
WOWCHUK, Rosann	Swan River	NDP

**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**THE STANDING COMMITTEE ON PUBLIC UTILITIES**  
**AND NATURAL RESOURCES**

**Thursday, November 22, 1990**

**TIME — 10 a.m.**

**LOCATION — Winnipeg, Manitoba**

**CHAIRMAN — Mr. Ben Sveinson (La Verendrye)**

**ATTENDANCE - 11 — QUORUM - 6**

*Members of the Committee present:*

Hon. Messrs. Enns, Neufeld, Orchard

Messrs. Carr, Doer, Gaudry, Hickes,  
McAlpine, Reimer, Mrs. Render, Mr.  
Sveinson

**APPEARING:**

A. Brian Ransom, Chairman, The Manitoba  
Hydro-Electric Board

Robert B. Brennan, President and Chief  
Executive Officer, The Manitoba Hydro-  
Electric Board

**MATTERS UNDER DISCUSSION:**

Annual Reports of The Manitoba Hydro-  
Electric Board for the years ended March 31,  
1989, and March 31, 1990.

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\* (1005)

**Mr. Chairman:** I call the Standing Committee on Public Utilities and Natural Resources to order to consider the Annual Reports of The Manitoba Hydro-Electric Board for the fiscal years ended March 31, 1989 and March 31, 1990.

When this committee last met on Tuesday, November 20, 1990, we agreed to the motion proposed by Mr. Doer which states:

"I move the question under debate, the motion of Mr. Hickes and the amendment moved by the honourable Mr. Orchard be postponed until November 22, 1990, the next meeting of the Standing Committee on Public Utilities and Natural Resources."

I believe the item before the committee at this time

is a proposed amendment by Honourable Mr. Orchard to the main motion proposed by Mr. Hickes. Is the committee ready for the question for the proposed amendment? Okay, then we will proceed with questions if you wish.

**Mr. James Carr (Crescentwood):** I would like to begin by clearing up some statements made by the chairman at the last meeting of the committee, which bears directly on the motion and the amendment to the motion. The chairman, at the last meeting of the committee, said that he would resign if a legislative committee had passed a motion requesting that Manitoba Hydro set a level of energy conservation which he believed to be unattainable.

I would like to ask the chairman whether or not his threat of resignation was rooted in an opposition to taking any direction at all from a legislative committee, or the specifics contained within the motion. I think there is a very important distinction there, and it is important that the committee know why the chairman mused aloud of resignation, to clear the air as to the reasons that such a dramatic statement was made.

**Mr. A. Brian Ransom (Chairman, The Manitoba Hydro-Electric Board):** Mr. Chairman, actually it would be two separate issues involved there, as the Member has pointed out. I explained to the committee the last time the committee sat. I referred to the responsibility that the Manitoba Hydro board has under The Manitoba Hydro Act. No one else has that responsibility, only the board of Manitoba Hydro. I then outlined for the committee how Hydro does its long-term planning, and how the assumptions that are made affect the outcome of when the next plant is required, and therefore affect all of the decisions with respect to timing or planning and construction to meet that deadline.

\* (1010)

If Manitoba Hydro was directed, for example, to use a demand-side management target that was roughly three times as high as is presently in our planning, then that would mean that our planning

process would show we did not need to have Conawapa in place as early as would be without that assumption.

Assuming that the Ontario sale is ultimately approved and goes ahead, we would find ourselves in the position of having a commercial agreement with another utility to supply power to them beginning in the year 2000 for which we believed we needed the Conawapa dam, but based on the decision of this committee, our planning would tell us no, we did not need the dam until 2001.

The chairman of the board would be faced on the one hand with the best technical advice available, which is the way we make all of our planning decisions, and on the other hand a directive from a committee of the Legislature. Faced with that situation, then I say I would have no choice but to resign, because I could not fulfill my responsibilities under the Act under those kinds of circumstances.

Now, the second question is a more philosophical one. I think it is entirely inappropriate for a committee of the Legislature to be directing Manitoba Hydro to make decisions with respect to its planning. In this case it deals with demand-side management; it could conceivably deal with putting a three-phase power line into certain rural areas of the province, or it might deal with extending a land line to remote communities.

We would begin to see a committee of the Legislature usurping the responsibility which the Legislature itself has given to the board of Manitoba Hydro. What would be appropriate in my judgment, since the question has been asked, Mr. Chairman, would be for the Legislature to change the Act.

If the Legislature wants to see 10 percent of the supply of electricity in Manitoba met from non-utility generation or demand-side management or in some fashion like that, put it in the Act, and make sure that section of the Act then overrides the section that says we are supposed to do it efficiently. Otherwise we can find ourselves in a situation where you have two conflicting directives from the Legislature. Very briefly, that is my response to the questions Mr. Carr has placed.

**Mr. Carr:** Is that to say then, that the chairman of the board of Manitoba Hydro thinks it is inappropriate for the Government or through a Legislative committee to make any recommendations at all on the policy side of energy conservation, that that responsibility is exclusively

with the board of Manitoba Hydro, and if the Government were unhappy, and I am not sure the Government is unhappy, but if it were with the target set by Manitoba Hydro, then the only recourse that the Government would have would be to change the legislation and any other form of request.

It is not a demand, because I believe the wording of the motion is a request, not a demand; holding Manitoba Hydro to the targets which we believe to be more appropriate would be inappropriate. The Legislature and the Government therefore has no role to play short of changing the Act in implementing or requesting the implementation of energy conservation policy.

**Mr. Ransom:** Mr. Chairman, unfortunately we do not have the transcripts available from these proceedings, and so I cannot be precise about what I said, but my recollection was that I said I would either have to reject the request or resign if the request was in fact an imposition, because I would not feel that it could be met. On the question of can the Government make recommendations, would Hydro listen to recommendations from a committee like this, that is quite different. Hydro is always attempting to react to what the public wants, and we take expressions from the committee and from the Government clearly as being a very significant expression of public interest. That is quite different from receiving a directive as to how we should proceed.

\* (1015)

I would point out to the committee that in the case of Ontario Hydro for instance, they have a very specific mechanism provided for in their Act where the Government and the Minister can make specific recommendations to Ontario Hydro and the Act—I believe it is the Act, perhaps it is the agreement itself—says that Ontario Hydro in effect must listen to the recommendation that is made. There is a very specific mechanism in place. There are no mechanisms for that in place in Manitoba, and that is why over the years there have been so many problems with Manitoba Hydro as it relates to the Government.

I have recently been re-reading the Tritschler inquiry that goes back to the days when Government policy and Hydro policy became so closely intertwined that it was not possible to tell any more who was making the decisions and on what basis. That was judged not to be in the public

interest. The thrust was to separate management from Government but to hold Hydro responsible for its actions.

Hydro in the last couple of years has become more open in its activities than it has ever been before and is more accountable than it has ever been before, and it will continue to be accountable for the decisions that it makes, but it must have the ability to fulfill its obligations under the Act.

It is just not possible to say at the moment on a theoretical basis how policy can be passed on from the Government to Manitoba Hydro. I could give you examples of how it has happened in the past that there have been some policy questions that have been legislated, for example, pay equity. The Legislature decided that pay equity should be implemented, and so the directive was there to Manitoba Hydro to implement it.

There have been other examples where it was a question of Government policy, and I suppose an example of that would be affirmative action programs, the French language. There is nothing in legislation that says it should be done, but it is very clearly a policy directive that it be done. There are other examples that are very difficult to identify, but they have taken place on an ongoing basis over the years, where discussions between respective Ministers and board chairmen and senior management and board Members leads to the board changing direction somewhat.

One example, I suppose would be our Premier giving a written indication to Manitoba Hydro that he supported the idea of going back and reviewing the impacts of the Grand Rapids development. It happened to be a policy direction or suggestion, request that the board of directors, chairman and senior management at Manitoba Hydro concurred with and so led to the settlements that took place last week.

\* (1020)

There are many different levels at which Manitoba Hydro takes its direction, but it is in my judgment absolutely inappropriate that this committee attempt to tell Manitoba Hydro what kind of information should go into its planning process.

**Mr. Carr:** Mr. Ransom has just said that there are a number of specific examples where Hydro followed directives from the Government, in spite of whatever legislative barriers there might be for some kind of direction, and he gives examples that are worthy of

repeating. He used the example of pay equity; he used the example of mitigation with Grand Rapids bands; he used the example of French language services, all of which are important policy matters, probably as important as the issue of energy conservation.

The argument that the chairman is making, presumably is that the Government has the necessary expertise to make policy directives on French language services, pay equity and mitigation to Grand Rapids bands but does not have the necessary expertise to make direction on the question of energy conservation, which leads me to my next question.

May I say that the Premier (Mr. Filmon) yesterday during Question Period did not clear up the confusion but rather muddied the waters. In response to questions that we asked—it was interesting actually, because not only were there internal contradictions between the three answers that the Premier offered, but there were also contradictions against previous statements.

The first question was the one we are debating now, and the Premier took the view of the chairman, that Manitoba Hydro has the necessary expertise and technical competence to establish its own energy conservation goals, therefore it was not in the purview of the Government to make directives. Literally two minutes later, in response to another question, the Premier said that no, it was not the Public Utilities Board, no, it was not the board of Manitoba Hydro which would finally determine the appropriateness of the Conawapa deal, but it was the Government.

