

KEVIN O'REILLY—MLA FRAME LAKE
General Changes in Allocations
Committee of the Whole—2017-2018 Operating Budget Review
Dept. of Infrastructure—February 21, 2017

MR. O'REILLY: Thanks, Mr. Chair. I am looking at page 225, and it is the utilities line, the last line in the top section. There is about a \$2 million drop there between last year and this year. I am just wondering whether someone from the department can explain that. If that is as a result of energy retrofits, boy, we are really saving a lot of money, but I don't think that is the case, Mr. Chair. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Minister.

HON. WALLY SCHUMANN: Thank you, Mr. Chair. I am going to give that one right up to the deputy minister, Mr. Paul Guy, right off the bat. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. Guy.

MR. GUY: Thank you, Mr. Chair. That is a good question. There are about three factors at play in that reduction that you see before you here today. The first one is we have a number of assets that are sunsetting that are coming out of service, so we are lapsing utilities associated with those assets. A significant portion of it is from the energy conservation activities and the investments we have made through the capital asset retrofit programs. We are realizing some savings back through that, as well. The other piece of it is really driven by just the fact that we have had warmer winters and lower fuel costs over the past few years. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Guy. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. Thank you for the response. I guess it is all pretty much good news. In the highway, air, marine project management line, there is about a \$300,000 reduction. Can someone from the department explain that between the 2016-17 and 2017-18 mains? Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Mr. Neudorf.

MR. NEUDORF: Thank you, Mr. Chair. There were actually some positives and negatives in that line item, where there is some incremental funding related to some permafrost research and development work, some funding that we are getting from Transport Canada, about a quarter of a million dollars, and then there was a reduction there to the budget that we have related to granular crushing and resurfacing. Then, along with that, there are some other program realignments. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Neudorf. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I think that is all I have got for that page. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Mr. Testart.

MR. TESTART: Thank you, Mr. Chairman. On page 226, there is a grant-in-kind, Deh Cho bridge opportunities grant. I am wondering if the Minister can give some detail on this grant. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. Testart. Minister.

HON. WALLY SCHUMANN: Thank you, Mr. Chair. I will give that to the deputy minister of Transportation. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister. Mr. Neudorf.

MR. NEUDORF: Thank you, Mr. Chair. When we were transitioning the Deh Cho Bridge project from a project working with the local community, with the Deh Cho Bridge Corporation, to taking it over, to becoming a DOT matters project, one of the things we had to do was negotiate with the community to terminate the arrangement that we had with them. One of the things we did was enter into this agreement with the community that we would provide them \$200,000 for -- it was 35 years at that time, which would have been the life of the concession agreement that we were planning to enter into with the bridge corporation. Instead of that, we are giving them a contribution of \$200,000 over that period of time, and it is to promote economic development, find community-related opportunities that are related to the bridge. Essentially, to do the same thing, same type of benefit that the community would have got if they had been able to continue on with the involvement with the Deh Cho Bridge project itself. Thank you, Mr. Chair