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Ministry of Energy
2016-17 Estimates Defence
Financial Binder

MINISTRY OF ENERGY
STANDING COMMITTEE ON ESTIMATES
2016-17 FINANCE BINDER

MINISTRY OF ENERGY
STANDING COMMITTEE ON ESTIMATES
2016-17 FINANCE BINDER

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* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2016 Ontario Budget.

Votes/Programs	Estimates 2016-17 $	Change from Estimates 2015-16 $	%	Estimates 2015-16 $	Interim Actuals 2015-16 $	Actuals 2014-15 $	Notes
OPERATING EXPENSE							
Vote 2901 Ministry Administration Program	15,099,900			15,099,900	15,099,900	13,751,653	**2014-15 Estimates** (not included in table): $15,099,900 **2014-15 Actuals vs. 2014-15 Estimates:** $13,751,653 • Net underspending of $1.4 million in Direct Operating Expenses (DOE) mainly due to savings achieved from the ministry's efforts in maintaining expenses at 97% of Ministry Appropriations. **2015-16 Interim Actuals vs. 2015-16 Estimates:** No change **2015-16 Estimates vs. 2016-17 Estimates:** No change
Vote 2902 Energy Development and Management	27,370,100	-11,570,000	-29.7	38,940,100	150,333,000	28,638,226	**2014-15 Estimates** (not included in table): $38,940,100 **2014-15 Actuals vs. 2014-15 Estimates:** $28,638,226 • $4.6 million in savings were minuted out from the Ministry's allocation due to proactive management of Transfer Payment Programs. • Underspending of $6.2 million in DOE mainly due to savings achieved from the ministry's efforts in maintaining expenses at 97% of Ministry Appropriations. • Overspending of $0.5 million throughout all Ministry Transfer Payment programs. **2015-16 Interim Actuals vs. 2015-16 Estimates:** $150,333,000 • $108 million new funding for the Green Investment Fund **2015-16 Estimates vs. 2016-17 Estimates:** ($11,570,000) • $0.9 million increase to support 5 new FTEs for broadening the ownership of Hydro One • $12.5 million decrease as Smart Grid Fund ends
Vote 2905 Electricity Price Mitigation * Ontario Clean Energy Benefit (OCEB) * Northern Ontario Energy Credit (NOEC)	26,000,000	-860,000,000	-97.1	886,000,000	886,000,000	1,102,294,531	**2014-15 Estimates** (not included in table): $1,125,500,000 **2014-15 Actuals vs. 2014-15 Estimates:** $1,102,294,531 • $20.0 million in savings were minuted out from the OCEB allocation. • $0.7 million in savings were minuted out from the NOEC allocation. • Underspending of $2.0 million in OCEB. • Underspending of $0.5 million in NOEC. **2015-16 Interim Actuals vs. 2015-16 Estimates:** No change **2015-16 Estimates vs. 2016-17 Estimates:** ($860,000,000) • $860 million decrease as the Ontario Clean Energy Benefit ends

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Votes/Programs	Estimates 2016-17 $	Change from Estimates 2015-16 $	%	Estimates 2015-16 $	Interim Actuals 2015-16 $	Actuals 2014-15 $	Notes
Vote 2906 Strategic Asset Management	70,000,000	-2,593,000,000	-97.4	2,663,000,000	52,000,000		**2014-15 Estimates** (not included in table): Vote did not exist during 2014-15 Estimates. **2014-15 Actuals vs. 2014-15 Estimates:** Vote did not exist during 2014-15 Estimates. **2015-16 Interim Actuals:** $52,000,000 • In accordance with the Financial Administration Act 11.5(2), and on the recommendation of the President of the Treasury Board, the Ministry of Energy received approval for use of its $2,600,000,000 operating expense in Strategic Asset Management (Vote/Item 2906-01) to make a loan, advance or other form of investment for the purposes of completing the planned capital contribution to Hydro One • $11 million underspending in services related to Hydro One **2015-16 Estimates vs. 2016-17 Estimates:** ($2,593,000,000) • $2,600 million decrease, one-time capital contribution to Hydro One Limited was only present in 2015-16 • $7 million increase to support the broadening of ownership of Hydro One
Total Operating Expense to be Voted	**138,470,000**	-3,464,570,000	-96.2	**3,603,040,000**	**1,103,432,900**	**1,144,684,410**	**2014-15 Estimates** (not included in table): $779,036,300 (2014-15 included a Special Warrants allocation of $400,503,700) due to the dissolution of the Legislature for the general election.
Statutory Appropriations	65,014			65,014	64,014	49,301	**2014-15 Estimates** (not included in table): $65,014 • Statutory Appropriations represent payments pursuant to a specific legislative authority and are not included in the Supply Act. **2016-17 Allocation includes:** • $47,841 Minister's Salary, *the Executive Council Act* • $16,173 Parliamentary Assistant's Salary, *the Executive Council Act* • $1,000 Placeholder for Bad Debt Expense, *the Financial Administration Act* • $1,000 Placeholder for Amortization Expense, *the Financial Administration Act*
Ministry Total Operating Expense	**138,535,014**	-3,464,570,000	-96.2	**3,603,105,014**	**1,103,496,914**	**1,144,733,711**	**2014-15 Estimates** (not included in table): $1,179,605,014
Consolidation Adjustment							
Independent Electricity System Operator	195,456,600	10,413,400	5.6	185,043,200	191,258,000	202,115,266	**2014-15 Estimates** (not included in table): $194,131,500 **2014-15 Actuals vs. 2014-15 Estimates:** $202,115,266 • $8.0 million increase due to merger costs for OPA and IESO. **2015-16 Interim Actuals vs. 2015-16 Estimates:** $191,258,000 **2015-16 Estimates vs. 2016-17 Estimates:** $10,413,400 • $4.0 million increase in employee benefits • $10.8 million decrease as a result of the IESO and OPA merger, the IESO is transitioning the former OPA employees who were in the PSPP prior to the merger to the IESO Pension Plan. • $4.3 million decrease in DOE.

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Votes/Programs	Estimates 2016-17 $	Change from Estimates 2015-16 $	%	Estimates 2015-16 $	Interim Actuals 2015-16 $	Actuals 2014-15 $	Notes
Ontario Energy Board	37,002,000	5,293,000	16.7	31,709,000	32,447,200	34,985,000	**2014-15 Estimates** (not included in table): $32,183,400 **2014-15 Actuals vs. 2014-15 Estimates:** $34,985,000 • $2.8 million increase due to higher services expense of $4.5 million for hearings and consultations, offset by lower salaries of $1.9 million. **2015-16 Interim Actuals vs. 2015-16 Estimates:** $32,447,200 **2015-16 Estimates vs. 2016-17 Estimates:** $5,293,000 • $5.4 million decrease in DOE primarily driven by one-time development and implementation costs for the new Ontario Electricity Support Program (OESP).
Total Operating Expense Including Consolidation Adjustments	**370,993,614**	**-3,448,863,600**	**-90.3**	**3,819,857,214**	**1,327,202,114**	**1,381,833,977**	**2014-15 Estimates** (not included in table): $1,405,919,914
CAPITAL EXPENSE							
Vote 2902 Energy Development and Management	1,000			1,000			Placeholder for expenses related to Loss on Asset Disposal.
Total Capital Expense to be Voted	**1,000**			**1,000**			
Statutory Appropriations	1,000			1,000			Placeholder for expenses related to Statutory Appropriation for Amortization Expense.
Ministry Total Capital Expense	**2,000**			**2,000**			
Consolidation Adjustment							
Independent Electricity System Operator	21,039,800	-4,148,200	-16.5	25,188,000	21,911,500	20,810,603	**2014-15 Estimates** (not included in table): $24,720,000 **2014-15 Actuals vs. 2014-15 Estimates:** $20,810,603 • $3.9 million decrease explained to lower amortization as IESO and OPA delayed projects due to the merger. **2015-16 Interim Actuals vs. 2015-16 Estimates:** $21,911,500 **2015-16 Estimates vs. 2016-17 Estimates:** ($4,148,200) • $4.1 million decrease driven by a reinvestment in IT systems and infrastructure (buildings), and revised project completion timelines
Ontario Energy Board	941,000	77,400	9	863,600	795,200	930,000	**2014-15 Estimates** (not included in table): 890,600 **2014-15 Actuals vs. 2014-15 Estimates:** $930,000 **2015-16 Interim Actuals vs. 2015-16 Estimates:** $795,200 **2015-16 Estimates vs. 2016-17 Estimates:** $77,400 • $0.1 million increase IT infrastructure investment to reduce the risk for end of life assets
Total Capital Expense Including Consolidation Adjustments	**21,982,800**	**-4,070,800**	**-15.6**	**26,053,600**	**22,706,700**	**21,740,603**	**2014-15 Estimates** (not included in table): $25,612,600

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Votes/Programs	Estimates 2016-17 $	Change from Estimates 2015-16 $	%	Estimates 2015-16 $	Interim Actuals 2015-16 $	Actuals 2014-15 $	Notes
CAPITAL ASSETS							
Vote 2902 Energy Development and Management	1,000			1,000			Placeholder for land and marine fleet.
Total Capital Assets to be Voted	1,000			1,000			
Ministry Total Capital Assets	1,000			1,000			
Ministry Total Operating and Capital Including Consolidation and Other Adjustments (not including Assets)	392,976,414	-3,452,934,400	-89.8	3,845,910,814	1,349,908,814	1,403,574,580	2014-15 Estimates (not included in table): $1,431,532,514

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MINISTRY OF ENERGY

The Ministry of Energy is responsible for setting the legislative and policy framework to assure a clean, reliable, and affordable energy system for all Ontarians.

The Ministry develops and advises on all aspects of energy policy for Ontario, including electricity, natural gas and oil. It oversees the Ontario Energy Board and the Independent Electricity System Operator. The Ministry also represents the shareholder in dealings with Ontario Power Generation and represents the Province as a shareholder of Hydro One, managing its investment in and the governance relationship with this publicly traded company.

