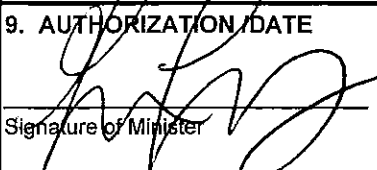
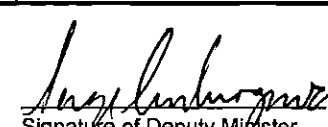


1. MINISTRY OF ENERGY				2. MINISTRY LOG #		3. TB/MBC LOG #			
4. TYPE OF REQUEST: (Indicate if Financial Transaction / Treasury Board Order/ General/ Procurement/ Legislation/ Regulation/ Order-in-Council) PROCUREMENT									
5. PURPOSE OF REQUEST APPROVE the Ministry of Energy, through direct assignment, to acquire the services of Rain43 for the development of a public education campaign in the following amounts: - \$1,500,000 between 2016-17 and 2017-18 for agency fees and productions.									
6. FINANCIAL DETAILS		(\$ Millions)							
		Current Year		Year 2		Year 3		Matures in	
		2016-17		2017-18		2018-19		20xx/20xx	
		Operating	Capital	Operating	Capital	Operating	Capital	Operating	Capital
A. Program Current Base	Expense								
	Asset								
B. Program Request (change from existing base)	Expense								
	Asset								
C. Available for Offset	Expense								
	Asset								
D. Net Impact On Program Allocation (B-C)	Expense								
	Asset								
E. Revenue Implications									
7. IMPACT ON FTE LIMIT		Current Year		Year 2		Year 3		Mature in	
		20xx/20xx		20xx/20xx		20xx/20xx		20xx/20xx	
A. Program Current Base FTE Limit									
B. Program FTEs Request									
C. Available FTE Offset									
D. Net Impact on FTE Limit (B-C)									
E. Change to Ministry Salaries & Wages Allocation (Included in the Program Request (\$ Millions))									
8. OTHER DECISION FACTORS				Y/N	EXPLANATION				
A. Consistent with Government Priorities and Results (If Yes identify key Results) - include details in submission)				Y	Taking further action to mitigate the impact of electricity prices on consumers. Ministries:				
B. Policy approval (If yes identify policy committee and date approved)				N					
C. Key Performance Risks (If yes provide details in submission)				N					
D. Impact on other Ministries (if yes - include sign-off date. Include resources impact in submission)				N					
E. Impact on the Fiscal Plan (if yes provide details in submission)				N					
9. AUTHORIZATION / DATE									
 Signature of Minister				February 3, 2017		 Signature of Deputy Minister			
				February 3, 2017					

Application and Report to Treasury Board/Management Board of Cabinet

This is a general purpose form. Use it for all requests submitted to Treasury Board and Management Board of Cabinet including items delegated to the Chair of Treasury Board/Management Board of Cabinet. If the submission would result in a change in approved financial appropriations and/or full time equivalent (FTE) limits please complete Sections 6 and/or 7.

Instructions for completing the TB/MBC Submission Template

1. **Ministry** State name (or names if it is a joint submissions).
2. **Ministry Log #** Insert your Ministry Tracking log # for the submissions.
3. **TB/MBC Log #** For use by TB/MBC Coordination Office only.
4. **Type of Request** Choices may include any or a combination of the following: Financial Transaction, TBO, General, Procurement, legislation, Regulation, Order-in-Council.
5. **Purpose of Request** In no more than two sentences, describe the objective of the request.
6. **Financial Details**

Provide financial details for the current year, outlook for the next 2 years and Maturity date.A32

For each year of the following sections please provide applicable details for Expense, Asset, Operating and/or Capital:

 - A. Program Current Base Provide current base associated with the request
 - B. Program Request Change in costs associated with the proposal.
 - C. Available for Offset Indicate the costs that can be managed from within existing appropriations (intra or inter-ministry where applicable).
 - D. Net Impact on Program Allocation Net impact on the Ministry's allocations.
 - E. Revenue Implications Identify new or change in revenues that would flow into the Consolidated Revenue Fund.
7. **Impact on FTE Limit** Provide staff details for the current year, outlook for the next 2 years and mature FTE impact - follows the same logic as financial details (items 6 above). For Section 7E provide the change in the salaries and wages associated with the net impact of the request (i.e. 6D) if applicable.
8. **Other Decision Factors** Answer Yes or No to each of the decision factors highlighted and provide key notes on template for Minister and Deputy Minister information. Provide further details in the submission.
9. **Authorization /Date** To be signed by the Minister and Deputy Minister of the requesting Ministry to confirm support for the request as submitted. Joint inter-ministry submissions require the signature of all Minister and Deputy Minister affected. Signed submission due in to the TB/MBC Coordination Office no later than 2 weeks prior to the scheduled TB/MBC meeting date.