Heaven knows that there is no more complex arrangement that we have seen in the last 20 years than the 1,000 megawatt export sale to Ontario Hydro. The Premier is saying the Government does not have the competence nor the appropriate role of requesting, never mind demanding, that Manitoba Hydro establish certain energy conservation goals, but indeed the Government does have the final say, and ought to have the final say, on a \$6 billion export agreement in the building of the Conawapa dam. The obvious question to Mr. Ransom, since he put on the record at this committee just two days ago that it was indeed the board of Manitoba Hydro which would have the final say in the wake of the PUB recommendation: Who is right, the Premier or Mr. Ransom?

**Mr. Ransom:** Both of us are right, Mr. Chairman. The Premier's statements are entirely consistent with the facts. The way Mr. Carr paraphrases the Premier's answer with respect to targets not being set by the Government but being set by Manitoba Hydro is entirely appropriate. It is consistent with what I have been saying to the committee.

The Government might take an interest in that, but the Government clearly knows also that the Public Utilities Board has spent 19 days in evidentiary hearings, another two days of final argument, and that they will be making recommendations with respect to demand-side management. They know that it is not only Hydro's position that is being put forward, they know it is being examined by an objective board on the basis of evidence given by interveners who have different positions.

With respect to Conawapa, they are required by the Act to approve of an export sale, and since this whole question of Conawapa is being governed basically by the Ontario sale at this point, then the Premier is absolutely correct that they would have to make the decision according to the Act. They would be failing in their obligation if they did not make that decision.

\* (1025)

It is also Manitoba Hydro's decision, based on the agreement with Ontario that says that if we do not get a recommendation from the Public Utilities Board that incorporates the Ontario sale in a manner satisfactory to Manitoba Hydro, then we have the option of withdrawing from that agreement. We cannot ourselves make the decision, the ultimate decision to go ahead with the sale and conclude the agreement and proceed with it, without Cabinet approval.

We have to make our decision first, and then the Government has to make their decision. I have said, and I believe the Premier has said, that although the Public Utilities Board does not technically have the power to approve or disapprove, they clearly have been given a great responsibility in reviewing this whole question and making a recommendation. Hydro and the Government, if they fail to follow the Public Utilities Board's recommendation, would do so at great peril, but technically the Public Utilities Board cannot approve or disapprove.

**Mr. Carr:** Again, here we have a contradiction in positions. The Premier said during the radio debate among Leaders in the election campaign that he

would not overrule the Public Utilities Board's recommendation, which was tantamount to a transfer of authority, which is a transfer of authority from the Government to the Public Utilities Board.

The Government said that it technically has the final say. In fact, the Public Utilities Board has the final say, because the Government would not overrule a recommendation by the Public Utilities Board, yet yesterday, in response to questions in the House, the Premier said something quite different. He said that the Public Utilities Board was reviewing Conawapa, and the Government would take it very seriously, but the Government would make the final decision, so I think there is a distinction here and a rather important one.

At the heart of the problem, I believe, is that there are too many levels of authority. We have not even begun to discuss the role of the Crown Corporations Council in all of this. We know that it has a legislative mandate to review the Crowns, including their capital plans. We do not know just to what extent the Crown Corporations Council has used its own expertise, whether or not there is a parallel process to the PUB, or independent experts are giving advice to the Crown Corporations Council. There was tremendous confusion in the House whether the Crown Corporations Council would indeed have a recommendation for the Government by December 31st or not.

When first asked, the Minister of Finance (Mr. Manness) said no, he did not think so. Overnight, he thought about it and said well, maybe, which gives rise to a whole series of questions of who has ultimate authority and just how one weighs the balance of potentially competing advice. I do not want to get into a long conversation about that now, because we have the motion in front of us, and I think it would be useful, if my colleagues agree, that we spend a little time on the goal of 100 megawatts of saving by the year 2001. Let me begin by asking the president -(interjection)- Pardon me? Do you want to? Go ahead.

**Mr. Gary Doer (Leader of the Opposition):** I would just like to pursue the authority issue again. I do not want to deal with this ad infinitum, but I was at an Eco-Network debate with the Leader of the Conservative Party, the Premier (Mr. Filmon), during the election, and it was clear to me that the Public Utilities Board would be making the de facto decision on proceeding or not proceeding with Conawapa and the export sale. In the committee on

Tuesday it appeared to me that the chair of the board was quite a bit different in his answer that it would be only a recommendation to Hydro board. Yesterday in Question Period—it was not my question but Mr. Carr's question—it appeared again that the Premier had moved to a position of it is only a recommendation. I guess I am a little confused.

\* (1030)

The question I would ask then to the chair of the board: Will the Hydro board abide by the decision of the PUB or not? It has had the hearings, et cetera, and it was certainly my understanding—I was at the debate, I was there, and I applauded the Premier, quite frankly, for putting it to the PUB. If we look at the Churchill River project, there was no discussion, public debate. If we look at Limestone, it was the National Energy Board before the federal Environment Act was passed and the provincial Environment Act was passed.

Conawapa has the PUB and it has environmental hearings, et cetera, and I think that is great. I applaud every time we move it more open; I applaud whoever does it. I just want to know where I stand at the end of the day. Are we saying there is a possibility that the Hydro board will reject the recommendation of the Public Utilities Board in a week?

**Mr. Ransom:** Mr. Chairman, I see no inconsistency whatsoever in the statements that have been made. The statements are either technically correct, or they are an indication of how Government, and in the case of Hydro, how we intend to react. If in the one case, someone is being pressed for a technical answer, then fine, you give the technical answer, the Public Utilities Board does not have the approval. If you want a practical answer, I have stressed many times before the Public Utilities Board and publicly that we intend to pay a great deal of attention to the recommendation of the Public Utilities Board, but we have not given up our obligation to act in our best judgment.

Perhaps there is a certain aspect of this discussion, Mr. Chairman, that I have some difficulty with in that the Public Utilities Board is going to be reporting next Friday, and everyone will have an opportunity to see very shortly thereafter what the response is. We are being asked a hypothetical and theoretical question at this point in time.

**Mr. Doer:** It is not theoretical. It comes to the nub of what we perceive to be—I am not talking about the

technicalities now; I am talking about the stated position of the Government and through the Premier.

At the Eco-Network, I was there, and the statement was made: The Premier will abide by the decision of the PUB. Your statement today is: We will pay a great deal of attention to the PUB. I guess I want to know: Are we going to take the public statement of the Premier during the election when this issue was being debated? Will we be abiding by the decision of the PUB, or the recommendation of the PUB, or will we just be paying it attention? That is where I see the differences.

I was there, I was sitting beside him when he said: We will abide by the decision of PUB, it is the first time ever we have had that, it allows everybody to come forward. He was using that after he said he would abide by the decision of the Clean Environment Commission on Oak Hammock. I just say that to the chair, the Premier said he will abide by it. The board is saying it will not, it will only pay attention to it. I just want to get this clear.

**Mr. Ransom:** Let us take an example, Mr. Chairman. Let us suppose that the Public Utilities Board accepted some of the urgings of the interveners and set a demand-side management target for the year 2000 of 10 percent -(interjection)- Well, they were urged to go with 10, and so that would mean at least 500 megawatts demand-side management by the year 2000.

If their recommendation is, "You must have 500 megawatts of demand-side management, we also recommend that you go ahead with the Ontario sale, by the way, to start in the year 2000," my response would be we cannot do it. I would certainly recommend rejection, backing out of the Ontario sale, because in that case the recommendation we received from the Public Utilities Board would incorporate the Ontario sale, but it did not incorporate it in a manner that was satisfactory to us. We would have no confidence that we could fulfill our obligations under the sale.

Given the urgings that interveners made upon the Public Utilities Board, and one can only assume the interveners intervene in a responsible fashion, the Public Utilities Board might respond in a responsible fashion and come up with a recommendation that we would find to be unacceptable. In that case, the decision that I would make is we cannot do it, we will back out of the sale.

**Mr. Doer:** The Public Utilities Board would likely come in with the decision—Well, I cannot guess, but the bottom line is I am trying to get at this fundamental difference between you and the Premier.

I understand the answer you have given us. You have tried to give us an answer. You have anticipated what the PUB would do, just in terms of a way in which you cannot implement it, but the Premier said that he would abide by the decision of the PUB and you are saying, "We will pay a great deal of attention to it."

Yesterday, the Premier was much closer to your position than where he was when I sat beside him in the Eco-Network. I am just trying to figure out where we are—you are right, next week—with the Government. I would ask the Minister: Is it your ministerial direction that we will abide by the PUB decision which the Premier stated to the public, or is it your position that we will only pay attention to it?

**Hon. Harold Neufeld (Minister responsible for the Manitoba Hydro Act):** You can go back in Hansard as long as you like. I have said from the start and I will say again, the ultimate decision will be that of the Government based on the recommendation that we receive from the board. Obviously, the Government has to make the decision because the financing is going to be done through the Government. Obviously the Government has to make the final decision, and if it is a difficult decision, the Government will have to make it. If the PUB, for example, recommends not to go ahead, an alternative has to be found, and it is up to The Manitoba Hydro-Electric Board to find that alternative. If they cannot find the alternative, a decision has to be made, but the end decision would be that of Government.

**Mr. Doer:** The Minister just said the decision will be Government, the Premier said he will abide by the decision, and the chair of the board said it was the authority of Hydro. We can go back. I could show you the Hansard. I could show you the Eco-Network debate, et cetera.