The Ministry is also responsible for updating and developing policy related to the Long-Term Energy Plan (LTEP).

The Ministry of Energy works with many partners inside and outside government to promote energy conservation, develop the electricity generation, transmission, distribution and other energy-related facilities that help power our economy, and ensure that Ontario remains one of the best places in the world in which to live, work, invest and raise a family.

MINISTRY PROGRAM SUMMARY
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VOTE	PROGRAM	Estimates 2016-17	Estimates 2015-16	Difference Between 2016-17 and 2015-16	Actual 2014-15
	OPERATING EXPENSE				
2901	Ministry Administration Program	15,099,900	15,099,900	-	13,751,653
2902	Energy Development and Management	27,370,100	38,940,100	(11,570,000)	28,638,226
2905	Electricity Price Mitigation	26,000,000	886,000,000	(860,000,000)	1,102,294,531
2906	Strategic Asset Management	70,000,000	2,663,000,000	(2,593,000,000)	-
	TOTAL OPERATING EXPENSE TO BE VOTED	**138,470,000**	**3,603,040,000**	**(3,464,570,000)**	**1,144,684,410**
	Statutory Appropriations	65,014	65,014	-	49,301
	Ministry Total Operating Expense	138,535,014	3,603,105,014	(3,464,570,000)	1,144,733,711
	Consolidation Adjustment - Independent Electricity System Operator	195,456,600	185,043,200	10,413,400	202,115,266
	Consolidation Adjustment - Ontario Energy Board	37,002,000	31,709,000	5,293,000	34,985,000
	Total Including Consolidation & Other Adjustments	**370,993,614**	**3,819,857,214**	**(3,448,863,600)**	**1,381,833,977**

MINISTRY PROGRAM SUMMARY
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VOTE	PROGRAM	Estimates 2016-17	Estimates 2015-16	Difference Between 2016-17 and 2015-16	Actual 2014-15
	CAPITAL EXPENSE				
2902	Energy Development and Management	1,000	1,000	-	-
	TOTAL CAPITAL EXPENSE TO BE VOTED	**1,000**	**1,000**	**-**	**-**
	Statutory Appropriations	1,000	1,000	-	-
	Ministry Total Capital Expense	2,000	2,000	-	-
	Consolidation Adjustment - Independent Electricity System Operator	21,039,800	25,188,000	(4,148,200)	20,810,603
	Consolidation Adjustment - Ontario Energy Board	941,000	863,600	77,400	930,000
	Total Including Consolidation & Other Adjustments	**21,982,800**	**26,053,600**	**(4,070,800)**	**21,740,603**
	CAPITAL ASSETS				
2902	Energy Development and Management	1,000	1,000	-	-
	TOTAL CAPITAL ASSETS TO BE VOTED	**1,000**	**1,000**	**-**	**-**
	Ministry Total Capital Assets	1,000	1,000	-	-
	Ministry Total Operating and Capital Including Consolidation and Other Adjustments (not including Assets)	**392,976,414**	**3,845,910,814**	**(3,452,934,400)**	**1,403,574,580**

MINISTRY ADMINISTRATION PROGRAM - VOTE 2901

This program works to achieve ministry and government objectives by providing executive direction, strategic advice and vital corporate services, including communications, strategic human resources, accessibility, French Language Services, information technology and business solutions, legal services, Freedom of Information and Protection of Privacy activities, information and records management, accommodations and facilities management, emergency management, continuity of operations planning, procurement, controllership and accounting, and strategic and resource planning and allocation activities.

VOTE SUMMARY
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ITEM #	ITEM	Estimates 2016-17	Estimates 2015-16	Difference Between 2016-17 and 2015-16	Actual 2014-15
	OPERATING EXPENSE				
1	Ministry Administration	15,099,900	15,099,900	-	13,751,653
	TOTAL OPERATING EXPENSE TO BE VOTED	**15,099,900**	**15,099,900**	**-**	**13,751,653**
S	Minister's Salary, the *Executive Council Act*	47,841	47,841	-	49,301
S	Parliamentary Assistant's Salary, the *Executive Council Act*	16,173	16,173	-	-
	Total Statutory Appropriations	64,014	64,014	-	49,301
	Total Operating Expense	**15,163,914**	**15,163,914**	**-**	**13,800,954**

MINISTRY ADMINISTRATION PROGRAM - VOTE 2901, cont'd

STANDARD ACCOUNTS CLASSIFICATION
($)

VOTE - ITEM #	STANDARD ACCOUNT BY ITEM AND SUB-ITEMS		
	OPERATING EXPENSE		
2901-1	Ministry Administration		
	Salaries and wages		6,800,700
	Employee benefits		849,800
	Transportation and communication		312,700
	Services		11,146,500
	Supplies and equipment		343,600
	Subtotal		19,453,300
	Less: Recoveries		4,353,400
	Total Operating Expense to be Voted		**15,099,900**
	Sub-Items:		
	Main Office		
	Salaries and wages	1,649,500	
	Employee benefits	194,200	
	Transportation and communication	90,400	
	Services	510,400	
	Supplies and equipment	60,400	2,504,900
	Communications Services		
	Salaries and wages	2,486,800	
	Employee benefits	320,000	
	Transportation and communication	88,300	
	Services	1,141,700	
	Supplies and equipment	81,800	4,118,600
	Legal Services		
	Transportation and communication	35,000	
	Services	3,144,900	
	Supplies and equipment	75,000	3,254,900
	Analysis and Planning		
	Salaries and wages	2,664,400	
	Employee benefits	335,600	
	Transportation and communication	69,000	
	Services	309,500	
	Supplies and equipment	66,400	3,444,900

MINISTRY ADMINISTRATION PROGRAM - VOTE 2901, cont'd

STANDARD ACCOUNTS CLASSIFICATION, cont'd
($)

VOTE - ITEM #	STANDARD ACCOUNT BY ITEM AND SUB-ITEMS		
	OPERATING EXPENSE		
	Financial and Administrative Services		
	Transportation and communication	30,000	
	Services	3,968,300	
	Supplies and equipment	60,000	
	Subtotal	4,058,300	
	Less: Recoveries	2,790,000	1,268,300
	Human Resources		
	Services	160,000	
	Less: Recoveries	110,000	50,000
	Audit Services		
	Services	236,000	
	Less: Recoveries	160,000	76,000
	Information Systems		
	Services	1,675,700	
	Less: Recoveries	1,293,400	382,300
	Total Operating Expense to be Voted		**15,099,900**
	Statutory Appropriations		
S	Minister's Salary, the *Executive Council Act*		47,841
S	Parliamentary Assistant's Salary, the *Executive Council Act*		16,173
	Total Operating Expense for Ministry Administration Program		**15,163,914**

ENERGY DEVELOPMENT AND MANAGEMENT - VOTE 2902

This program is responsible for developing Ontario's energy policy framework, which is central to the building of a strong and prosperous economy. It provides leadership and support to the energy sector to ensure clean, reliable, affordable and sustainable energy supply, transmission and distribution systems. The program supports energy conservation and efficiency, grid modernization, and the development of cleaner forms of energy. This program also oversees engagement and consultation with First Nations and Métis on provincial energy sector activities and projects while facilitating the participation of Aboriginal communities in renewable energy and transmission system developments.

VOTE SUMMARY
($)

ITEM #	ITEM	Estimates 2016-17	Estimates 2015-16	Difference Between 2016-17 and 2015-16	Actual 2014-15
	OPERATING EXPENSE				
1	Policy and Programs	27,370,100	38,940,100	(11,570,000)	28,638,226
	TOTAL OPERATING EXPENSE TO BE VOTED	**27,370,100**	**38,940,100**	**(11,570,000)**	**28,638,226**
S	Bad Debt Expense, the *Financial Administration Act*	1,000	1,000	-	-
	Total Statutory Appropriations	1,000	1,000	-	-
	Total Operating Expense	**27,371,100**	**38,941,100**	**(11,570,000)**	**28,638,226**
	CAPITAL EXPENSE				
4	Energy Development and Management – Expense related to Capital Assets	1,000	1,000	-	-
	TOTAL CAPITAL EXPENSE TO BE VOTED	**1,000**	**1,000**	**-**	**-**
S	Amortization Expense, the *Financial Administration Act*	1,000	1,000	-	-
	Total Statutory Appropriations	1,000	1,000	-	-
	Total Capital Expense	**2,000**	**2,000**	**-**	**-**
	CAPITAL ASSETS				
5	Energy Development and Management	1,000	1,000	-	-
	TOTAL CAPITAL ASSETS TO BE VOTED	**1,000**	**1,000**	**-**	**-**
	Total Capital Assets	**1,000**	**1,000**	**-**	**-**

ENERGY DEVELOPMENT AND MANAGEMENT - VOTE 2902, cont'd

STANDARD ACCOUNTS CLASSIFICATION
($)

VOTE - ITEM #	STANDARD ACCOUNT BY ITEM AND SUB-ITEMS		
	OPERATING EXPENSE		
2902-1	Policy and Programs		
	Salaries and wages		12,894,200
	Employee benefits		1,572,900
	Transportation and communication		385,000
	Services		8,758,000
	Supplies and equipment		312,600
	Transfer payments		
	Conservation Initiatives	1,900,000	
	Aboriginal Engagement Agreements	200,000	
	Green Energy Initiatives	1,347,400	3,447,400
	Total Operating Expense to be Voted		**27,370,100**
	Statutory Appropriations		
	Other transactions		
S	Bad Debt Expense, the *Financial Administration Act*		1,000
	Total Operating Expense for Energy Development and Management		**27,371,100**
	CAPITAL EXPENSE		
2902-4	Energy Development and Management – Expense related to Capital Assets		
	Other transactions		
	Loss on asset disposal		1,000
	Total Capital Expense to be Voted		**1,000**
	Statutory Appropriations		
	Other transactions		
S	Amortization Expense, the *Financial Administration Act*		1,000
	Total Capital Expense for Energy Development and Management		**2,000**
	CAPITAL ASSETS		
2902-5	Energy Development and Management		
	Land and marine fleet - asset costs		1,000
	Total Capital Assets to be Voted		**1,000**
	Total Capital Assets for Energy Development and Management		**1,000**

ELECTRICITY PRICE MITIGATION - VOTE 2905

The Electricity Price Mitigation program helps Ontarians manage electricity costs.

