

MOF FOI BRIEFING NOTE

Request:	Searchable PDF copies of all reports, analyses, slide decks, briefing notes, explanatory notes and/or other documents, prepared in 2016, that provide an estimate and/or an assessment of the costs and/or constraints of administering a rebate for electricity consumers, including costs borne by governments and non-government participants in the rebate program; and Searchable PDF copies of all reports, analyses, slide decks, briefing notes, explanatory notes and/or other documents, prepared in 2016, that provide an estimate and/or an assessment of the costs and/or constraints of exempting electricity costs from the Harmonized Sales Tax. Please provide the final version of the documents and also the draft versions that show any significant changes that were made based upon the review of the Minister or the Deputy Minister. Do not include change that pertains to grammatical errors or vocabulary change.
File #:	A-16-125
Requester:	Government
Due date:	December 2, 2016

Part A – FOI / Program Area

Summary of material being released:

- Full access is provided to four records (14 pages) consisting of two Q&A's regarding Electricity Price Mitigation and Two CIN's regarding HST: Home Heating and HST Rebate for Electricity. Some information in the records has been removed as non responsive.
- Access is denied to seventy-eight records (432 pages) under sections 12, 13, 15 and 19 under FIPPA. Some information in the records has been removed as non responsive.

Contentious issues:

- This FOI has been identified as contentious as it relates to the 2016 Ontario Rebate for Electricity Consumers, which is an 8% rebate for certain electricity consumers.
- All of the responsive documents that are being released in whole or in part are Contentious Issue Notes and Q&As. Although CINs and Q&As are written with the intent to be made public, some of the issues and estimates may be considered contentious.
- In a March 1, 2016 CIN that will be released in part, the Ministry of Finance estimated the cost of providing an 8% HST exemption for residential electricity consumers as \$700 million.
- This figure differs from the \$1 billion estimate released by the Ministry of Energy for the cost of the 8% electricity rebate.
- The cost estimate in the March 1, 2016 CIN applies only to residential consumers, while the recently announced 8% electricity rebate applies to residential consumers, farms and small businesses.

Background (FOI):

- The request was received on September 21, 2016 and sent to the Taxation Policy Division for processing.
 - The request was clarified on October 19, 2016 to include final versions of documents, as well as draft versions that showed significant changes after review by a Minister or Deputy Minister.
 - The Ministry of Energy also received the request.
 - Eighty-two records (446 pages) responsive to the request were located. On November 15, 2016, a time extension (14 days) for consultations took place with ENERGY, MEDG, OFA, TBS and MAG.
 - The affected institutions from the consultation agreed to deny access to the records per the Ministry of Finance recommendation.
 - An access decision will be issued on December 2, 2016 granting partial access to the records. Full access is granted to 4 records (14 pages) and 78 (432 pages) are denied.
 - A final fee of \$92.80 is required before the records are released.
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Part B - Communications

Key messages:

- The government will provide a rebate on electricity costs equal to the provincial portion of the Harmonized Sales Tax (HST) to eligible small businesses, farms and residential consumers beginning January 1, 2017. Small businesses and farms that claim input tax credits will receive an incremental benefit from this rebate.

Communications/Issues Management Strategy:

Outline proposed strategy (attach detailed plan if appropriate)

- A reactive communications strategy is recommended.

Background (Communications/Issues):

- The issue of electricity costs has been the main issue raised in the legislature and in the media this fall.
- On November 23, 2016, the Premier said the following in the Legislature:
“Mr. Speaker. Those are all things that we have done recognizing that there has been a cost associated with cleaning up the mess in the electricity system that was left to us. We recognize that. And then I said Mr. Speaker -- and there's more that we need to do. I've committed to that. We have committed to that and we will be making more changes going forward, Mr. Speaker.”