I want to come back to another point on this authority. It is the PUB, as the chair of the board has properly identified, who could come back with a decision on demand-side management, as we have suggested in this Legislature. It is interesting that we do not have the authority to request Hydro to come

back with that and the PUB might. It is also interesting that we on one hand have to deal with the loan authority in the Legislature. We have to deal with all the loans. We have to approve all the money, stick our hand up or down. We have all had to do that, I guess. All the money, all the risks, all those things that keep getting waved at each of us as they develop over years. We have to approve all the cash in the Legislature, and we do not have any say on a potential way of decreasing the loan authority through conservation.

It seems to me that we have been given, under Mr. Ransom's scenario of the authority of this committee—which is not to direct Hydro; it is to request Hydro. That is very different. If we had directed Hydro it would have been ruled out of order. If we look back on the precedent, in fact former Chairperson Enns ruled in a motion on MPIC that requesting was completely in order.

The Conservative Members of this committee watered down our motion incredibly, and I know the Member for Pembina (Mr. Orchard) is a clever fellow. Having said that, they still did not say the motion should be defeated because it could not go to Hydro. They amended it. It seems to me that this committee fundamentally disagrees with the chair of the board. We believe, and I personally believe, that we should be able to have request to Hydro and on the conservation side, if we are asked to deal with all the other components of it, i.e., the loan authority. I just really disagree with the chair of the board about the role of this committee. If we were ordering Hydro to do something, then I think it would have been ruled out of order. Requesting a target I think is an expression of public policy. The Government has the right to defeat it or amend it, as they did, but I think we have that authority, and not only that, I think we have the obligation to do it. I respectfully disagree with the chair, and so be it.

**Mr. Ransom:** Mr. Chairman, I believe my response on Tuesday was that, if requested, we would reject the request. If directed, that is when I said that I would have no choice but to resign, if I did not feel that Hydro could meet that, and I do not. A request to consider is entirely appropriate, to consider, but if requested to put that into our planning, I would reject the request.

\* (1040)

On the question of the Public Utilities Board recommendation, perhaps what the Member would



like to hear, and which I can certainly assure him of from my perspective, is that if the Public Utilities Board concluded that the Ontario sale was a bad deal for Manitoba Hydro and for Manitoba consumers of electricity, we would not proceed with the sale. If the Members are at all concerned about Hydro wanting to proceed with something that is judged by the Public Utilities Board not to be in the interest of our consumers, then I can assure you very definitely we would not proceed. It is the possibility of receiving a recommendation that says the sale is good, but you do not supply the sale in the way that you want to. In that case then, we might reluctantly have to reject it and back out of the sale.

**Mr. Doer:** I am curious. Bad deal or good deal, I think we all know that is not the kind of recommendation—what I am concerned about is what the Government will do if it gets a recommendation to proceed with a management conservation system similar to other utilities in the country at 6 percent, and delay the sale to Ontario, and delay the construction of Conawapa to provide Manitobans with better options, and analyze the fact that the sale makes sense in terms of its cost-benefit ratio, but a further, more aggressive conservation policy could give us greater cost-benefit and greater potential and greater flexibility.

That is where I am really concerned, that Hydro will then reject through the chair of the board that advice, and we will have missed this opportunity through public debate on a conservation target that is deemed by an independent body to be appropriate, and through cross testimony and public testimony to be appropriate. That is why I say that I think we should be—I agree with the Premier's position that we would abide by the decision.

**Mr. Neufeld:** I would like to correct Mr. Doer. I have indicated to this committee that I would commit myself to bring the chairman and the executive of Manitoba Hydro back to this committee after the recommendation from the Public Utilities Board comes in, so you will have the opportunity to debate.

**Mr. Ransom:** The simplest solution would be to wait to see what the Public Utilities Board recommends and see how the board of Manitoba Hydro reacts at that time. It is under this Government and under this board that Manitoba Hydro has agreed at all, and has requested the opportunity to go to the Public Utilities Board and have a public hearing, so that the public has a chance to put their views forward and

to have some comfort that what is ultimately done is in the public interest.

It is under this Government and this board that Hydro adopted a demand-side management target, which they had not done before. If Hydro had proceeded as the direction was going at the time that I assumed responsibility for the chairmanship, and the Upper Mississippi Power Group was being negotiated with respect to a 550 megawatt sale—we were accused at this committee two years ago of having blown that sale. If that sale had proceeded, Conawapa would have had to have been built by 1998 at the latest; there would have been no time for Public Utilities Board reviews, even if there had been a desire to proceed; there would have been no time for proper environmental reviews whatsoever. It is only under this Government and under this administration that we finally have an open accountable process with Manitoba Hydro.

**Mr. Doer:** One question I asked was not answered. Do you not think it is a proper forum for us to discuss one side of the equation, energy conservation, when we have as legislators responsibility—the Minister of Finance (Mr. Manness) has articulated it a number of times—to deal with the other side of the equation, and that is financing?

Does it not seem to make sense that we can deal with both policy issues as legislators and not only deal with, but we have a responsibility to deal with that?

**Mr. Ransom:** Of course, Mr. Chairman. In the sense of discussing and giving some sense to the board of Manitoba Hydro and to the senior management at Manitoba Hydro as to how the legislators of this province view demand-side management, say, specifically some indication of whether it has to be met by being cheaper than the alternative supply, whether there is a feeling that it should move in the direction of meeting higher targets irrespective of the cost that is involved, and the impact on consumers, all of those sorts of things in terms of an indication of public understanding and public positions are entirely appropriate.

It is when the Crown corporation is directed to do a certain thing. I know this is not a direction. What I said two days ago was that if it was a request it would be rejected, if it was a directive from the Government then I could not accept that directive.

I am extremely pleased to hear on a personal basis, and from what I know of my experience at

Manitoba Hydro, that the Members of the Legislature are endorsing what we have done with respect to demand-side management to the extent that we have, and indeed they want more. We want more.

Manitoba Hydro would like to achieve more, because if that is the cheapest way of supplying electricity to meet the demands of the people of Manitoba, then that is what we should do. The problem is, at the moment, we do not know to what extent we can go beyond where we presently are. That was the subject of a great deal of debate at the Public Utilities Board and we look forward with great anticipation to the report from the Public Utilities Board because, quite frankly, if you sat and listened to all of the technical interventions with respect to demand-side management, it is quite difficult to draw a conclusion about what would be a reasonable target for us.

\* (1050)

We look forward with great anticipation to the Public Utilities Board report. We also feel that there is a great opportunity in the years following our proposed plan to construct Conawapa, that there is a great opportunity to delay the next plant for an indefinite period of time. If demand-side management proves to be as good as many people say it will, then there is tremendous opportunity to delay construction thereafter.

At that point, of course, the legislators of this province would have to then address a really basic question of: Does this province want to develop its hydro-electric resources for the economic benefits that can flow therefrom, or do you want to delay indefinitely the development of the hydro-electric resources of this province and go with some other source?

I believe then you are into an area that only the legislators of the province, only they can make the decision in those areas. It is when we are into this level of ongoing management of the corporation where I believe it is inappropriate for a committee, or for the Government for that matter, to direct how it should be done.

Just a couple of moments longer, Mr. Chairman, because there was reference made earlier to programs like affirmative action or French language services that, where the policy was communicated to Hydro in other than legislative form, we were prepared to accept that sort of direction, because for

one thing, it was an expression from the Government of what they wanted done. It also did not bear on the ability of Manitoba Hydro to meet its fundamental responsibility, which is under Section 2 of the Act which says that we have to supply power adequate to meet the needs of the province. Implementing the affirmative action program or French language services does not in any way impinge on our ability to meet our obligations under the Act, but if you tell us to include a certain planning assumption in our day-to-day activities that would change the time when we are predicted to have the next plant in place and change the expenditure of \$6 billion over that period of time, then that is inappropriate.

**Hon. Harry Enns (Minister of Natural Resources):** Mr. Chairman, I do not wish to prolong the discussion on this motion. I think the chairman of Manitoba Hydro summed up the discussion this morning very adequately in his last few statements. It is a matter of fact that Manitoba Hydro management has before it certain basic objectives, indeed contractual arrangements, to consider in that planning, and it seems to me that is being missed in some of the earlier discussions on this question of to what extent the management of Manitoba Hydro takes advice or direction from the Legislature and/or from Government from time to time.

The simple fact of the matter is that an obligation—that certainly the Government hopes will be fulfilled, namely a substantive export power arrangement. I, like the chairman of Manitoba Hydro, look forward to the results of the first-time-ever extensive review by an objective body, namely the Public Utilities Board, when they come down with their review of those proposed export sales that are an extremely important and integral part of the planning steps that Hydro management is certainly very much obligated to fulfill.

When that is put together in that planning process the chairman refers to from time to time, it is inappropriate, as legislators or indeed as Government, to direct otherwise that would upset and would call for a different sequence of planning steps to be taken by Manitoba Hydro. Mr. Chairman, the history of the relationship with Manitoba Hydro and/or the Government particularly in the last several decades is replete with instances where advice, direction by Government has in my

assessment fundamentally interfered with sound planning processes at Hydro.

Those of you who have taken the time, those of you who recall a detailed examination of this aspect of the relationship between Manitoba Hydro and the Manitoba Government by the reading or the rereading of the Tritschler report, will understand what I am referring to.