VOTE SUMMARY
($)

ITEM #	ITEM	Estimates 2016-17	Estimates 2015-16	Difference Between 2016-17 and 2015-16	Actual 2014-15
	OPERATING EXPENSE				
-	Ontario Clean Energy Benefit	-	860,000,000	(860,000,000)	1,077,960,661
2	Northern Ontario Energy Credit	26,000,000	26,000,000	-	24,333,870
	TOTAL OPERATING EXPENSE TO BE VOTED	**26,000,000**	**886,000,000**	**(860,000,000)**	**1,102,294,531**
	Total Operating Expense	**26,000,000**	**886,000,000**	**(860,000,000)**	**1,102,294,531**

ELECTRICITY PRICE MITIGATION - VOTE 2905, cont'd

STANDARD ACCOUNTS CLASSIFICATION
($)

VOTE - ITEM #	STANDARD ACCOUNT BY ITEM AND SUB-ITEMS	
	OPERATING EXPENSE	
2905-2	Northern Ontario Energy Credit	
	Transfer payments	
	Northern Ontario Energy Credit	26,000,000
	Total Operating Expense to be Voted	**26,000,000**
	Total Operating Expense for Electricity Price Mitigation	**26,000,000**

STRATEGIC ASSET MANAGEMENT - VOTE 2906

This program supports the Province as shareholder of Hydro One in regards to managing its investment and governance relationship.

VOTE SUMMARY
($)

ITEM #	ITEM	Estimates 2016-17	Estimates 2015-16	Difference Between 2016-17 and 2015-16	Actual 2014-15
	OPERATING EXPENSE				
1	Strategic Asset Management and Transformation	70,000,000	2,663,000,000	(2,593,000,000)	-
	TOTAL OPERATING EXPENSE TO BE VOTED	**70,000,000**	**2,663,000,000**	**(2,593,000,000)**	**-**
	Total Operating Expense	**70,000,000**	**2,663,000,000**	**(2,593,000,000)**	**-**

STRATEGIC ASSET MANAGEMENT - VOTE 2906, cont'd

STANDARD ACCOUNTS CLASSIFICATION
($)

VOTE - ITEM #	STANDARD ACCOUNT BY ITEM AND SUB-ITEMS	
	OPERATING EXPENSE	
2906-1	Strategic Asset Management and Transformation	
	Services	70,000,000
	Total Operating Expense to be Voted	**70,000,000**
	Total Operating Expense for Strategic Asset Management	**70,000,000**

RECONCILIATION TO PREVIOUSLY PUBLISHED DATA

OPERATING EXPENSE	Estimates 2015-16 $	Actual 2014-15 $
Total Operating Expense previously published*	940,105,014	1,145,999,911
Government Reorganization		
Transfer of functions to other Ministries	-	(1,266,200)
Supplementary Estimates		
2015-16 Supplementary Estimates	2,663,000,000	-
Restated Total Operating Expense	**3,603,105,014**	**1,144,733,711**

*Total Operating Expense includes Statutory Appropriations, Special Warrants and total operating expense to be voted.

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2016-17 Allocation Breakdown and Analysis

		2016-17 $'000
	Ministry Administration and Other Expenses	
	Ministry Payroll*	22,182.6
	Transportation and Communications	697.7
	Services	85,551.1
	Supplies and Equipment	656.2
	Other Operating Costs	2.0
a	**Total Ministry Administration and Other Expenses**	**109,089.6**
	Energy Transfer Payment Programs	
	Green Energy Initiatives	1,347.4
	Conservation Initiatives	1,900.0
	Aboriginal Engagement Agreements	200.0
b	**Total Energy Transfer Payment Programs**	**3,447.4**
	Electricity Price Mitigation Transfer Payment Programs	
	Northern Ontario Energy Credit TP	26,000.0
c	**Total Electricity Price Mitigation Transfer Payment Programs**	**326,000.0**
a+b+c	**Total Ministry Administration & Transfer Payment Programs**	**438,537.0**
	Agency Consolidation	
	Ontario Energy Board	37,943.0
	Independent Electricity System Operator	216,496.4
d	**Total Agency Consolidation**	**254,439.4**
a+b+c+d	**Total Expense**	**392,976.4**
e	**Proposed Ontario Rebate for Electricity Consumers TP (Pending Supplementary Estimate)**	**300,000.0**
a+b+c+d+e	**Total Expense (including Supplementary Estimate)**	**692,976.4**

* Includes statutory appropriations.