Application and Report to Treasury Board/Management Board of Cabinet

Administrative Data for Current year (relates to 6B and 6C from page 1).

Vote & Item	Standard Account	Ministry Request (\$ Millions)				
		Holdback / Release (A)	Treasury Board Order (B)	Increase (C)	(Decrease) (D)	Total (E=B+C+D)
xxxx-x	Salaries & Wages					
	Employee Benefits					
	Transportation & Communication					
	Services					
	Supplies and Equipment					
	Transfer Payments					
	Other Transactions					
	Recoveries					
	Other (Specify)					
	ITEM TOTAL					
xxxx-x	Salaries & Wages					
	Employee Benefits					
	Transportation & Communication					
	Services					
	Supplies and Equipment					
	Transfer Payments					
	Other Transactions					
	Recoveries					
	Other (Specify)					
	ITEM TOTAL					
	Salaries & Wages					
	Employee Benefits					
	Transportation & Communication					
	Services					
	Supplies and Equipment					
	Transfer Payments					
	Other Transactions					
	Recoveries					
	Other (Specify)					
	ITEM TOTAL					
	Salaries & Wages					
	Employee Benefits					
	Transportation & Communication					
	Services					
	Supplies and Equipment					
	Transfer Payments					
	Other Transactions					
	Recoveries					
	Other (Specify)					
	ITEM TOTAL					

Vote & Item	Standard Account	Ministry Request (\$ Millions)				
		Holdback / Release (A)	Treasury Board Order (B)	Increase (C)	(Decrease) (D)	Total (E=B+C+D)
	Salaries & Wages Employee Benefits Transportation & Communication Services Supplies and Equipment Transfer Payments Other Transactions Recoveries Other (Specify)					
	ITEM TOTAL					
	Salaries & Wages Employee Benefits Transportation & Communication Services Supplies and Equipment Transfer Payments Other Transactions Recoveries Other (Specify)					
	ITEM TOTAL					
	Salaries & Wages Employee Benefits Transportation & Communication Services Supplies and Equipment Transfer Payments Other Transactions Recoveries Other (Specify)					
	ITEM TOTAL					
MINISTRY SUMMARY	Salaries & Wages Employee Benefits Transportation & Communication Services Supplies and Equipment Transfer Payments Other Transactions Recoveries Other (Specify)					
	MINISTRY TOTAL					

MINISTRY OF ENERGY

**TREASURY BOARD / MANAGEMENT
BOARD of CABINET SUBMISSION**

**PROCUREMENT OF ADVERTISING SERVICES
ELECTRICITY COST REDUCTION CAMPAIGN**

Feb, 3, 2017

**CONFIDENTIAL
MINISTRY OF ENERGY**

**PROCUREMENT OF ADVERTISING SERVICES
ELECTRICITY COST REDUCTION CAMPAIGN**

1.0 MINISTRY REQUEST

The Ministry of Energy is requesting that Treasury Board/Management Board of Cabinet (TB/MBC):

- APPROVE an exemption from the mandatory requirements of the OPS Procurement Directive to acquire the services of Rain43, through direct assignment, from the Advertising Review Board's vendor-of-record.
- APPROVE the Ministry of Energy, through direct assignment, to acquire the services of Rain43 for the development of a public education campaign in the following amount:
 - \$1,500,000 between 2016-17 and 2017-18 for agency fees and production.
- NOTE the Ministry of Energy will return to TB/MBC to request the Chair of Treasury Board approve a transfer of funds to the Ministry of Energy from the Bulk Media Buy program in Treasury Board Secretariat to fully recover the costs for the above public education campaign.

2.0 PURPOSE OF REQUEST

The Ministry of Energy is seeking the services of an advertising agency. The supplier will develop a public education campaign. The campaign will increase awareness of Ontario's existing rate mitigation measures and new proposed electricity affordability plan. Due to urgent timelines, procurement of an agency with experience in the energy sector was necessary. A direct assignment to Rain43 for radio and digital advertising was secured through an Advertising Review Board. Rain43 is an Agency of Record. This request is to expand deliverables to include television broadcast media advertising with the same supplier, Rain43.

3.0 KEY CONTEXT

Over the last decade Ontario has rebuilt the transmission and distribution grid, invested in clean generation, and closed coal-fired power plants. These system upgrades have come at a cost to Ontarians through rising hydro bills that are top of mind concern for many Ontarians.

Ontario has heard these concerns and is taking action to make electricity rates more affordable. A high profile Premier's announcement to announce the plan is expected to happen in February 2017.

Supporting this announcement with a comprehensive print, television and radio campaign to get the word out is critical to ensure the hardest hit and most vulnerable low-income families in the province hear about all the programs that can help them pay their electricity bill.