It seems to me that there is ample reason to be concerned that governmental advice or governmental requests, if not clearly separated as to where advice or direction impacts directly on the management decisions that Hydro must meet to fulfill the obligations under the Act, which the chairman quite correctly on several occasions has repeated for us. There is a clear mandate that Manitoba Hydro is obligated to follow.

Some of the greatest arguments and controversies revolving around the relationship of Manitoba Hydro and legislators and indeed the general public have been when that simple fact has been questioned. Was a direction that Hydro pursued from time to time not in adherence with what I consider to be a fundamental part of their mandate which, as a chairman of Manitoba Hydro has challenged us, we can change if we wish to. We may wish to change or future legislators may wish to change, and we certainly have that unquestionable right to do so. That is the route that we can follow upon due deliberation and consideration, and the only route.

Mr. Chairman, let me simply put on the record that—both the Premier and the chairman of Manitoba Hydro have already done so, but it just bears putting on the record time and time again. This is the first instance where a major new capital development project by Manitoba Hydro is receiving this kind of wide, broad, public scrutiny in its history.

The massive project of Limestone was not considered in this way, was not considered by the Manitoba Clean Environment Commission. It certainly underwent debates in the Legislature and at committee, and surprisingly some things do not change. A great deal had to do with the timing that was being questioned at the time by different Members of the Legislature, including Members like myself. We seem to keep wanting to interfere in that fundamental questioning with the management of Manitoba Hydro, because this is a timing question.

As I understand the Chairman's concerns, it is

being—Oh, I want to be charitable this morning. I appreciate that Honourable Members opposite wish to align themselves with a concern that all of us have of conserving energy in whatever way and manner we can.—That is an understandable, acceptable, but also in political terms, a populist position to advance. I here have heard nothing from the chairman of Hydro or from the Government or from my Premier that does not concur with that desire to move in that direction.

\* (1100)

What I hear though, specifically in the motion put forward by the Honourable Member for Churchill, or Point Douglas (Mr. Hickes)—pardon me, I have a tendency to address the Member for Point Douglas from his former residence—that what that motion implies in setting a specific target interferes in the planning process at Manitoba Hydro. The chairman of Manitoba Hydro has taken pains to point that out.

The amended motion before us, as put forward by my colleague, the Honourable Minister of Health, Mr. Orchard, introduces some additional elements to that overall concept that he particularly shares and has expressed over many years—certainly not new—that Manitoba Hydro should be encouraged to look at all and whatever avenues are open to them in the future with respect to conservation of energy, but it does not dictate, does not direct, does not spell out a specific objective in numbers that is proving difficult for Manitoba Hydro to accept.

I would rather not wish to put Members of the Legislature or myself into a position knowingly of approving or passing a motion that cannot be accepted by the management at Manitoba Hydro, that invites rejection of a formal motion put by Members of a legislative committee. I have too much respect for the role of those Members of the committee as legislators. I have too much respect for the responsibilities that senior management and the chairman of Manitoba Hydro have with respect to carrying out the functions of the Act, and the Act is very clear. Mr. Chairman, I would invite you to consider the question on this matter and be done with it.

**Mr. Carr:** I was interested in the remarks of the chairman that he can see, and he even gave us an example, how a recommendation of the Public Utilities Board would be unacceptable to Manitoba Hydro and therefore rejected. He gave us the example of 500 megawatts of demand-side

management while at the same time proposing that the Ontario sale go ahead. He is creating a scenario whereby Manitoba Hydro would reject the Public Utilities Board. Now we are not in the business of trying to guess what they may or may not do, although in his hypothetical example, the chairman does provide us with a scenario whereby Hydro would reject the PUB recommendation in spite of the fact that the Premier has said he would abide by whatever recommendation came from the PUB. There is obviously a substantial contradiction there that will have to be sorted out at the time of the PUB recommendation.

I would like to ask the Minister at this stage what role the Crown Corporations Council is playing. The Minister of Finance (Mr. Manness), after a change of position, has now told us that the Crown Corporations Council will indeed make a recommendation to the Government by December 31, 1990. Again, without wandering off too far in the realm of the hypothetical, it surely is possible that the Crown Corporations Council will make a recommendation which is at odds with the recommendation of the Public Utilities Board which gives rise to what the chairman and the Minister may think to be a nightmare scenario, but I think it would be useful now for us to have some sense from the Minister as to what he expects from the Crown Corporations Council and when he expects it.

**Mr. Neufeld:** The council reports to the Minister of Finance, and I do not want to be presumptuous and anticipate the report they are going to make. I do know that throughout the hearings the council had representatives at the Public Utilities Board and undoubtedly are well aware of the representations that have been made by the interveners and are well aware of the cross-examination of those interveners. They will undoubtedly review the report that is handed down by the Public Utilities Board as early as next week, and they will then make a recommendation presumably. I do not want to presume to know; I do not want to pre-empt their recommendation in any way. I think they will come down with one, and when the time comes it will be accepted by Government and will be reviewed. To try to presume the recommendation of the council at this point in time I think would be a little presumptuous on my part.

**Mr. Carr:** We do have to presume a certain number of things, Mr. Chairman. The first thing we have to presume, or at least to speculate, is whether or not

the Government will be in possession of a recommendation from the Crown Corporations Council some time in advance of the ultimate decision to be taken, the decision the Premier says which will be taken by the Government presumably before December 31, because after December 31 it becomes increasingly expensive not to make a decision. Let me ask the chairman or the president of Hydro to give us some sense of communication that they have had with the Crown Corporations Council. How many meetings have there been? What has been the nature of those meetings? Does Hydro expect that there will be a recommendation from the council before December 31?

**Mr. Ransom:** We have met with the Crown Corporations Council on two occasions I believe within the last year, and have provided them with all the information that has been provided to the Public Utilities Board, and they have had a representative sitting at all of the Public Utilities Board hearings. I think, Mr. Chairman, that there is unlikely to be an unsurmountable problem from Hydro's or the Government's point of view, although it is possible that there can be conflicting reports.

It is useful to understand that all of the efforts that have been undertaken by the Crown Accountability Council through the Public Utilities Board process have been undertaken in an effort to have greater public scrutiny of actions taken by Manitoba Hydro. Clearly, the purpose has been one of advancing the public interest. Ultimately, the Government has to accept the responsibility for what happens. Ultimately the Government carries the can for the decisions that Manitoba Hydro takes, although along the way clearly the board has to accept responsibility as well. Ultimately when things do not go well it is the Government that is held responsible, so the Government has taken some action to try and expand the opportunity for the public interest to be served in this province.

The question seems to be now whether there is a possibility that there might be contradictory advice coming from the bodies that have been asked to make recommendations with respect to public policy, and there is some question about whether there is a firm commitment to follow a recommendation, or whether there is only a commitment to pay attention to the recommendation and to reject it at Hydro or Government's peril.

In practice, what we have here is a series of actions on the part of Hydro and the Government

intended to serve the public. The outcome of it will hinge very extensively on the report of the Public Utilities Board, which I say again is due next Friday. The Crown Accountability Council has indicated that it will be able to have its report in before the end of December, which is the deadline that Manitoba Hydro has to make a judgment with respect to the Ontario sale. It seems that this debate at this point in time is, to a very considerable extent, trying to prejudge something that we will all know within a matter of a week or two.

\* (1110)

**Mr. Chairman:** Is the committee ready for the question for the proposed amendment?

**Mr. Carr:** I would like to get into a discussion with the president of Manitoba Hydro on his projected 100 megawatts of saving. Let me begin by asking him how the goal was determined.

**Mr. R. B. (Bob) Brennan (President and Chief Executive Officer, The Manitoba Hydro-Electric Board):** The goal was determined as a result of discussions between management and the board of Manitoba Hydro in September of 1989.

**Mr. Carr:** I would like the chairman to give us a little bit of detail on the kind of commitment the corporation is making to reach that goal. We may quibble over whether or not something greater is achievable or not, but what we will not quibble over, at least what we will want to know in as much detail as the president can provide, is how the corporation intends to get there. Who is responsible for the savings of 100 megawatts, and what level of authority is this person given? What are his or her qualifications? How much staff do they have, and what is the schedule of implementation of the policy?

**Mr. Brennan:** The actual responsibility is vested with the vice-president of customer service. He is a manager who is involved in this particular project. He is the manager of customer advisory services and energy management. We are forecasting to spend \$115 million. We have developed at this point avoided costs which are equal to most electric utilities in Canada that approach the neighbourhood of 4.6 cents per kilowatt hour. We are going to start with the most cost-effective programs, and we have already approved in principle a major street-lighting program that will be implemented over the next five years.

In terms of staff, he is in the process of gearing

up. I do not know the exact number of staff, but we can provide it for you.

**Mr. Carr:** What is the mandate of Manitoba Hydro's energy conservation program?

**Mr. Brennan:** I do not have it directly in front of me, but we can provide that for you. Of course, the objective is to achieve as much as practically possible that is cost effective.

**Mr. Carr:** Last year Hydro operated a program which gave \$5-dollar rebates to people who purchased outdoor timers. Your report indicates that 6,000 rebates were issued, costing Hydro \$30,000 plus administration. Can the president tell us how much power this program saved?