Chart 1: Total Ministry Expense, including consolidations

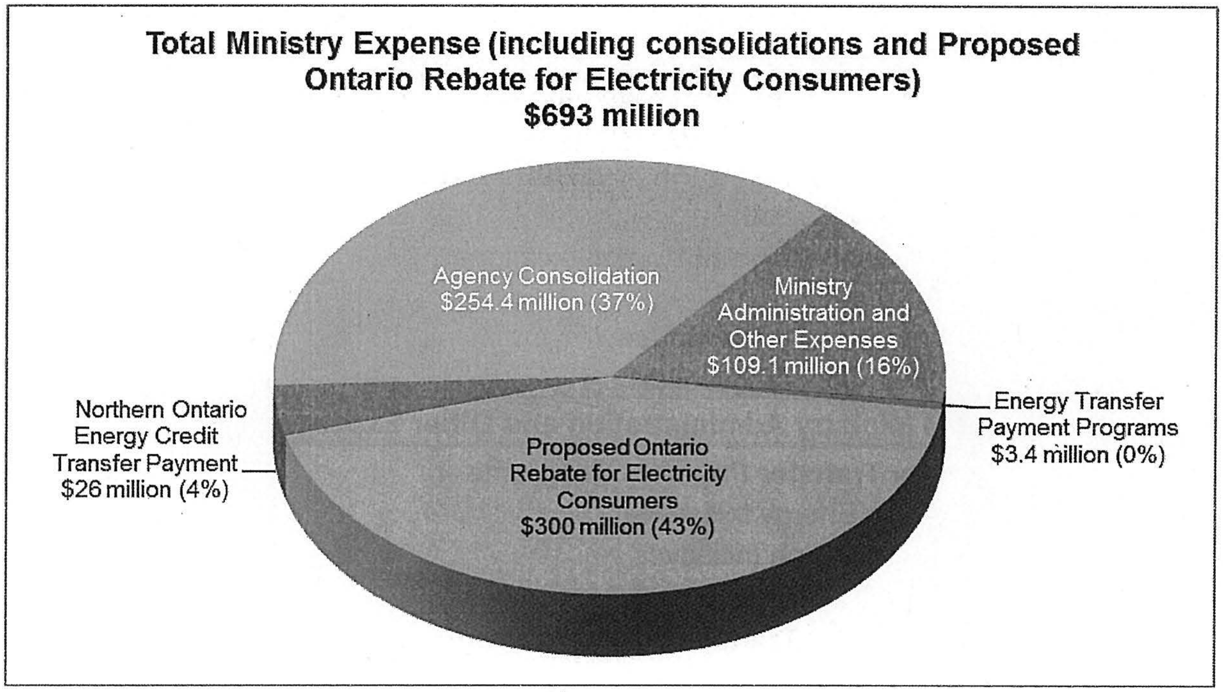


Chart 2: Total Ministry Expense, excluding consolidations

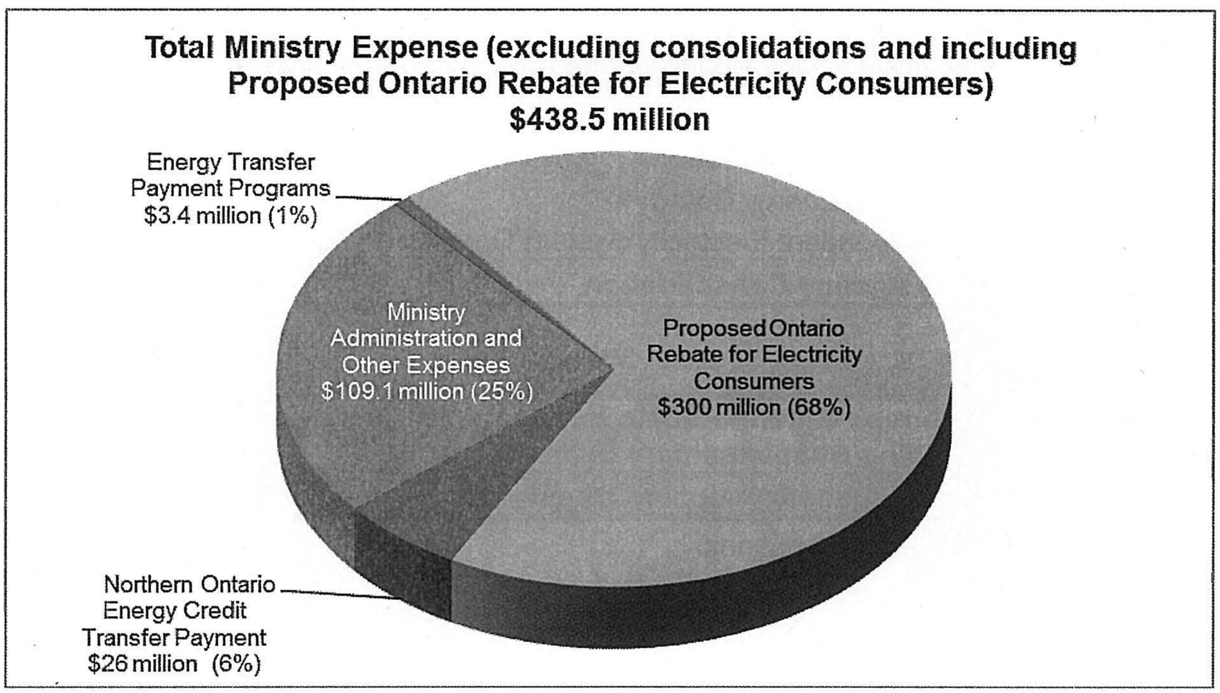
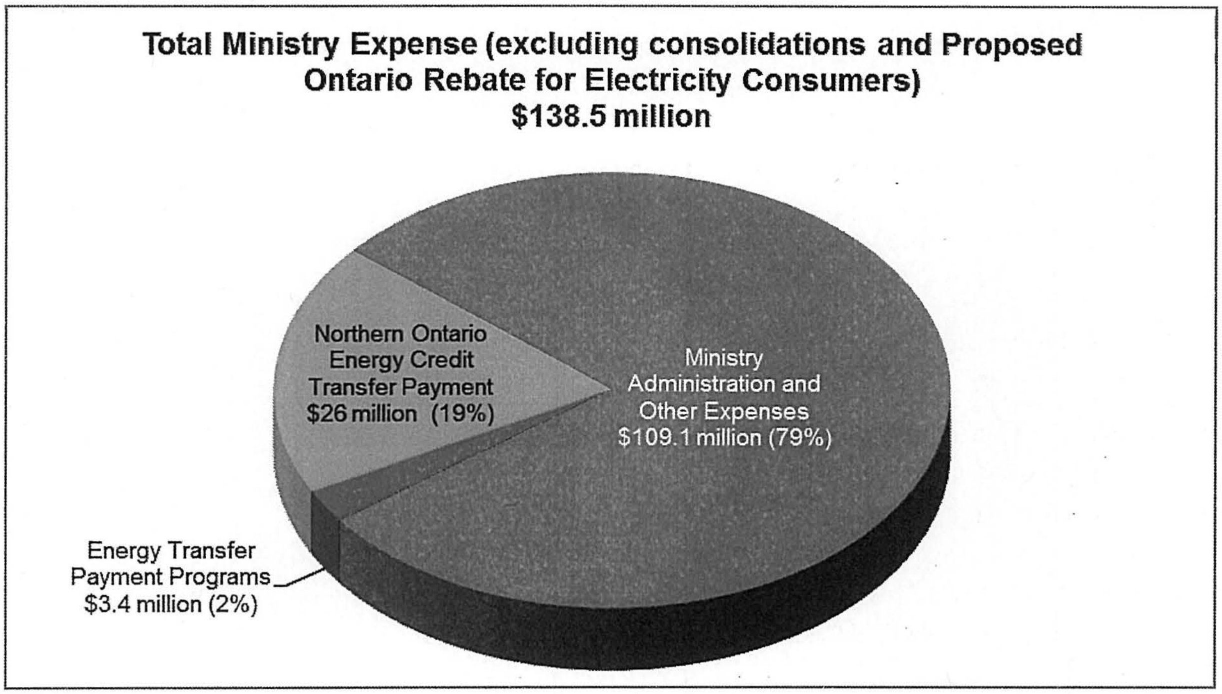
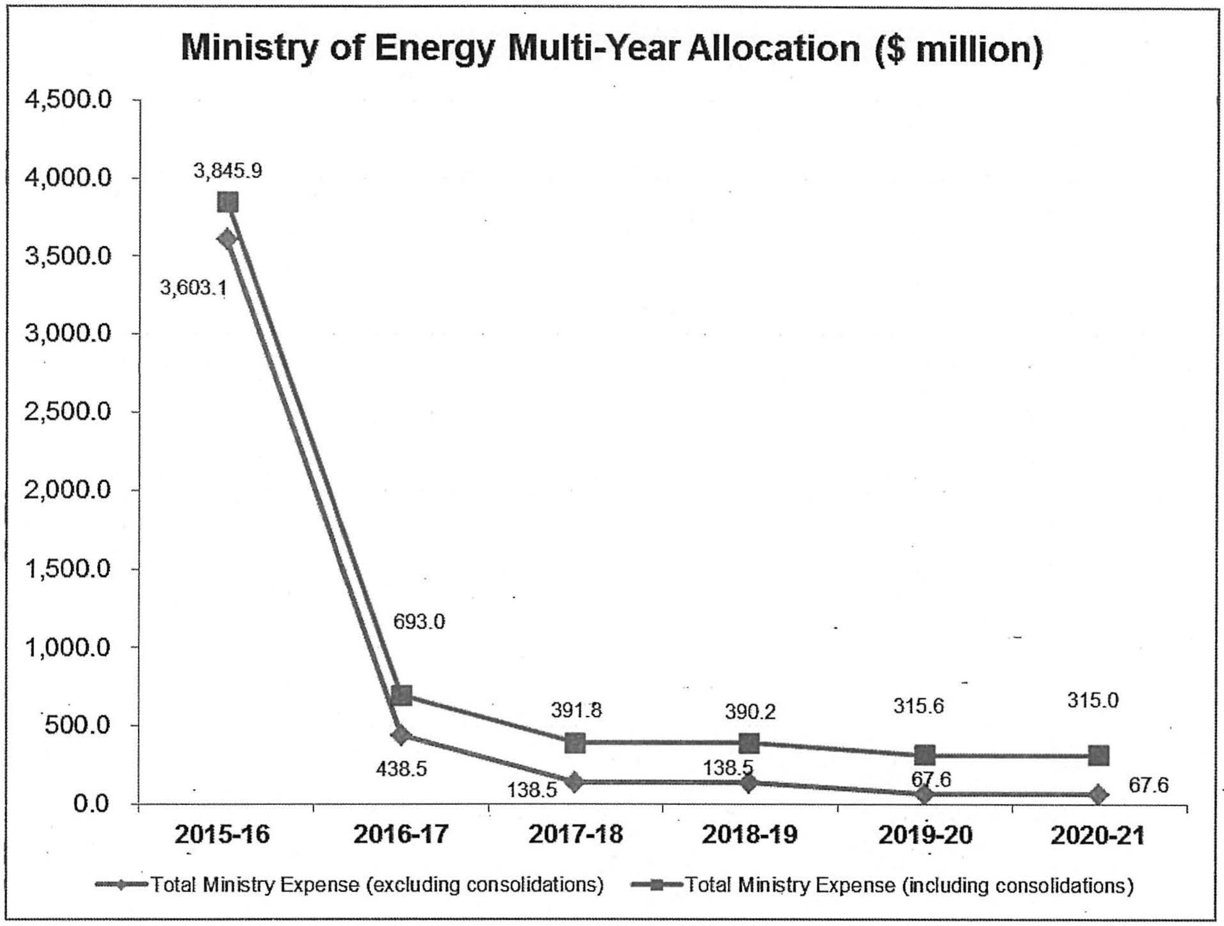


Chart 3: Total Ministry Expense, excluding consolidations and Proposed Ontario Rebate for Electricity Consumers



Ministry of Energy Breakdown of Multi-Year Allocation ($ Millions)						
	2015-16 Budget	**2016-17 Budget**	**2017-18 Budget**	**2018-19 Budget**	**2019-20 Budget**	**2020-21 Budget**
Ministry Operating Expense Allocation	54.105	112.535	112.535	112.535	41.605	41.605
Ontario Clean Energy Benefit	860.000	-	-	-	-	-
Northern Ontario Energy Credit	26.000	26.000	26.000	26.000	26.000	26.000
Add: Strategic Asset Management Supplementary Estimates	2,663.000	-	-	-	-	-
Add: Green Investment Fund	-	-	-	-	-	-
Less: Transfer Payment Administrative Modernization	-	-	-0.052	-0.052	-0.052	-0.052
Total Ministry Operating Expense Allocation	3,603.105	438.535	1,144.483	1,142.483	1,071.553	1,071.553
Consolidation Operating Expense						
Independent Electricity System Operator	185.043	195.457	195.021	193.967	193.967	193.967
Ontario Energy Board	31.709	37.002	38.014	38.304	38.464	38.464
Total Consolidation Operating Expense	216.752	232.459	233.035	232.271	232.432	232.431
Total Operating Expense Limit	3,819.857	670.994	1,377.518	1,374.755	1,303.985	1,303.985
Ministry Capital Expense Allocation	0.002	0.002	0.002	0.002	0.002	0.002
Consolidation Capital Expense						
Independent Electricity System Operator	25.188	21.040	20.832	19.851	16.251	16.251
Ontario Energy Board	0.864	0.941	1.384	1.482	1.286	0.709
Total Consolidation Capital Expense	26.052	21.981	22.216	21.333	17.537	16.960
Total Capital Expense Limit	26.054	21.983	22.218	21.335	17.539	16.962
2017-18 Savings Constraint	-	-	-1.931	-1.931	-1.931	-1.931
Total Ministry Expense Limit	**3,845.911**	**392.976**	**1,397.806**	**1,394.159**	**1,319.593**	**1,319.017**
Add: Proposed Ontario Rebate for Electricity Consumers (pending Supplementary Estimates)	-	300.000	-	-	-	-
Total Ministry Expense Limit (including Supplementary Estimate)	**3,845.911**	**692.976**	**1,397.806**	**1,394.159**	**1,319.593**	**1,319.017**



Major Changes from 2015-16 Estimates:

On September 12, 2016, Treasury Board approved the creation of a new item in Vote 2905 – Electricity Price Mitigation in the amount of $300 million which covers the Proposed Ontario Rebate for Electricity Consumer, pending Supplementary Estimate.

