

Re: new minute

From: "Greenberg, Martha (CAB)" </o=govon/ou=exchange administrative group (fydibohf23spdl)/cn=recipients/cn=greenberg, martha (cab)3ff>
To: "McEachern, Gillian (OPO)" <gillian.mceachern@ontario.ca>
Date: Mon, 12 Sep 2016 06:32:17 -0400

Nor have I. We finalized the policy minute based on yesterday so that is done as adding numbers etc is for the tb side anyway and Steven was comfortable so we are printing notes at 730!

From: McEachern, Gillian (OPO)
Sent: Monday, September 12, 2016 12:41 AM
To: Greenberg, Martha (CAB)
Subject: RE: new minute

Mike Jancik and I spoke tonight and he was going to take your version and work with officials. Was expecting it back tonight but don't have yet. Assuming we'll both get it in the morning, hopefully early!

Gillian McEachern
Executive Director of Policy
Office of the Premier of Ontario
416.325.7038

From: Greenberg, Martha (CAB)
Sent: Sunday, September 11, 2016 7:05 PM
To: McEachern, Gillian (OPO)
Subject: RE: new minute

Slight change in the below from what I sent you previously, talked to Steven and he had a suggestion for how to phrase the "other related initiatives" we are trying to mitigate.

From: Greenberg, Martha (CAB)
Sent: Sunday, September 11, 2016 7:04 PM
To: McEachern, Gillian (OPO)
Cc: Davidson, Steven (CAB); Hughes, Karen (TBS); Moore, Karen (CAB); Karen Moore; Foster, Robert (CAB)
Subject: new minute

Hi Gillian,

See new minute below (NEW), meant to capture what we talked about. TBS may need to tighten the language about "returned" proceeds but sharing now to ensure all eyes are on it.

thanks,
Martha

NEW

6. Further to the Minute approved at Cabinet May 11 2016 with respect to the Climate Change Action Plan (#91), Energy work with MOECC, TBS, the PO and CO , to allocate proceeds to address rate-impacts on non-Regulated Price Plan electricity consumers (e.g., industrial, commercial and institutional) related to cap and trade and the expansion of other rate-based programs. Energy, working with MOECC, report back to Cabinet in 2016 with options on the appropriate mechanism.

a) Any proceeds no longer required, based on the intended funding approved at Treasury Board on May 19 2016, be used for other existing initiatives within the fiscal plan and the Climate Change Action Plan that reduce greenhouse gas emissions, subject to the evaluation of the Minister of the Environment and Climate Change.

PROPOSED TB MINUTE FOR TOMORROW (which we would be replacing should something along the lines of the new one work but wanted to ensure you saw this proposed wording)

- i) Note the reallocation of cap and trade auction proceeds from the up to \$1,320,000,000 that was previously allocated through the Climate Change Action Plan for electricity price mitigation, as follows:
 - a) The Ministry of Energy to work with the Ministry of the Environment and Climate Change to invest an estimated amount of up to \$1,080,000,000, from 2017-18 to 2020-21, of Cap and Trade auction proceeds for non- Regulated Price Plan electricity consumers over the first compliance period (2017-2020) through a volumetric rebate mechanism with a linkage to GHG emission reductions and the government's Climate Change Action Plan. Cap and trade auction proceeds would be used to promote fuel switching to make electricity more competitive with traditionally cheaper fossil fuels, supporting the Government's Climate Change Action Plan.
 - b) The remaining up to \$240,000,000, from 2017-18 to 2020-21, which was previously allocated in the Climate Change Action Plan to eliminate carbon price impacts/ grid emission reductions to ratepayers, to be used for other existing initiatives within the fiscal plan and the Climate Change Action Plan that reduce greenhouse gas emissions.

In this regard:

- 1) Note any redirection of proceeds previously allocated in the Climate Change Action Plan is subject to the evaluation of the Minister of the Environment and Climate Change.
- 2) Direct the Ministry of the Environment and Climate Change to work with Treasury Board Secretariat and Ministry of Finance to identify other existing initiatives within the fiscal plan that reduce greenhouse gas emissions that can be funded with the remaining up to \$240,000,000, from 2017-18 to 2020-21, which was allocated in the Climate Change Action Plan to eliminate carbon price impacts/ grid emission reductions to ratepayers.

PREVIOUS MINUTES:

Budget commitment:

The government will also take steps to ensure that the net impact of cap and trade would not result in an overall increase in electricity costs for commercial and industrial consumers, and that there would be a modest benefit of up to \$2 per month, on average, to residential consumers.

CCAP public document:
Keep Electricity Rates Affordable: Use cap and trade proceeds to offset the cost of greenhouse gas pollution reduction initiatives that are currently funded by residential and industrial consumers through their bills.

CCAP policy minute:
ENERGY develop additional options to addressing rate-impacts on electricity consumers and work with MOECC, the Premier's Office and Cabinet Office regarding the selected option for inclusion in the action plan

CCAP TB:

Moving toward a lower-carbon energy supply with adequate capacity and affordable low-carbon electricity.	Eliminate Carbon Price Impacts / Grid Emission Reductions to Ratepayers	· Range - \$1,000,000,000 to \$1,320,000,000	3,000,000 Tonnes (Energy Planning)
--	---	--	------------------------------------

)