**Mr. Brennan:** I believe the number is two megawatts.

**Mr. Carr:** Two megawatts?

**Mr. Brennan:** The target was two megawatts.

**Mr. Carr:** The target?

**Mr. Brennan:** We targeted for 5,000 and achieved 6,000. Based on the 5,000 target, it was two megawatts.

**Mr. Carr:** Ontario's power-saver program is broken down into three segments, residential, commercial and industrial. Those segments are broken down again, five components in the commercial, office, retail, hospitality, multi-residential and institutional. Conservation programs are then generated for each of these components. Can the president describe how Hydro is targeting its conservation plans in these areas?

**Mr. Brennan:** Yes. We are looking at each sector of our loads and attempting to determine which are the most cost-effective programs. The biggest thing we are going to do is, we are trying to take advantage of other utilities' programs by looking at a national utility umbrella group. We are in the process of doing that and hope to have it completed by the end of December. We are hoping that all the utilities can get together, so that we can influence what happens in the marketplace.

Manitoba Hydro has approximately a 4 percent share of the market in terms of the Canadian influence on manufacturers and that sort of thing, and we hope that by forming a national group we can influence manufacturers, as well as take advantage of other utilities' programs from those utilities that are more advanced in the process than we are.

**Mr. Carr:** In the commercial field, Ontario Hydro provides free energy audits for commercial buildings. The audit analysis would recommend things like replacing existing lighting with energy efficient fixtures, insulation and weather proofing, adjusting building temperatures when the building is not occupied, installing electricity-demand controls and occupancy sensors, replacing old motors with high-efficiency motors. Many of the recommendations are then eligible for Ontario Hydro incentive programs.

Can the president describe Manitoba Hydro's commercial energy audit program and what incentives are made available through it?

**Mr. Brennan:** Yes. Right now the Province of Manitoba, I believe through the Energy Bus Program, does energy audits, not Manitoba Hydro. We do provide services to various industries on demand-side management, and at this point we do not have specific programs in the commercial area other than the street-lighting program that I referred to earlier.

**Mr. Carr:** In addition to retrofitting, Ontario Hydro have what they call a Savings by Design program, which pays up to 50 percent of the feasibility study on energy efficiency for new buildings and up to \$300,000 for design modifications that conserve energy.

B.C. Hydro has a new building design program which will pay 80 percent to 100 percent of the difference in cost between energy efficient and standard equipment. For larger buildings other incentives are available.

Just as an example, for the edification of the committee, when the new Toronto Dominion Centre was built, what role did Manitoba Hydro play in ensuring that it was energy efficient?

**Mr. Brennan:** That is a Winnipeg Hydro customer, and we would not talk to a Winnipeg Hydro customer.

**Mr. Carr:** Well, then the same question for buildings which are within your customer service area.

**Mr. Brennan:** In going back to the other one, we talk to all the architects, consultants, have seminars with them, provide information continually with them and continually meet with them all, in terms of all the energy efficient type applications that are available with current technology.

\* (1120)

**Mr. Carr:** Mr. Chairman, I would like to move a sub-amendment to the motion. It reads:

Amend the amendment by deleting all the words in the first paragraph after the word "2001," and adding thereto the following words, "of 6 percent of projected energy load;" and

That the second paragraph of the amendment to be amended by deleting all the words "a 6 percent saving and to provide technical advice as to the feasibility of achieving."

The motion now reads, and I move:

That this committee call upon the provincial Government to request that Manitoba Hydro consider the feasibility of setting such energy saving goals by the year 2001 of 6 percent of projected energy load; and

That this committee call upon the provincial Government to request Manitoba Hydro to report in the 1991-1992 fiscal year to this committee on the feasibility of achieving a 10 percent energy saving by the year 2001.

**Mr. Chairman:** Mr. Carr, would you supply that in writing to the Clerk, please? Would the committee be receptive to a five minute recess? Okay. We will take five minutes.

\* \* \*

The committee took recess at 11:21 a.m.

### After Recess

The committee resumed at 11:32 a.m.

**Mr. Chairman:** Order, please. I have reviewed the sub-amendment moved by Mr. Carr, which states: to amend the amendment by deleting all words in the first paragraph after the word "2001," and adding thereto the following words, "of 6 percent of projected energy load"; and

That the second paragraph of the amendment be amended by deleting all the words, "a 6 percent savings and to provide technical advice as to the feasibility of achieving";

and believe it to be out of order on the grounds of Beauchesne's Citation 578, Section (2) which states: "An amendment which would produce the same result as if the original motion were simply negated is out of order."

**Mr. Carr:** Just one comment for the record, we had

an opinion from the Clerk's Office as recently as this morning that this amendment was in order.

**Mr. Chairman:** First of all, Mr. Carr, it is my understanding that the research staff was informed that this motion was out of order, so in fact now, it is ruled out of order.

### Point of Order

**Mr. Doer:** On a point of order, and I am sure Mr. Carr agrees with me, that the Clerk's staff are excellent in giving us all advice, and I do not think any of us want to reflect on the ability of the committee. The odd time we have made a mistake where the odd word got in that we did not show the Clerk's Office and they ruled out of order too. I think it gives Mr. Carr the ability, and I offer this from our perspective, to perhaps work on something down the road on the motion. I would like to go back to energy conservation. I have finished my point of order.

**Mr. Chairman:** Mr. Doer, you did not have a point of order, but thank you for the comments, and we will go on.

\* \* \*

**Mr. Doer:** Moving on to energy conservation, we have a motion on the floor from the Member for Pembina (Mr. Orchard), and we have some other material. I would note that in the recent Speech from the Throne from Ontario that the Government of the Day has signalled clearly that they are even moving further ahead on energy conservation. They are moving ahead from the 6.7 percent that is in the material filed with the PUB to somewhere in the teens, I would imagine, with their commitment to bring in a moratorium on nuclear power in the 12 new proposed plants in the Province of Ontario.

Certainly, as we speak, we have tremendous leaps taking place in the country. I am just imploring the Conservative Members of the committee to consider our main motion with the word "request". I emphasize that word "request" greatly. I do not want to use the analogy of the free trade debate from the former Liberal Finance Minister, Don Macdonald, now the present London High Commissioner, but he called it a leap of faith, not a leap forward.

I would ask the Minister if he has read the most recent edition of Scientific American dealing with Energy for Planet Earth, the Efficient Use of Electricity, and how does that fit with his 2 percent targets on energy conservation?

**Mr. Neufeld:** I have not read all of it, but I have seen some graphs which indicate that Manitoba ranks fairly high in the increased incremental energy use over the last year or two. I think that the targets that are set are like budgets that are set. They are set by the people who have to achieve them. The shareholders may not agree with those targets, and they can discuss that with them, but they cannot impose targets that the management themselves think are not achievable. I think that is where we differ with the views of the Opposition Members.

**Mr. Doer:** I will send a copy of this to the Minister, but I would note that in California—and first of all I would like to say, and the chair of the board is quite correct, that Manitoba Hydro has for the first time established a target. I could argue about energy councils that have been disbanded and Home Chec programs and everything else, the bottom line is David Peterson did more than Bill Davis, and Bob Rae is doing more than David Peterson, and you are doing more than what was done before.

I think it is safe to say that it could be a plague on all political houses in this area; the public is much further ahead of all of us. I think as we move into the 1990s I want to acknowledge going to the PUB, setting the targets. I just think that where the debate is, is how high the target is by when. That is where we disagree, but I think all of us are behind what is going on in the western industrial world, and I think we are behind because we have such a tremendous resource in this province that we have not had to be ahead.

I remember the Member for Pembina (Mr. Orchard) talking about windmills and coal conversions a few years ago quite eloquently. That is why I was surprised that with his strong feelings and his sentiments on windmills and coal conversions—Well, I will not comment on the internal workings of the Conservative Party to the Member for Lakeside (Mr. Enns)—I will let you do the play-by-play broadcast on the October group and all the incumbent sectors of the Party.

I remember the Member for Pembina speaking so eloquently about past projects and the need for energy conservation and other alternatives, and that is why I was kind of surprised that he watered down our resolution so dramatically, because I actually think intellectually he agrees with our original resolution. I actually think substantively  
-(interjection)-

Well, the Member says crass politics. Let me say that conservation and energy and environmental issues are not necessarily crass populist politics. I will give you an example of that, Mr. Chairman. We were accused of having no stake in taking a position contrary to the Government on Repap, on dioxins in the water supply, and I knew that quite frankly it was potentially risking the seat of The Pas dramatically, and it was.

There is quite frankly a large body of people including a large number of Manitobans who consider the building of dams, the production of hydro-electric power, the sale of hydro-electric power, the jobs that are available in the short run for those projects as a very desirable public goal, and a populist goal at that. People consider Hydro as our jewel in terms of the Crown corporations, and they consider the potential of Hydro as one of the major economic advantages we have in this province.

\* (1140)

It is a debate that has two sides to it, and I suggest we should approach conservation from the purest of debating motives, not ascribe motivations, because I do not necessarily believe with many of these projects that it is a populist issue back and forth in a yes or no situation. I think it is quite frankly—I can speak from practical experience in our own Party and some of our own supporters that there is not a consensus on these issues, and people do change. There are people who have changing values, and that is why we have the legislative committee sit every year.

Having said that, I would ask the Minister: Have they reviewed the experience in California where the electrical intensity has been reduced in that state by 18 percent between the years 1977 and 1986?

**Mr. Neufeld:** I have to go back again to what I said earlier. The setting of targets should be that of the utility. They are the ones who know the targets that can be achieved, and they should be set at a level that they know can be achieved, especially if you are basing construction of future generation on that target. That is the case of which we speak. The conservation efforts in California, no, we have not reviewed it. We are tentatively planning a trip to California after the Session ends to talk to the people there, but we have not reviewed it.