Exclusive of the Proposed Ontario Rebate for Electricity Consumers, the Ministry of Energy's 2016-17 Estimates, inclusive of consolidation adjustments, has decreased by $3,452.9 million (90%) from $3,845.9 million in 2015-16 to $393.0 million in 2016-17. This is mainly due to:

- $2.6 billion decrease as the Ministry provided a one-time capital contribution investment to Hydro One in 2015-16. This transaction will not be repeated for 2016-17.
- $860 million decrease in the Ontario Clean Energy Benefit as the program ended on December 31, 2015;
- $12.5 million decrease in the Smart Grid Fund as the initial funding envelope for the program was complete on March 31, 2016;

- $7.9 million increase to support Secondary Offering Costs related to Hydro One's IPO;
- An increase of $6.3 million in consolidated adjustments for the IESO; and
- An increase of $5.4 million in consolidated adjustments for the OEB.

Major Changes to 2019-20 Estimates:

- The Ministry's 2019-20 Estimates and onwards, exclusive of consolidations adjustments, will decrease by $70.9 million as funding for the Investment and Governance Secretariat ends.

4

Past Trends: Ministry Budget Breakdown (2013-14 to 2016-17)

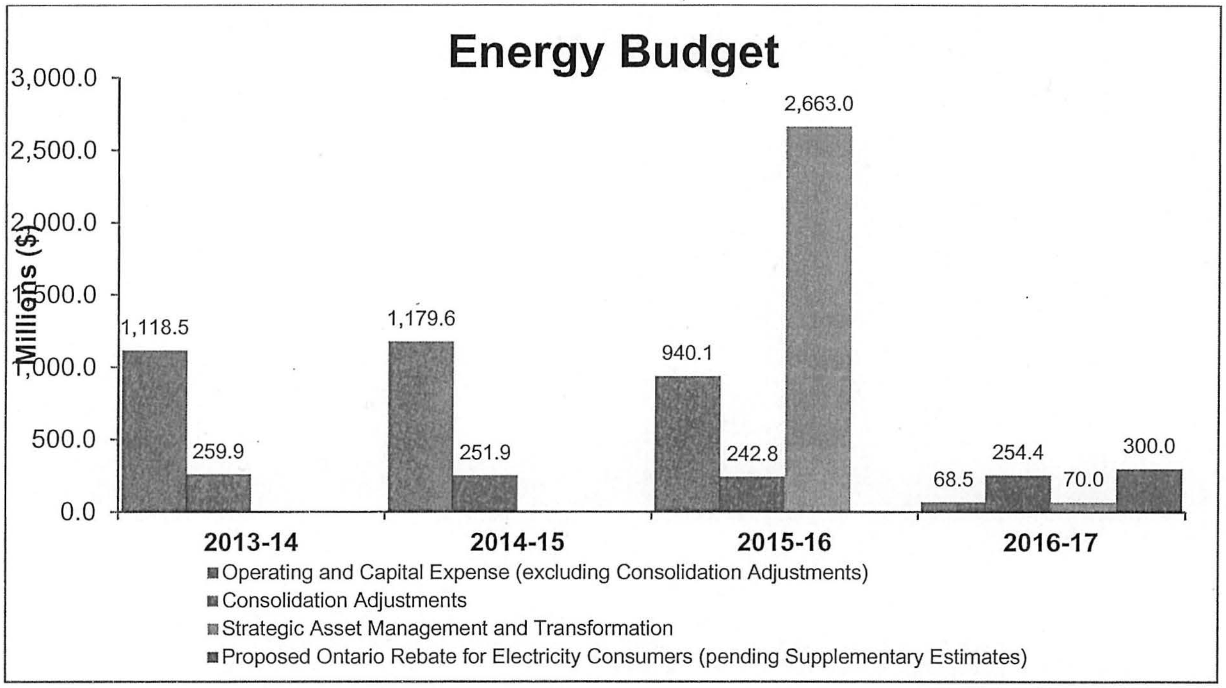
Ministry of Energy Estimates ($)*				
Program / Year	**2013-14**	**2014-15**	**2015-16**	**2016-17**
Operating and Capital Expense				
Ministry Administration Program	14,960,814	15,163,914	15,163,914	15,163,914
Energy Development and Management	22,617,000	23,370,700	23,370,700	23,925,700
Strategic Asset Management and Transformation	-	-	63,000,000	70,000,000
Total Operating and Capital Expense (excluding Transfer Payment and Consolidation Adjustments)	**37,577,814**	**38,534,614**	**101,534,614**	**109,089,614**
Energy Transfer Payments	15,872,400	15,572,400	15,572,400	3,447,400
Electricity Price Mitigation Transfer Payments**	1,065,000,000	1,125,500,000	886,000,000	26,000,000
One-Time Capital Contribution Investment	-	-	2,600,000,000	-
Total Operating and Capital Expense (excluding Consolidation Adjustments)	**1,118,450,214**	**1,179,607,014**	**3,603,107,014**	**438,537,014**
Consolidation Adjustments				
Independent Electricity System Operator	167,177,000	159,273,500	210,231,200	216,496,400
Ontario Energy Board	33,311,000	33,074,000	32,572,600	37,943,000
Ontario Power Authority***	59,399,000	59,578,000	-	-
Total Consolidation Adjustments	**259,887,000**	**251,925,500**	**242,803,800**	**254,439,400**
Total Operating and Capital Expense (including Consolidation Adjustments)	**1,378,337,214**	**1,431,532,514**	**3,845,910,814**	**392,976,414**
Proposed Ontario Rebate for Electricity Consumers (pending Supplementary Estimate)	-	-	-	300,000,000
Total Operating and Capital Expense (including Consolidation Adjustments and Supplementary Estimates)	**1,378,337,214**	**1,431,532,514**	**3,845,910,814**	**692,976,414**

** Estimates, Interim Actuals and Actuals for prior years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2016 Ontario Budget.*

*** OCEB ended on December 31, 2015 which contributed to a reduction of $860 million to the Ministry's allocation in 2016-17.*

**** On January 1, 2015, the Independent Electricity System Operator (IESO) and the Ontario Power Authority (OPA) were amalgamated to become one organization known as the IESO.*

A. Total Ministry



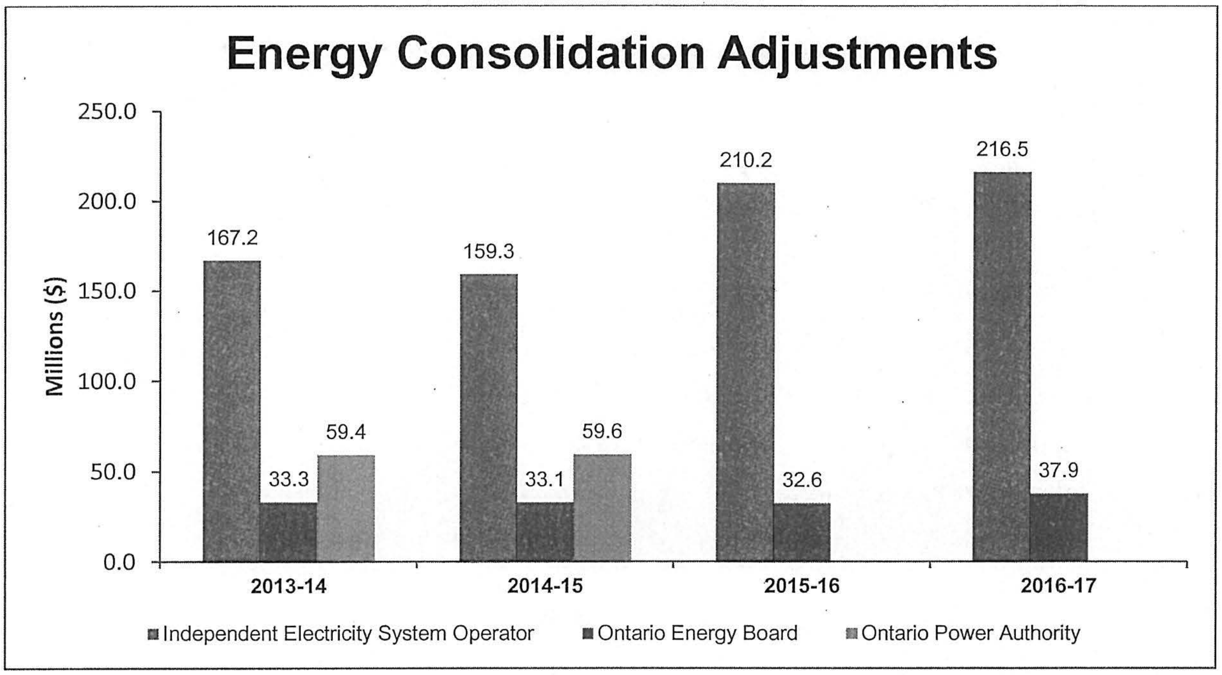
Note: The Strategic Asset Management and Transformation Vote/Item and the Proposed Ontario Rebate for Electricity Consumers is represented by a separate column to better reflect year-over-year changes in the Ministry budget.

On September 12, 2016, Treasury Board approved the creation of a new item in Vote 2905 – Electricity Price Mitigation in the amount of $300 million which covers the Proposed Ontario Rebate for Electricity Consumer, pending Supplementary Estimate.

Exclusive of the Proposed Ontario Rebate for Electricity Consumers, the Ministry of Energy's 2016-17 Estimates, inclusive of consolidation adjustments, has decreased by $3,452.9 million (90%) from $3,845.9 million in 2015-16 to $393.0 million in 2016-17. This is mainly due to:

- A decrease of $2.6 billion as the Ministry provided a one-time capital contribution investment to Hydro One in 2015-16. This transaction will not be repeated for 2016-17.
- $860 million decrease in the Ontario Clean Energy Benefit as the program ended on December 31, 2015;
- $12.5 million decrease in the Smart Grid Fund (SGF) as the initial funding envelope for the program will be complete by March 31, 2016;
- $7.9 million increase to support Secondary Offering Costs related to Hydro One's IPO;
- An increase of $6.3 million in consolidated adjustments for the Independent Electricity System Operator; and
- An increase of $5.4 million in consolidated adjustments for the Ontario Energy Board.