In addition to the proposed new electricity affordability plan, there are many programs and measures to help reduce household electricity costs, including:

- an 8% rebate for homeowners and small businesses effective Jan 1, 2017
- enhancements to the rural rate reduction program providing savings of about 20%
- home energy audit and retrofit rebates with up to \$2,100 in incentives to help homes be more energy efficient
- the Ontario Electricity Support Program, offering an on-bill credit for eligible low-income households.

4.0 BACKGROUND

- Electricity prices have increased dramatically in recent years as Ontario has made investment to rebuild our grid and electricity system to ensure it is clean reliable.
- Although the government announced an 8% rebate effective January 1, 2017, the Premier and Minister of Energy have heard feedback through media coverage, written correspondence, stakeholder sessions and social media that 8% is not enough.
- The government has heard these concerns and is taking action to make electricity rates more affordable. A high profile Premier's announcement is expected to happen in February 2017.
- Supporting this announcement with a comprehensive print, television and radio campaign to get the word out is critical to ensure the hardest hit and most vulnerable low-income families in the province hear about all the programs that can help them pay their electricity bill.
- The communications objective is to increase awareness of Ontario's commitment to lower energy costs for ratepayers through new initiatives outlined in the plan to be announced by the Premier in February 2017.

- The ministry requires a nimble and creative advertising partner like Rain43 to develop and execute a television, radio and digital video pre-roll campaign that connects Ontario's energy policies, programs and rebates to a benefit for consumers.
- The selected supplier will be required to:
 1. Develop an integrated marketing campaign that aligns with existing communications on the energy plan, rebates and benefits to consumers.
 2. Be nimble, creative and flexible as timelines will likely be very aggressive.
 3. Collaborate with the contracted Ontario government media planning and buying agency of record, in the development of media strategies/recommendations.
 4. Develop and deliver all required creative executions in an accessible and easy-to-understand format.
 5. Translate creative executions into French and other required Roman and non-Roman languages.
 6. Provide ongoing, day-to-day support, as required by the Client, including preparation of materials for mandatory Auditor General approvals.

5.0 TIMING

Ontario has heard these concerns from Ontarians about high electricity rates and is taking action to make electricity rates more affordable. A high profile Premier's announcement is expected to happen in February 2017.

Supporting this announcement with a comprehensive print, television and radio campaign to get the word out is critical to ensure the hardest hit and most vulnerable low-income families in the province hear about all the programs that can help them pay their electricity bill.

The cost of the advertising campaign will be recovered from the TBS bulk media fund that has been approved by Cabinet Office.

6.0 FINANCIAL IMPACT

This advertising campaign will not impact the fiscal plan as it is being funded by the TBS bulk media fund. Proposed financial breakdown: \$1,500,000 between 2016-17 and 2017-18 for agency fees and production.

7.0 STAKEHOLDER ANALYSIS

- Letting Ontarians know about reductions to their electricity bill shows their comments have been heard and taken into consideration.

8.0 RISK ASSESSMENT AND MITIGATION

The quality of the campaign could be at risk due to very short timelines.

9.0 COMMUNICATIONS

Issue/Consideration	Mitigation Strategy
The agency has to produce a campaign under very short timelines. The quality of the work may be at risk due to timelines.	This is one of the reasons for proceeding with Rain43, an agency with experience producing high quality campaigns under short deadlines and high-pressure environments. Rain43 also has experience working in the energy sector and this will help them be more familiar with the project.

- Communications objective:
 - To demonstrate the government understands the impact of rising electricity rate;
 - To raise awareness of the rebates and initiatives in place to reduce electricity bills; and
 - To increase understanding of the electricity system, prices and energy supply.
- Media coverage and public opinion research indicates Ontarians feel prices are too high for electricity and many are struggling to pay their bills.
- Campaign strategy is high profile and province-wide.
- Tactics include Premier's announcement, digital radio, print and television advertising.
- Evaluation to measure public recall to gauge success of campaign and monitor hits to campaign website.

10. RECOMMENDATION

The Ministry of Energy is requesting that Treasury Board/Management Board of Cabinet (TB/MBC):

- APPROVE an exemption from the mandatory requirements of the OPS Procurement Directive to acquire the services of Rain43, through direct assignment, from the Advertising Review Board's vendor-of-record.

-
- APPROVE the Ministry of Energy, through direct assignment, to acquire the services of Rain43 for the development of a public education campaign in the following amount:
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 - NOTE the Ministry of Energy plans to return to TB/MBC to request the Chair of Treasury Board approve a transfer of funds to the Ministry of Energy from the Bulk Media Buy program in Treasury Board Secretariat to fully recover the costs for the above public education campaign.