**Mr. Doer:** I am glad the Minister is going to review California's experience. I would ask the Minister: Is he aware that, according to again the Scientific

American's latest report on hydro-electric demand in the United States that "Agreement is growing that an astonishing amount of electricity, far more than the 5 to 15 percent cited a few years ago, could be saved in the U.S. According to a 1990 report, it is technically feasible to save from 24 to 44 percent of U.S. electricity by the year 2001." Goals, I might add, which are far above what we had modestly requested Manitoba Hydro to review for the year 2001. If you go through this article, there is example after example where levels of conservation in countries like Sweden and West Germany—and Sweden, by the way, was building nuclear plants, and was passed by the Social Democratic Party, the old Olaf Palme Government, and they have now stopped that with the conservation projects.

I would ask the Minister to read this article, and I would send a copy to the board of directors through the chair in terms of the energy savings that are available to Manitoba Hydro. It is clearly now the evidence, and if one watched the Fifth Estate the other night on television, there was another tremendous report on savings in the 15 to 20 percent range, not the 6 percent range we are talking about, which most people now would assume to be very "modest" in terms of the production in our province.

I would ask the Minister: If he is able to review this material, and revisiting California, will they be changing the targets of Manitoba Hydro in the next few months?

**Mr. Neufeld:** I have to repeat again, Mr. Chairman, that the setting of targets should be that of Manitoba Hydro. We can suggest to them that they could review the targets that they have set, that is one thing, but to set a target for Manitoba Hydro and expect them to meet those targets when our construction of the next generation is based on those targets, I do not think is appropriate for Government. I cannot emphasize that more. Manitoba Hydro must set its targets at levels that they believe are achievable, so that they may plan for the future demands of Manitoba consumers.

**Mr. Ransom:** I would stress again for the committee that this type of information was discussed extensively at the Public Utilities Board. Evidence was given, witnesses were cross-examined under oath, so there will be a reasoned objective review of positions such as put forward in the article in the Scientific American. The Government is in the



position and Hydro is in the position of being able to await a review by an independent body.

For Manitoba Hydro to base its planning on an article that appears in the *Scientific American* would be quite irresponsible. We have to look at considerably more than the latest article that appears in a publication like the *Scientific American*. I would also point out that when the reference is to "technically feasible," there is a very huge difference between what is technically feasible and what it is possible to implement. Just because there are quadruple-glazed windows available that pick up heat from the outside when it is -20 does not mean that you can have everybody with quadruple-glazed windows in place over the next 10 years. One has to look at what it is possible to achieve, given that we are in a situation where customers make their own decisions. We are not in a situation where the utility or the Government imposes these types of devices upon individual customers, so one has to distinguish between what is technically feasible and what is practically possible.

**Mr. Doer:** That gets back to the PUB again, and we have gone around and around that one. -(interjection)- Well, I know that, but the Minister has said, the chair of the board has said, well, we are going to "give it attention," so we are sort of running against the brick wall here, I guess I could say.

Yes, I agree that *Scientific American* should not dictate, or every article that comes along should not dictate the long-term planning and policy of Hydro, but we are trying to come to grips with a very modest number that other utilities have in place in the motion we have made, prior to the watering down from the Member for Pembina (Mr. Orchard).

I say that I just refer it as one other article for the Minister's attention. As I say, I am glad he is going to California to review some of the experiences there. I wish him well. There will not be any reporters there, Mr. Minister. It would probably be a little reprieve from the politics of this province.

We have the situation where the PUB will review all the material, and yet the Government has not committed itself to follow the recommendation, notwithstanding the fact the Premier said during the election he will abide by it. We come to the committee and we are told we cannot set the limits, we cannot even request that the limits be set higher, because that would indeed impinge upon the "sovereignty of the board," yet then we will be asked

to approve a loan authority of \$5 billion in the next period of time, \$5 billion, the largest amount of money ever approved in this Legislature, and we cannot even talk about some way of—obviously, if you delay a project, you delay the capital demands, you delay therefore the interest rates, you delay the financial obligations on the province. You know, there are certain implications of a conservation policy.

Having said that, I just believe that in the later '80s, the last couple of years, utilities and provinces have moved to conservation. Manitoba Hydro and the NDP had some ideas in place. They commissioned the Cavanagh report and other projects, but they did not set the targets appropriate to other places. They were behind, I admit that, I will stand on the rooftops and admit that.

\* (1150)

I am just saying that we have an obligation now in the 1990s to try to set a target that is comparable to other Canadian levels, to do a feasibility on levels that are higher. That is why we call on a feasibility of 10 percent to be brought back to this committee next year. I think a request of this nature on that kind of target is not one that is so restrictive that Hydro cannot attempt to meet it. It is a target and a request, it is not a demand, and it is not an absolute resolution.

It does say to the Government or to the Hydro through this committee, that instead of aiming at the minimum and low, we are going to aim a little higher. I say with all the sincerity I can that I think it is an achievable target. It is an appropriate and responsible target.

I think the resolution the Member for Pembina (Mr. Orchard) has moved waters it down considerably. We should go with the higher target as a request to Hydro and do our children a favour, a favour that perhaps was not done by all political Parties over the last 30 years.

**Mr. Neufeld:** Yes, it could well, Mr. Doer, be an achievable target, but that is not to say it should be imposed on Hydro. I agree you said that the motion says it is a request, but a request is one that can be denied, and the implication of the motion is not that it can be denied, but that it will be put into effect.

I cannot agree that, first of all, Hydro will not meet that demand. Hydro might well meet that target, but I think it is up to Hydro to decide whether or not they can, especially if this is part of the planning process.

I do believe, Mr. Chairman, that we have said about all that can be said on this motion, and let us put it to a vote.

**Mr. Donald Orchard (Pembina):** Mr. Chairman, I just want to say that my amendment is very purposeful in not having a political agenda set for conservation in Manitoba by the Second Opposition Party. My honourable friend in his remarks earlier said that conservation targets do not necessarily have to be political, and I agree wholeheartedly. That is why my amendment puts to Manitoba Hydro the responsibility that they have already undertaken, as a result of the Public Utilities Board hearings, to come back and to develop what are achievable targets for conservation, which may well be higher than the 2 percent.

It will involve co-generation, because the 2 percent did not. It will examine and present to this committee the ability to set achievable targets, not one set politically by a political Party at this committee in absence of action when they had the opportunity to do it whilst having complete control over the utility for many, many years.

I do not want a political and unachievable agenda for conservation. I want a genuine and informed one presented to us with the best information available through nine months of study, as mandated by the Public Utilities Board to the corporation, to report to this committee next year and to give us achievable targets for conservation.

I sincerely hope, Mr. Chairman, that the result of that intelligent investigation of the matter will lead to targets higher, and significantly higher than the 2 percent goal, because that is something that despite the argument, and I missed an hour and a half of it this morning, there is not anyone in this committee representing any political Party that does not want to achieve the greatest degree of energy conservation, in this case electricity, in other cases fossil fuels, natural gas, coal, all energy sources, because there are finite economic supplies of energy in the world and our economies depend solely and completely on the availability of energy.

There are not any politics to be gained here in setting achievable goals for conservation. That is what my motion and my amendment to the motion gives as a goal in a mandate apolitically from this committee to Manitoba Hydro to develop for our consideration next time around. It takes the politics completely out of an artificially and unsubstantiated

target, as set by my honourable friends in the Second Opposition Party. It removes politics; it brings in pragmatic common-sense analysis.

**Mr. Enns:** Mr. Chairman, Members of the Opposition have repeatedly indicated that they look upon this as an opportunity to express their views, strongly held I am sure, about the need to conserve energy.

The Leader of the Opposition (Mr. Doer) raises the question that they are being asked to vote on and either support or not support the substantial monies that will flow as a result of this project through various loans, Bills that will be coming before the Legislature, and he answers his own question.

There is ample opportunity for a general, broad debate on the question of energy conservation on such occasions in the Chamber, in the House, even in a more formal setting than this committee. There is ample occasion and certainly full rights for any individual private member to utilize private Members' hour and private Members' resolution to pass resolutions of this nature, and they can be formally debated and voted upon in the Legislature.

I reiterate what bothers me with the kind of resolution that the Honourable Members are asking us to support here and my reasons for rejecting it. After having been clearly told with some pains by the chairman of Manitoba Hydro, not that he—and I acknowledge that the Leader of the Opposition (Mr. Doer) is not suggesting that Manitoba Hydro is not cognizant of the concern we are all expressing, but he wishes to specifically quantify it as a target level at 6 percent.

We have been told that to do that we are also asking Manitoba Hydro to alter their basic planning structure with respect to the Ontario sale and when the next plant should come on line. When faced with that hard fact—it is not a conjecture on the part of Manitoba Hydro, it is not just a difference of opinion, it is explaining to us a planning problem that is specific.

He has indicated, and I think some of us might have been somewhat surprised perhaps or concerned that the chairman of Manitoba Hydro has been put in a position by this committee to publicly state that he would have to reject, he would not abide by the resolution of this committee, and I understand that. We should have no difficulty in understanding it because he indicated precisely the

reason why; not that Manitoba Hydro takes lightly resolutions or motions being put forward from any form of the Legislature, but he gave the practical reasons involving planning why this could not be done.