B. Agency Consolidation



Note: On January 1, 2015, the Independent Electricity System Operator (IESO) and the Ontario Power Authority (OPA) were amalgamated to become one organization known as the IESO.

Overall, the consolidation adjustment to the Ministry's expense for the 2016-17 Estimates has increased by approximately $11.6 million from the 2015-16 Estimates.

<u>IESO Variance from 2015-16 to 2016-17</u>

As a result of the IESO and OPA merger, the IESO is transitioning the former OPA employees who were in the PSPP prior to the merger to the IESO Pension Plan. This results in:

- $4.0 million increase in employee benefits; and
- $10.8 million change in its pension contributions paid to PSPP/OPSEU Pension Plan, this is represented as an increase in expense on the IESO books.
- Additional minor variances in the IESO's Operating Expense include:
    - $0.3 million decrease in salary and wages;
    - $0.1 million decrease in transportation and communications expenses;
    - $0.9 million decrease in supplies and equipment; and
    - $3.0 million decrease in services expense to external sources related IESO projects to drive efficiency and realize value.
- The IESO's decrease of $4.1 million in Capital Expense is driven by a reinvestment in its IT systems and infrastructure (buildings), in addition to revised project completion timelines.

OEB Variance from 2015-16 to 2016-17

In response to government policy and legislative changes, the OEB's budget has increase to accommodate its expanded mandate which includes associated program/policy development and implementation costs.

- Most significantly, this includes an addition of 22 new positions at the OEB, resulting in its staff headcount at 181 positions. Associated cost as a result of the new positions include:
  - $2.5 million increase in salary and wages;
  - $0.8 million increase in employee benefits;
  - $0.3 million increase to travel and communications; and
  - $0.1 million increase in supplies and equipment.
- Additional increases include:
  - $1.7 million increase in external consulting and professional services, and advertising; and
  - $0.1 million increase IT infrastructure investment to reduce the risk for end of life assets.

5

Government Business Enterprises and Consolidations

The government carries out its policies and delivers services through various organizations. The purpose of consolidation is to ensure the full nature and extent of the financial affairs and resources for which the government is responsible are reported in its consolidated financial statements. The consolidation exercise focuses on capturing the activities of those government organizations that operate outside the Consolidated Revenue Fund, but form part of the government reporting entity.

The Province follows accounting standards of the Public Sector Accounting Board (PSAB). The ministry's agencies fall under two categories according to PSAB policies:

Government Business Enterprises (Ontario Power Generation and Hydro One)

Ontario Power Generation (OPG) and Hydro One are Government Business Enterprises, which are defined as:

1) is a separate legal entity with the power to contract in its own name and that can sue or be sued;
2) has the financial and operating authority to carry on a business;
3) has as its principal activity, the selling of goods and services to individuals and non-government organizations; and
4) can, in the normal course of business, maintain its operations and meet its obligations from revenues generated outside of the government reporting entity.

Activities of Government Business Enterprise are not consolidated onto the ministry's books. Instead, they are consolidated into the Province's consolidated financial statements on the Modified Equity basis. Government Business Enterprises' net assets are reported as "Investment in Government Business Enterprises" on the Consolidated Statement of Financial Position and their net income is shown as "Income from Investments in Government Business Enterprises" on the Consolidated Statement of Operations.

The financial results of the Provinces rate-regulated Government Business Enterprises (Ontario Power Generation Inc. and Hydro One Ltd.) are included in the Province's consolidated financial reports. The government is seeking clarification from PSAB as to whether, under its standards, the results of the entities under modified equity accounting can continue to be reflected on the same basis as they are prepared and filed for external reporting purposes to support consistency, transparency and accountability.

Increase in 2016-17 Income Forecast

The forecast for revenue from Government Business Enterprises is based on information provided by the individual enterprises. The increase in 2016-17 is largely due to:

- Higher net revenues from asset optimization and stronger overall performance from Government Business Enterprises, which also accounts for estimates Hydro One Limited net income changes unrelated to the asset optimization strategy; and
- High-than projected returns from OPG's nuclear funds and lower-than-forecast operating costs for OPG.

(2016 Ontario Budget)

Government Business Enterprises Revenue ($ millions)	**2013-14**	**Actuals 2014-15**	**Interim 2015-16**	**Plan 2016-17**
Ontario Power Generation Inc./Hydro One Ltd./Brampton Distribution Holdco Inc.	1,605	1,789	330	1,049

Projected Net Income ($ millions)	**2016-17**	**2015-16**
Hydro One Ltd./Brampton Distribution Holdco Inc.	578	245
Ontario Power Generation Inc.	471	767
Total Projected Net Income	**1,049**	**1,012**

Driving Efficiencies in OPG and Hydro One

In recent years, the government has worked with electricity generation and transmission companies, namely OPG and Hydro One, to reduce costs and improve productivity. These two organizations are aggressively driving greater efficiencies in their operations.

Please see tab F2 for Hydro One and Ontario Power Generation Council Note.

Other Government Organizations (Ontario Energy Board and Independent Electricity System Operator)

Government organizations that do not meet the definition of a Government Business Enterprise and operate outside of the Consolidated Revenue Fund are classified as Other Government Organizations.

Activities of Other Government Organizations are consolidated on a line-by-line basis (i.e., their revenues, expenses, assets and liabilities are combined with those of the responsible ministries). Where necessary, adjustments are made to present the accounts of these organizations on a basis consistent with the accounting policies of the government, and to eliminate significant inter-organizational transactions and accounts.

The Ontario Energy Board (OEB) and the Independent Electricity System Operator (IESO) are Other Government Organizations. The Expenditures of these organizations are consolidated with the Ministry of Energy's own expense.

The expenditures are fully recovered from the rate base and have no fiscal impact.

Votes/Programs	Estimates 2016-17 $	Change from Estimates 2015-16 $	%	Estimates 2015-16 $	Interim Actuals 2015-16 $	Actuals 2014-15* $
OPERATING CONSOLIDATIONS						
Independent Electricity System Operator	195,456,600	10,413,400	5.6	185,043,200	191,258,000	202,115,266
Ontario Energy Board	37,002,000	5,293,000	16.7	31,709,000	32,447,200	34,985,000
Total Operating Consolidations	**232,458,600**	**15,706,400**	**7.2**	**216,752,200**	**223,705,200**	**237,100,266**
CAPITAL CONSOLIDATIONS						
Independent Electricity System Operator	21,039,800	-4,148,200	-16.5	25,188,000	21,911,500	20,810,603
Ontario Energy Board	941,000	77,400	9.0	863,600	795,200	930,000
Total Capital Consolidations	**21,980,800**	**-4,070,800**	-15.6	**26,051,600**	**22,706,700**	**21,740,603**
Ministry Total Consolidation Adjustments	**254,439,400**	**11,635,600**	4.8	**242,803,800**	**246,411,900**	**258,840,869**

*On January 1, 2015, the Independent Electricity System Operator (IESO) and the Ontario Power Authority (OPA) were amalgamated to become one organization known as the IESO. Actuals 2014-15 includes IESO and OPA actuals.

Total Ministry consolidation adjustments (operating and capital) increased by $11.6 million or 4.8% (from $242.8 million in 2015-16 to $254.4 million). This is a result of:

- $6.3 million increase from the IESO:
  - $4.0 million increase in employee benefits;
  - $10.8 million decrease in pension contributions paid to PSPP/OPSEU Pension Plan, this is represented as an expense increase on the IESO books;
  - $0.3 million decrease in salary and wages;

    - $0.1 million decrease in transportation and communications expenses;
    - $0.9 million decrease in supplies and equipment;
    - $3.0 million decrease in services expense to external sources related IESO projects to drive efficiency and realize value; and
    - $4.1 million decrease driven by a reinvestment in IT systems and infrastructure (buildings), and revised project completion timelines.

- $5.4 million increase from the IESO to accommodate an expanded mandate in response to government policy and legislative changes:
    - $2.5 million increase in salary and wages;
    - $0.8 million increase in employee benefits;
    - $0.3 million increase to transportation and communications;
    - $0.1 million increase in supplies and equipment;
    - $1.7 million increase in external consulting and professional services, and advertising; and
    - $0.1 million increase IT infrastructure investment to reduce the risk for end of life assets.

6

Summary of Transfer Payment Programs

Current Transfer Payment Programs:

Conservation Initiatives Program

Conservation Initiatives Transfer payment line is intended to assist in the funding of community-based electricity conservation outreach, education and incubation initiatives, along with funding for initiatives in support of both the Green Energy Act. Two programs are currently funded through this transfer payment line:

- Energy conservation education: Ontario Eco Schools Energy Conservation Education (ECE) Professional Development Program
- Community Energy Planning: Municipal Energy Plan Program

Funding for the program is permanent.

Estimates 2016-17 $	Change from 2015-16 Estimates $	%	Estimates 2015-16 $	Interim Actuals 2015-16 $	Actuals 2014-15 $
1,900,000			1,900,000	1,900,000	183,429

Green Energy Initiatives

The Green Energy Initiatives transfer payment line directly supports these government priorities through various initiatives related to the Green Energy and Green Economy Act, (GEA) such as such as amending Ontario's building code, energy efficiency and small scale renewable standards, activities that support promoting a green economy and developing industry best practices for initiatives related to energy supply, transmission and distribution. It supports work with grant recipients for which service agreements are not appropriate. Funding is provided on a case-by-case basis.

Funding for the program is permanent.

Estimates 2016-17 $	Change from 2015-16 Estimates $	%	Estimates 2015-16 $	Interim Actuals 2015-16 $	Actuals 2014-15 $
1,347,400			1,347,400	101,347,400	798,607

Aboriginal Engagement Initiatives

The Transfer Payment line provides appropriate support for activities, such as consultations and negotiations related to energy supply, transmission and distribution, and conservation for Aboriginal Initiatives.

