

FW: Proceeds follow up

From: "Chochla, Megan (CAB)" <megan.chochla2@ontario.ca>
To: "Greenberg, Martha (CAB)" <martha.greenberg@ontario.ca>
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Date: Wed, 16 Nov 2016 09:38:55 -0500
Attachments: QA - Proceeds Recycling Timing and Prices - DMO on 2016-11-15-530PM.DOCX (35.01 kB)

Martha,

Some info from ENERGY attached, we're following up with them for more detail on how the OEB might true up the rate increase against the true cost of carbon. MOECC had not yet seen these. Assuming that there will be questions from the PO, TBS and MOECC, we're also setting up discussion for tomorrow.

Megan

From: Chochla, Megan (CAB)
Sent: November 15, 2016 1:59 PM
To: Katona, Keley (ENERGY); Ecclestone, Susan (MOECC)
Cc: Moore, Karen (CAB); Downarowicz, Ewa (CAB)
Subject: RE: Proceeds follow up

Hi Keley and Susan,

The PO has been in touch with your MOs – the decision is to proceed with option 3.

Regarding the outstanding questions (the relationship between auction proceeds, OEB decisions on rate increases, and how much support is required/when for businesses - the direct/indirect relationship and lag time, and reconciling OEB rate increases with actual carbon costs post-auction), the PO is aware that ENERGY is working on QsAs.

We'll be setting up a meeting to discuss the QsAs (PO, CO, ENERGY, MOECC, TBS) for later this week.

Megan

From: Moore, Karen (CAB)
Sent: November-07-16 4:09 PM
To: Katona, Keley (ENERGY); Ecclestone, Susan (MOECC)
Cc: Greenberg, Martha (CAB)
Subject: Proceeds follow up

Hi Keley and Susan,

Thanks for the briefing this morning. Coming out of the discussion we were able to loop back with PO and clarify a few things. Everyone agrees we need to land on the path forward this week as time is of the essence regardless of approach taken.

We know you are undertaking the modeling for what an option 5 could look like – GA + volumetric off peak. I understand you may be able to provide further information on that option end of day

Wednesday or first thing Thursday? At this point it is unlikely that we will need to bring you into Major Projects. Regardless, CO/PO would like to see updated materials with that option included as quickly as you can in order to support decision making.

Based on all discussions, option 3 still seems to be the most preferred option as it does satisfy requirements and has the benefit of meeting timelines relatively easily. But the addition of option 5 will enable the full comparison.

On slide 9 there are three criteria (more or less) that options should be assessed against and PO has asked if all options could be mapped back to these three statements (offset consumers contributions, fuel-switching, incent behavioural change). Everyone really likes how these are captured and think they would be useful to compare the options.

With respect to the discussion that took place at the beginning of the meeting, it might be helpful if we could better understand the relationship between auction proceeds, OEB decisions on rate increases, and therefore how much support is required/when for businesses. It was a bit unclear on the direct/indirect relationship and lag time. We will work with you to set up a call to better understand that piece this week.

Thanks,
Karen

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