Mr. Chairman, I just do not think it is good business or good practice that with those facts on the table we ignore them and openly invite that kind of a situation, to pass formal resolutions citing specific directing as a request, specific targets, dates to be met, rejecting the information and the reasoned explanation as to why it cannot be done that way, but nonetheless proceed with the passing of that resolution which invites and leaves Manitoba Hydro no alternative but to formally reject the advice this committee has given. I do not think that is a proper way of conducting ourselves and it behooves continuing the kind of relationship between legislators and Manitoba Hydro that is not desirable.

I believe that in my colleague's amendment to the main motion it encompasses a number of the bits and pieces of information that we have had placed before this committee. Manitoba Hydro has indicated that they are in the process of examining, of researching further energy conservation measures.

If we were arguing with management of Manitoba Hydro, if we were arguing with the chairman of Manitoba Hydro that he rejected out of hand the direction that we wish Hydro to move in terms of energy conservation, that he was opting for or he believed that Government policy was rejecting that out of hand, and he was responding to it because of the economics of job creation and the fundamental important engine to our economy in Manitoba that Hydro construction is, that would be a different matter. That would be a matter for the kind of debate that I am suggesting again more properly can be held in the House, fundamental and serious differences of opinion, but there are no differences of opinion being expressed on either side of this table by Honourable Members. We all concur in the direction that Manitoba Hydro has indicated that they are currently on.

\* (1200)

They have, by virtue of the constraints placed upon them, the constraints being that they have a contractual obligation that they have entered into to provide significant substantial amounts of hydro to a neighbouring province. They know, and their best

judgment—and it is their best judgment—that we have to rely on as to what Manitoba growth requirements will be in the same period. They have to put into place plans that have long-term effects in terms of when future plant capacity comes on stream.

You are asking this committee to interfere with that process. I do not think that is appropriate, Mr. Chairman, nor do I think that is helpful in the orderly development of our hydro resources, both meeting our own needs, both meeting the needs and wishes and feelings that I acknowledge are there generally in the population that whatever we do, we wish to do better, more efficiently with conservation uppermost in our mind, at the same time enabling Hydro to carry on with the specific mandate that they have as set out in their legislation.

The Honourable Leader of the Opposition (Mr. Doer), in his rather disarming way, portrays the position that politics is not the motivating force in this resolution, but why would we stop here? Why would we not ask Manitoba Hydro to conserve 10 percent energy, reduce the price by 10 percent, not build Conawapa and still proceed with the contract to Ontario? There is no end to what we could conjure up that we would believe from time to time, would read well in the newspaper the next morning as to what Honourable Members in this committee could conjure up.

Mr. Chairman, I simply say that Mr. Orchard's amendment to the resolution captures what I know and I feel, particularly some of our newer colleagues to this committee who certainly are aware of what their constituents are concerned about, that have been expressed in different ways around this committee. They are certainly not wishing to leave any impression that the Government they are part of, I am part of, is dragging our feet in the wake of public opinion. I tend to agree with the Leader of the Opposition on this issue. It is entirely probable that the public is ahead of us in some respects, and I think that is sometimes perhaps the most significant contribution that new faces, new Members to the Legislature, bring into the Legislature, having just come out of the general public to remind some of us who have fought these battles over many years, and who might well be accused of some positions of entrenchment on these matters.

Mr. Orchard's amendment captures those concerns. Mr. Orchard's amendment goes further. It happens to be a matter that Mr. Orchard has often

put forward before this Legislature, that of other forms of energy conservation, the question of regeneration. Just as the Leader of the Opposition's favoured source of information comes from California, that grand state of that great republic to the south of us whom the New Democratic Party often rely on for wisdom, guidance in terms of social programming and intellectual stimulation.

In a unique way, I find that my colleague, the Member for Pembina, the Minister of Health (Mr. Orchard), also has as his well of inspiration that same grand State of California when he constantly talks about windmills and what they can do to help and aid us in this quest for doing things most efficiently, in the most environmentally benign way, and at the same time meeting the requirements of this province and utilizing that tremendous resource that we have for hopefully the benefit of all Manitobans in carrying on the kind of social programs that we hear so much about every day in Question Period, every day in the House, that cry out for continuing need and support.

I am bound and prepared to wax eloquent for another 35 minutes on this subject, but I would ask Honourable Members to reconsider their positions, reread the amendment that is before you, placed there by Mr. Orchard. I would ask you, Mr. Chairman, whether we are not just about at the position where we can vote on it?

**Mr. Carr:** I think this has been a very useful debate in this committee, reinforcing one more time the value of politicians gathering around a table and working, at least in some sense, in common cause towards a resolution that is acceptable to all, but I think that we have to pose a series of questions. They date back to the track record of Governments of Manitoba and of Manitoba Hydro. I do not want to take cheap political shots, that is not my purpose, but the truth is that between 1981 and 1988, there were no targets set, and the Leader of the Opposition (Mr. Doer) has admitted that, and he is even offering to climb a ladder and say it from the rooftops.

We have to ask the question that arises from that reality and those facts: Why were there no targets set between 1981 and 1988? It is not as if the subject of energy conservation has come upon us over the last six months in this province. We knew during the crisis of 1973 and the oil shortages that there was going to have to be a concerted effort among

western countries to diversify energy sources and to conserve.

I can recall as a university student, we spoke about little else in the hallways. Energy conservation was the buzzword of a generation, yet nothing was done through the '70s, nothing was done through the '80s. We have to ask ourselves: Why did the Government of the Day not instruct Manitoba Hydro to conserve some energy between the years of 1981 and 1988? We asked the president of Hydro the other day what the targets were during those years, and he said there were no targets.

If we are to follow the advice of the Minister of Energy, the Government of the Day ought to have said nothing to Manitoba Hydro, because after all, the experts at Manitoba Hydro know better than the Government what they are capable of doing, so the appropriate role for Government during those seven years was to give no instruction or make no requests of Manitoba Hydro for the conservation of any energy at all for its own reasons.

I think with the wisdom of hindsight, we all would have said that is wrong, that that position was not substantiated by the public interest, that the public interest between 1981 and 1988 was to indeed conserve energy, because it was done in other places. The Leader of the Opposition (Mr. Doer) and I may quibble on just exactly when, but we know that energy conservation programs are not a year old or two years old. They have been going on across this country and south of the border for many years, but not in Manitoba during those years and before.

The next question to ask is: With that experience, and in hindsight, does the Legislature have any role to play today? The situation that we face now is different from the situation between 1981 and 1988 only in one respect, and that is that there is some energy conservation goal now being established by Manitoba Hydro. Just as the Government ought to have been asking the question in 1981 to 1988, "Is nothing enough?" so should this committee, so should this Government ask in 1990, "Is 100 megawatts enough"? That is not an irresponsible question for legislators to ask. It would be irresponsible if we did not ask those questions. That is our job, and it is the role of the Government, and it is the role of this committee to ask tough questions, even to relentlessly ask questions of the management of Manitoba Hydro to satisfy ourselves that enough is being done.

\* (1210)

Let me digress only for a moment to make my point. We have been trying now for over a week to establish finally what the costs are of the Conawapa project before approvals, and we have not been successful. It has taken us two, three, four, five times to try to come up with the vulnerability, the exposure of the ratepayer and the taxpayer should the Conawapa project go through. It is relevant, because what we are debating here is whether or not to be satisfied simply with the projections of the staff and the board of Manitoba Hydro, and I say that in 1981 to 1988 we ought not to have been satisfied.

I am saying one of the ways in which we can satisfy ourselves that Hydro is doing all that it can do is to look at Hydro's track record, and I use as one example the process of trying to pin down the cost of the Conawapa project. A second example is the mitigation and contingent liability issue which we raised in this committee a couple of days ago. We asked the president of Manitoba Hydro to bring to the committee today, and we will have a chance maybe by 12:30, maybe not, to try to understand what the gap is between what Hydro projected contingent liabilities to be at the time that these dams were built and the ultimate expenditure required through mitigation, through negotiation.

If we find that Manitoba Hydro was way off in that objective, if we find that the financial projections are inconsistent, then we as legislators have reason to question the energy conservation targets of Manitoba Hydro. That is what we are doing, and that is legitimate.

Without taking up more time than is necessary, for us in the Liberal Party, the essential debate here this morning is the role that the politician, the role the Government, the role the Legislature ought to play in setting of policy for our province's major utilities. We argue that role is an important one and there ought not to be abdication and there is more to the management of Manitoba Hydro than engineering expertise.

There is also the public interest which may occasionally conflict with the interests of Manitoba Hydro, and it is our job to try to articulate the public interest as best we know it, because we ultimately are the ones who will be told by the people who elect us whether or not we have served the public well or not served the public well. For us not to be aggressive, and for us not to do whatever we think

is reasonable and appropriate in a committee like this, to set an energy conservation goal which is not in our province's interest, would be an abdication of our responsibility as legislators for which the public will hold us accountable, not the president or the chair of Manitoba Hydro.

I have enjoyed this debate; I think it is important. It is not over this morning, and for our part, we believe that our position on this issue is squarely on the record, and we are prepared to vote on the amendment.

**Mr. Neufeld:** Mr. Chairman, I cannot leave Mr. Carr's statement on the record that the Minister of Energy would have favoured 1981 to 1988 that Government do nothing about conservation. I have said all along that the Government's position should be that they set policy, but they cannot set targets for conservation. Conservation targets should be set by the utility, but the policy of conservation can be recommended by Government to the utility.