It facilitates the consultation and, where appropriate, accommodation of Saugeen Ojibway Nations (SON) rights with regards to the planning, approval and development of energy projects in SON traditional territory.

Funding for the program is permanent.

Estimates 2016-17 $	Change from 2015-16 Estimates $	%	Estimates 2015-16 $	Interim Actuals 2015-16 $	Actuals 2014-15 $
200,000			200,000	200,000	153,941

Northern Ontario Energy Credit (NOEC)

The Northern Ontario Energy Credit helps low-to-moderate income individuals and families living in Northern Ontario with their home energy costs, which are often higher in the north due to more severe winters. The program is administered through the Canada Revenue Agency through the income tax system.

Funding for the program is permanent.

Estimates 2016-17 $	Change from 2015-16 Estimates $	%	Estimates 2015-16 $	Interim Actuals 2015-16 $	Actuals 2014-15 $
26,000,000			26,000,000	26,000,000	24,333,870

Proposed Transfer Payment Programs:

Ontario Rebate for Electricity Consumers (Pending Supplementary Estimate)

The Ontario Rebate for Electricity Consumers provide an 8% rebate equal to the provincial portion of HST to consumers eligible for the Regulated Price Plan (i.e., residential, small business and farms) and update the Rural or Remote Rate Protection (RRRP) program, to provide relief to rural customers.

The funding of $300 million for the Ontario Rebate for Electricity Consumers begins on January 1, 2017.

Estimates 2016-17 $	Change from 2015-16 Estimates $	%	Estimates 2015-16 $	Interim Actuals 2015-16 $	Actuals 2014-15 $
300,000,000		100			

Concluded Transfer Payment Programs:

Ontario Clean Energy Benefit (OCEB)

The Ontario Clean Energy Benefit provides eligible customers a 10 per cent rebate on the total cost of their electricity bills (including HST), effective with electricity consumed January 1, 2011 for five years.

The 2012 Ontario Budget included changes to the OCEB that limits financial assistance to the first 3,000 kilowatt hours of electricity consumption per month. The cap does not affect eligibility for the benefit. Consumers who use more than 3,000 kWh per month continue to receive the full benefit on their first 3,000 kWh of electricity consumption.

The Ontario Clean Energy Benefit ended on December 31, 2015.

Estimates 2016-17 $	Change from 2015-16 Estimates $	%	Estimates 2015-16 $	Interim Actuals 2015-16 $	Actuals 2014-15 $
	(860,000,000)	(100.0)	860,000,000	860,000,000	1,077,960,661

Smart Grid Fund (SGF)

The Smart Grid Fund is a $50-million, four-year Budget Initiative. It is one of the key components of the Green Energy Act to support green energy economic development opportunities for Ontario-based companies and green jobs. The program provides funding for the design, test and production of the next generation of smart grid solutions, further solidifying Ontario's reputation as a global hub for smart grid technology.

The initial funding of $50 million for SGF ended on March 31, 2016.

Estimates 2016-17 $	Change from 2015-16 Estimates $	%	Estimates 2015-16 $	Interim Actuals 2015-16 $	Actuals 2014-15 $
	(12,125,000)	(100.0)	12,125,000	25,218,600	10,291,928

7

Ministry Staffing

1. **What is the 2016-17 payroll budget of the ministry and how does it compare to the total operating budget to be voted?**

Standard Account	Budget	% of Total Operating
Total Payroll*	$19,694,900	14.2%
Total Operating*	$138,470,000	100.0%

*Not including Statutory Appropriations

2. **How many FTEs does the Ministry have and how does Energy's FTEs compare to other Ministries?**

- The Ministry has 208.6 approved positions for 2016-17.
- The Communications Services, Corporate Services Division and Legal Services Branch provide support to the Ministry of Energy. The FTEs are accounted for in the Ministry of Energy's staff allocation with the exception of Legal Services FTEs who are accounted for in the Ministry of the Attorney General

Note: Data provided by Ministry of Government Services.

3. **What is the year-over-year FTE limits for the Ministry?**

2012-13: 214.6
2013-14: 213.6
2014-15: 213.6
2015-16: 203.6
2016-17: 208.6

<u>2012-13 to 2013-14 (net decrease of 1.0)</u>
- 1 temporary transfer to MAG. FTE to be returned by April 1, 2017.

<u>2014-15 to 2015-16 (net decrease of 10.0)</u>
- 10 FTEs permanently transferred to MEDEI.

<u>2015-16 to 2016-17 (net increase of 5.0)</u>
- 5 FTEs for the new Investment and Governance Secretariat to provide dedicated resources and expertise to support the Province as shareholder of Hydro One.

4. How many Ministry employees were included in the 2015 Public Sector Salary Disclosure (PSSD) report of employees earning over $100,000?

The 2015 Public Sector Salary Disclosure list includes 47 Ministry of Energy staff. This number represents 24.4% of the total number of Full Time Equivalents (192.6) in the ministry as at December 31, 2015.

5. How does this compare to the 2014 PSSD?

The number of staff being disclosed decreased from 50 in 2014 to 47 in 2015. The decrease in the number of staff disclosed is 3.

6. Do the salaries of employees on the 2015 PSSD list conform to OPS compensation policies?

All salaries paid in 2015 conform to the OPS compensation policies and were based on formally negotiated and established salary ranges.

The salaries of the ministry employees on the list are directly in line with OPS salary ranges at the executive level.

7. What Ministry of Energy agencies disclosed employee salaries for 2015?

The Ministry of Energy has 3 accountable organizations that are outside the public service and will be completing their disclosure for 2015: Independent Electricity System Operator, Ontario Energy Board, and Ontario Power Generation.

8. Why weren't salaries of Hydro One employees disclosed?

As a publicly traded entity, Hydro One is no longer required to report salaries earned after December 31, 2014 under the PSSDA. However, similar to the Ontario Securities Commission requirements, Hydro One has to disclose the total compensation levels of the CEO, CFO and three other highest paid executives of the corporation each year.

As an OBCA company subject to Canadian Securities law, Hydro One continues to comply with rigorous governance requirements that include:

- Disclosure of board approved annual financial statements along with quarterly updates
- CEO and CFO Certifications and Associated Controls certifying that there are no misrepresentations in the annual or quarterly materials
- Shareholders' meetings requirements and rules
- Disclosure requirements with respect to management circulars (including information about senior management, such as share ownership, any indebtedness to the company and any interest in material transactions) as well as compensation circulars (executive compensation disclosures including shares awarded, perks and incentives)

9. What amounts are included in the $100,000 level for purposes of PSSD?

The $100,000 level is based on the actual salary paid to an employee during the year. In some cases, the salary paid to an employee may exceed the maximum of the salary range. The reasons that this may occur include: vacation pay-outs, overtime, retroactive adjustments and merit/incentive awards. Salary does not include severance or other lump sum payments that would be included in a T4A.

8

Logistics for Standing Committee on Estimates

- Selection of ministries and offices for consideration happened on:
    - April 6, 2016
- Ministries selected:

Ministry of Finance	7.5 hours
Ministry of Transportation	7.5 hours
Ministry of Health and Long-Term Care	15 hours
Ministry of Aboriginal Affairs *(now the Ministry of Indigenous Relations and Reconciliation)*	15 hours
Ministry of Energy	**7.5 hours**
Ministry of Agriculture, Food and Rural Affairs	7.5 hours
Ministry of Education	7.5 hours
Ministry of Children and Youth Services	7.5 hours
Office of Francophone Affairs	15 hours

- Tentative schedule for Ministry of Energy's appearance:

Wednesday, October 5 (3:45 PM to 6:00 PM)	2 hours, 15 minutes
Tuesday, October 18 (9:00 AM to 10:15 PM)	1 hour, 15 minutes
Tuesday, October 18 (3:45 PM to 6:00 PM)	2 hours, 15 minutes
Wednesday, October 19 (3:45 PM to 5:30 PM)	1 hour, 45 minutes
Total Hours:	**7 hours, 30 minutes**

- The Chair of the Standing Committee on Estimates shall be a member of a recognized Party in opposition to the government (*SO 115b*).
- Substitutes will often sit in for members during debates, including the Critics. Any opposition/third party Member of Provincial Parliament (MPP) could attend and ask questions during the defence.
- Only members of Estimates Standing Committee may vote on the Ministry's Estimates.
- Current membership (refer to Annex 2 for member biographies):

Chair: Cheri DiNovo	NDP / Parkdale--High Park
Vice-Chair: Monique Taylor	NDP / Hamilton Mountain
Members:	
Bob Delaney	LIB / Mississauga—Streetsville
Joe Dickson	LIB / Ajax—Pickering
Han Dong	LIB / Trinity--Spadina
Michael Harris	PC / Kitchener--Conestoga
Sophie Kiwala	LIB / Kingston and the Islands
Arthur Potts	LIB / Beaches--East York
Todd Smith	PC / Prince Edward—Hastings

Clerk: Eric Rennie; Tel. 416-325-3506; email: erennie@ola.org

Note:

- The Estimates Standing Committee considers no fewer than 6 and no more than 12 ministries and offices. The selection of the ministries are determined in 2 rounds by members of the Committee such that in each round the members of the Party forming the Official Opposition shall choose first, the members of a recognized Party having the third largest membership in the House shall choose second and the members of the Party forming the government shall choose third.

Procedure

- The Minister has 30 minutes for the opening statement

  Note: The Hansard reporter will request a copy of the Minister's opening remarks.

- Each party has up to 30 minutes for statements and/or questions in the following order: 1) official opposition (PC); 2) third party (NDP); 3) government party.

  Note: The opposition may waive its right to speak and thus add 30 minutes each to the question time.

- Following the above order, each party then has 20 minutes for questions and answers, on a rotational basis until the full 15 hour time period expires.