Secondly, the very fact you are here and asking questions supports the Government's position that you are entitled to ask questions. You indicated, Mr. Carr, that we thought you were not entitled to ask questions. Sure, you are entitled to ask questions, and we are entitled to question the targets that Manitoba Hydro has set. I have simply said all along that we are not in a position to change those targets. We can ask them to review those targets, but we should not change those targets, because Manitoba Hydro's long-term plans are based on the targets that they have set and the targets that they believe are achievable. That has to be the way, the same as budgets have to be set by those who think they are achievable and those who have to implement them.

**Mr. Orchard:** Mr. Chairman, I just want to add a few concluding comments, because the one thing that has not been talked about in this whole discussion of energy conservation is the role of the individual and their choice in the marketplace. Mr. Carr mentioned how, as a student in 1973 with the oil crisis, nothing else was talked about in the hallways of the university. Do you know what was talked about? What was talked about was "my car gives me 14 miles to the gallon, and the price has doubled over the last little while, and I cannot afford to run it anymore." That is why we have had the Japanese virtually for a period of time take over the automobile market, because for years in Japan, the price of fuel over there was double or triple what it was in North

America. It was a price function that made people look at their energy consumption and make economic decisions to reduce it. The factor of energy conservation is driven in most decisions by economic decisions of what you can afford to spend.

I will give you a couple of examples. Take the trucking industry in this province, nine out of 14 national firms based in Manitoba. Take a look at what they have done to promote fuel efficiency on the highways over the last 12 years of increased energy prices, and it will astound you. It has been good, because they now do probably double the freight carrying with the same volume of consumption of expendable fossil fuels.

I will give you an example of my farming operation. It has doubled its size in acres over the last seven or eight years, and the volume of fuel that I consume is less than it was then, because I have changed my entire farming practice to practices of minimum till. One pass in the fall, if I can get away with it, and one pass in the spring, if I can get away with it, one machine, one tractor. That is not because I did not like what I was doing before. There is good recreation in the tractor; nobody can get at you. -(interjection)- It has a stereo in it, yes. Music—I even listen to CBC Radio. All Conservatives do; it is sort of a masochist punishment. Not to divert and get my colleague down here from CBC Radio angry, basically all of us who have had our own money to spend have made conservation decisions in fossil fuels, natural gas consumption, electricity consumption, every form of fuel.

There are leadership roles that Government can take, and I think from time to time Governments have made some pretty good ones, and I will show you one. When we came into Government in 1977, the Manitoba economy contained a distillery at Minnedosa that had gone out of business during the previous Government's tenure. I am not assigning fault, but it was sitting there lying idle. What did we do? We created a tax incentive policy where Government ought to be, and that plant for the last 12 years has produced alcohol for the product gasohol, which has two advantages. It brings renewable energy to the automobile market and removed lead, a pollutant of the environment. That is where Government can properly drive policy to renewable energy.

If I have one parting urging of the Manitoba Hydro is, when they report back here next year—the Leader of the Opposition (Mr. Doer) is right. I have

for a number of years been a strong advocate of a co-generation policy aimed, because that is the one I think is most appropriate to Manitoba, there may be others, at wind generation of electricity. We would be irresponsible if we did not have that kind of co-generation policy here to debate as an initiative in environmentally sound energy production and conservation and all of the issues that flow and relate to it.

I do not want to leave this committee with the impression that because we decide here that certain things ought to be done, it has any necessary follow-through of result, because the end decision on conservation is going to be made by the ones who pay the bill.

Again, if Government has a leadership role, they ought to be there in terms of their Government building with the kind of interruptible energy we have in our plug-ins around this building, and in terms of our lights-on-or-off policies in our Government buildings, and in terms of insulation and standards of energy conservation that we can use in public buildings.

The final choice in the public market is going to be made by individuals, and price is going to influence that decision-making significantly, Mr. Chairman, in the future as it has in the past.

\* (1220)

**Mr. Doer:** I just want to take a very short period of time here, because I know we want to move on. Having said that we should have set targets before, I want to also acknowledge that we did have an energy conservation council. Dr. Carl Ridd or Reverend Ridd would be somewhat concerned about comments left here that there was not a body trying to do certain things. They are still trying to effect certain policies on energy conservation, and we had programs in place.

I am just saying the 1990s are here, and we should make a decision to lead on a 1990s policy on energy conservation which we know is attainable, rather than follow and follow dramatically with our 2 percent target. I am recommending to the committee that we use leadership, not followship. I think there is a will to do it, just listening to the Member for Pembina (Mr. Orchard), the Minister, I know there is a will to do it and to do it together.

I know we can set the target at 6 percent, or request that the target be set at 6 percent. Let us shoot for that, let us state it very clearly in this

committee, and let us not disappoint our children by ducking the issues that we have all collectively ducked over the last number of years from all political Parties in all provinces in Canada.

**Mr. Chairman:** The amendment to the motion before the committee is as follows:

Amending the motion by deleting all words after the word "Hydro" and adding thereto the following words: "consider the feasibility of setting such energy saving goals by the year 2001 greater than the current 100 megawatt target."; and

That the second paragraph be amended by deleting all words after the word "achieving" and adding the following: "a 6 percent saving and to provide technical advice as to the feasibility of achieving a 10 percent energy saving by the year 2001." as moved by the Honourable Mr. Orchard.

All those in favour of the proposed amendment to the motion please say aye. All those opposed please say nay. It is my opinion that the ayes have it. The amendment to the motion is passed. The motion before the committee is as follows, as amended:

I move that this committee call upon the provincial Government to request that Manitoba Hydro set as a target energy savings by the year 2001 equal to 6 percent of the projected energy load; and

That this committee call upon the provincial Government to request Manitoba Hydro to report in the year 1991—is that not the one? I am sorry. Order, please.

### Point of Order

**Mr. Doer:** On a point of order, Mr. Chair. If I am not mistaken, if you look at the record, I think you had a little bit of the Member for Pembina's (Mr. Orchard) amendment and a little bit of the Member for Crescentwood's (Mr. Carr) amendment that you ruled out of order in the first amendment, and a little bit of our main motion and the amended motion. I would have liked to have had the vote today. I think we know the expression of the committee. I think we could wait and have the vote at the next meeting so the ducks are all lined up properly.

**Mr. Chairman:** Mr. Doer, we are in the process of trying to straighten that out. If we could have just about one minute here, I am sure that we can do it. Could we just have a minute, and we will do that.

\* \* \*

**Mr. Doer:** I think you may want to read the motion that we just passed as you read it, because you may find that the amendment was slightly different. I think you may want to look at the record, Sir. I just give you that advice, and I certainly would have approved the amended motion as you read it, because it looked very similar to the that motion we had moved. I do not want to be playing parliamentary—unless we can get the vote right now on the motion you read, then I think you should be careful with the record.

**Mr. Chairman:** I would ask them for a motion, simply that I moved that the question under debate, the motion of Mr. Hickes and the amendment moved by Mr. Orchard, be postponed until the next meeting of the Standing Committee on Public Utilities and Natural Resources. I am sorry again. It is the motion as amended.

Right now, we have the main motion as amended, so in fact—no, I am just trying to get by this here. The fact is that we have to look at it very seriously, and if you do wish to move it, to bring it back to the next meeting.

I move that the question under debate, the motion of Mr. Hickes, be postponed until the next meeting of the Standing Committee on Public Utilities and Natural Resources.

**Mr. Doer:** I am in the hands of the Chair. I just think this committee should know what it is voting on, and I think you should be very clear. I think there is a of bit confusion because the amendment that was proposed, which was read out to this committee, should be reviewed. Secondly, the amended motion which you read I know was more the original motion that I moved than the amended motion that Mr. Orchard moved.

**Mr. Chairman:** One minute please. Order. First of all, it is either the will of the committee to postpone this to the next committee meeting or give the Chair the few minutes, the couple of minutes that it is going to take to get this straight.

**Mr. Orchard:** Mr. Chairman, I can help you out. We passed, we agreed to an amendment. I can read you the motion as amended, which I cannot understand why it is not available to you as Chairman now. The necessity to postpone this decision—it astounds me that you do not have an amended motion available.

**Mr. Chairman:** Now, for the committee to say if I will read this motion as amended:

I move that this committee call upon the provincial Government to request that Manitoba Hydro consider the feasibility of setting such energy-saving goals by the year 2001, greater than the current 100 megawatt target, and;

That this committee call upon the provincial Government to request Manitoba Hydro to report in the 1991-92 fiscal year to this committee on the feasibility of achieving a 6 percent savings and to provide technical advice as to the feasibility of achieving a 10 percent energy savings by the year 2001, and;

That the text of this motion be included in this committee report to the House.

Are you ready for the question? All those in favour of the proposed motion as amended please say aye.

All those opposed please say nay. In my opinion the ayes have it. The motion as amended is passed.

**Mr. Enns:** On division, Mr. Chairman.

**Mr. Chairman:** Order, please.

**Mr. Enns:** I am simply requesting a recorded vote, Mr. Chairman, a show of hands.

**Mr. Chairman:** A recorded vote. We will record the vote in this committee.

**A COUNTED VOTE** was taken, the result being as follows:

Yeas 6, Nays 4.

**Mr. Chairman:** I therefore declare the motion passed.

The time being 12:30, this committee rises.

**COMMITTEE ROSE AT:** 12:30 p.m.