  Note: Questions are always asked of the Minister but the Minister may request that the Deputy respond. The Deputy can direct to ADMs, etc. as appropriate. Opposition and other party members may 'table' questions rather than ask them. Such questions would then require a reply in writing if left unanswered. A ministry staff person shall note all such questions and the Minister is allowed to raise and answer them verbally at the next opportunity.

- The Minister may opt to use the final 20 minutes for his closing statement.

- The Committee votes on the Ministry's Estimates by Vote. The Ministry does not participate in the voting, however, Ministry staff may stay to find out how the Committee voted.

Please note that all materials and data supplied to the Standing Committee on Estimates are considered public information. Should the Minister or ministry staff read from/refer to an internal confidential document, and a committee member requests for said document or note, the Minister may decline the request and offer to provide a written response that includes factual information from the note or document.

Attendance at Standing Committee on Estimates

At the table:

- Four seats are allotted at the table for the Ministry.
- The Clerk of the Committee suggests that one seat remain vacant to allow easier access to the microphone for Ministry staff who may be called by the Minister to answer specific questions.
- The proceedings are videotaped and Hansard reports will be posted in the Legislative Assembly website.

In the room:

- Minister's staff
- All ADMs
- Director of Communications
- Director of Legal Services
- Other Staff as appropriate

Committee staff:

- Clerk of the Committee
- Research Officer, Legislative Library
- Hansard staff
- Broadcast and recording staff
- Interpretation/translation staff will be available if requested

If desired, Minister may write a letter to the Chair requesting translation services to be available or requesting that the venue be changed to the Amethyst Room, which has translation capability (depends on availability).

Reminder to Staff: Please bring your Ministry ID/Security Pass if you are attending the Standing Committee on Estimates.

Annex 1: Terms of Reference – Standing Committee on Estimates

While the Standing Committee on Estimates' terms of reference may be contained in Standing Order 108 (d), the procedures that the committee follows are set out in Standing Orders 59 through 66:

59. When a Budget has been presented, the main Estimates shall be tabled in the House no more than 12 Sessional days later. During those 12 days the Budget debate shall be completed. If no Budget has been presented by the first Sessional day following Victoria Day, the main Estimates shall be tabled at the next available Sessional day. Upon tabling, the Estimates shall be deemed to be referred to the Standing Committee on Estimates.

60. (a) The Standing Committee on Estimates shall consider the Estimates of not fewer than six and not more than 12 ministries and offices.

(b) (i) The Estimates of the ministries and offices to be considered by the Committee shall be selected in two rounds by members of the Committee such that in each round the members of the Party forming the Official Opposition shall choose first, the members of a recognized Party having the third largest membership in the House shall choose second and the members of the Party forming the government shall choose third.

(ii) In each round, the members of each Party may choose the Estimates of one or two ministries or offices to be considered.

(c) The Estimates of the ministries and offices shall be considered in the order in which they were selected as provided in clause (b).

(d) The time for the consideration of the Estimates of each ministry or office shall be determined by the members of the Committee who selected such Estimates for consideration. If the members of a recognized Party choose the Estimates of one ministry or office in a round, not more than 15 hours shall be allocated to the consideration of the Estimates of that ministry or office, and if the members of a recognized Party choose two ministries or offices in a round, not more than 15 hours shall be allocated to the consideration of the Estimates of both.

(e) No Estimates shall be considered in the Committee while any matter, including a procedural motion, relating to the same policy field is being considered in the House.

61. (a) All other Estimates not selected for consideration by the Standing Committee on Estimates shall be deemed to be passed by the Committee and shall be reported back to the House.

(b) The report of the Committee shall be deemed to be received and the Estimates for the ministries and offices named in the report shall be deemed to be concurred in.

62. (a) All Supplementary Estimates shall be deemed to be referred to the Standing Committee on Estimates as they are presented to the House.

(b) The Committee shall consider the Supplementary Estimates of the ministries and offices selected within the time allocated pursuant to Standing Order 60 for the consideration of the main Estimates.

(c) All other Supplementary Estimates shall be reported back to the House. The report of the Committee shall be deemed to be received and the Supplementary Estimates for the ministries and offices named in the report shall be deemed to be concurred in.

63. (a) The Standing Committee on Estimates shall present one report with respect to all of the Estimates and Supplementary Estimates considered pursuant to Standing Orders 60 and 62 no later than the third Thursday in November of each calendar year.

(b) In the event the Committee fails to report the said Estimates on the date provided for in clause (a), the Estimates and Supplementary Estimates shall be deemed to be passed by the Committee and shall be deemed to be reported to and received by the House.

(c) In the event that any Supplementary Estimates are not presented to the House until the third Thursday in November, or thereafter, then those Supplementary Estimates shall be deemed to be referred to the Standing Committee on Estimates as they are presented to the House, shall be deemed to be passed by the Committee and shall be deemed to be reported to and received by the House.

(d) There shall be an Order for Concurrence placed on the *Orders and Notices Paper* for each of the Estimates reported from the Committee. There shall be two hours, apportioned equally among the recognized Parties, allotted to the debate on the Orders for Concurrence, at the end of which time the Speaker shall without further debate put every question necessary to dispose of the Order for Concurrence in Supply for each of the ministries and offices named in the Committee's report. No amendment to any question may be moved. If a recorded vote is requested by five members, all divisions shall be stacked, and there shall be a single 10 minute division bell.

64. Adoption of Orders for Concurrence shall constitute an Order to bring in a Supply Bill founded on the resolutions contained therein, and founded on the resolutions contained in the deemed Concurrences made pursuant to Standing Orders 61 and 62. Two hours, apportioned equally among the recognized Parties, shall be allotted to the debate on the second reading stage of the Supply Bill, at the end of which time the Speaker shall without further debate or amendment put all questions necessary to dispose of this stage of the Bill. A Supply Bill given second reading shall be ordered for third reading, and the Order for third reading shall then immediately be called and the Speaker shall put the question forthwith without further debate or amendment, no deferral under Standing Order 28 (h) being permitted. In the case of any division under this Standing Order, the division bell shall be limited to 10 minutes.

65. The minister or person answerable for the Estimates considered by the Standing Committee on Estimates shall provide each member of the Committee and the Clerk of the Committee with advance briefing material which shall include such information as growth rates, interim expenditures for the previous fiscal year, and an explanation of the programs and funding by particular Item.

66. (a) On the first Item of the first Vote of each set of Estimates, a representative of each recognized Party may speak for not more than 30 minutes and the minister or person answerable for the Estimates is allowed not more than 30 minutes for a right of reply. Thereafter, the Chair of the Standing Committee on Estimates shall ensure that the members adhere strictly to the Vote and Item under consideration and shall apportion the remaining time among the recognized Parties on the Committee.

(b) When the Committee has concluded its consideration of the Estimates of a ministry or office or the time established for the consideration of such Estimates has expired, the Chair shall put without further amendment or debate every question necessary to dispose of the Estimates.

Annex 2: Member Biographies – Standing Committee on Estimates

Cheri DiNovo

MPP, Parkdale--High Park (NDP)

Current Parliamentary Roles

Chair, Standing Committee on Estimates

Critic, LGBTQ Issues

Critic, Greater Toronto Area Issues

Critic, Urban Transportation

Caucus Chair

Monique Taylor

MPP, Hamilton Mountain (NDP)

Current Parliamentary Roles

Vice-Chair, Standing Committee on Estimates

Critic, Children and Youth Services

Bob Delaney

MPP, Mississauga--Streetsville (LIB)

Current Parliamentary Roles

Member, Standing Committee on Estimates

Member, Standing Committee on Justice Policy

Parliamentary Assistant to the Minister of Energy

Han Dong

MPP, Trinity--Spadina (LIB)

Current Parliamentary Roles

Parliamentary Assistant to the Minister Responsible for the Poverty Reduction Strategy

Parliamentary Assistant to the Minister of Advanced Education and Skills Development

Member, Standing Committee on Finance and Economic Affairs

Member, Standing Committee on Estimates

Michael Harris

MPP, Kitchener--Conestoga (PC)

Current Parliamentary Roles

Critic for Research, Innovation & Science

Member, Standing Committee on Estimates

Critic, Transportation

Sophie Kiwala

MPP, Kingston and the Islands (LIB)

Current Parliamentary Roles

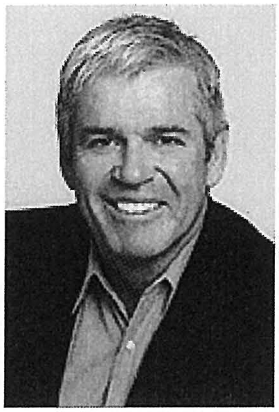
Parliamentary Assistant to the Minister of Indigenous Relations and Reconciliation

Parliamentary Assistant to the Minister of Children and Youth Services

Member, Standing Committee on the Legislative Assembly

Member, Standing Committee on Estimates

Arthur Potts



MPP, LIB / Beaches--East York (LIB)

Current Parliamentary Roles

Member, Standing Committee on Public Accounts

Parliamentary Assistant to the Minister of the Environment and Climate Change

Member, Standing Committee on Estimates

Member, Standing Committee on Justice Policy

Todd Smith

MPP, Prince Edward--Hastings (PC)

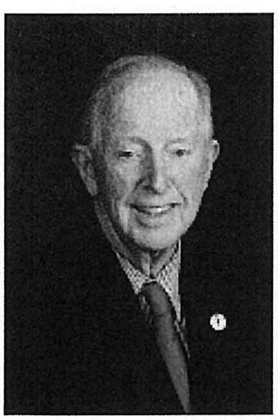
Current Parliamentary Roles

Critic, Natural Resources and Forestry

Member, Standing Committee on Estimates

Critic, Hydro One Sale

Joe Dickson



MPP, Ajax--Pickering (LIB)

Current Parliamentary Roles

Vice-Chair, Standing Committee on Regulations and Private Bills

Member, Standing Committee on Estimates

Parliamentary Assistant to the Minister of Natural Resources and Forestry

Parliamentary Assistant to the Minister of Northern Development and Mines