

ENERGY TABLE UPDATE

ENERGY TABLE LOGISTICS

Meeting Details:

- March 10, 2017, 1:00 pm – 4:30 pm
- Garden River Recreation Centre, Garden River First Nation

Attendees:

- First Nation Invitees: Political Confederacy and Chief Paul Syrette of Garden River
- Agency: ENERGY, IESO, OEB, OPG, HONI

AGENDA

1:00 PM	OPENING REMARKS	
	• Elder Opening • Welcoming Remarks (Nathan) • Chief Syrette • Ontario Regional Chief • Minister Thibeault • Introductions	
1:30 PM	RECENT SUCCESSES	
	First Nations Delivery Charge Credit: Announcement and Implementation	ENERGY & COO
	• Long -Term Energy Plan Engagement Process ○ Ontario Planning Outlook ○ Community Energy Planning	ENERGY IESO
	Hydro One Engagement Process	HONI
2:00 PM	FIRST NATIONS GRIEVANCE PROCESS	
	• Background • Lessons Learned	ENERGY & COO
	Grievance Process Next Steps	ENERGY & COO

AGENDA CONT'D

2:45 PM	WEALTH CREATION THROUGH ENERGY	
	• Procurement	COO
	• Access to Capital	COO
	• Community Infrastructure ○ Implementing Community Energy Plans ○ First Nation building energy solutions ▪ Delivery Charge Credit ▪ Sustainable Solutions	COO
3:30 PM	STRENGTHENING OUR RELATIONSHIP – MOVING FORWARD	
	• Collaborative for 2017	
	○ Northern Energy Tour (COO)	
	○ First Nations Energy Council (COO)	
	○ Watay Power (ENERGY & COO)	
	○ Delivery Rate Credit Implementation and Communication (ENERGY & COO)	
	○ Long Term Energy Plan (ENERGY)	
4:15 PM	CLOSING REMARKS	
	• Minister Thibeault	
	• Ontario Regional Chief	
	• Elder Closing	
4:30 PM	CLOSE	

KEY ISSUE – DELIVERY CREDIT

- First Nations leaders and Political-Territorial Organizations (PTOs) have been advocating for the need to review delivery charges associated with transmission and distribution assets within the context of historical grievances and the need for electricity rate relief for on-reserve customers.
- The Minister committed to consider options for addressing the issue at the April 18, 2016 First Nations-Ontario Energy Table meeting in Timmins. The government plans to introduce legislation, which, if passed, would enable the implementation of the Ontario Energy Board report's recommendations and result in the First Nations Delivery Credit for on-reserve residential electricity customers.
- Energy Table participants will likely have questions about the timelines and details of the Credit, as well as questions about future applicability of the Credit to off-reserve customers.

Suggested Response:

- **We have heard the concerns raised by First Nation Leadership about the high electricity costs and delivery charges impacting First Nation communities.**
- **I was pleased to receive the OEB's report on the matter, as well as the report from Chiefs of Ontario.**
- **As you have likely heard, our Government plans to introduce legislation, which if passed, will enable the implementation of the OEB's recommendations.**
- **The resulting First Nations Delivery Credit is a reflection of your leadership on this issue and an example of the Political Accord coming to life.**
- **The initiative will provide much needed relief to help address some of the unique challenges that on-reserve First Nations customers face, and to recognize First Nations' contribution to the provincial electricity system.**
- **Additionally, grid-connected First Nation consumers can expect to benefit from a number of other elements of Ontario's Fair Hydro plan, including:**
 - **Recognizing that the electricity infrastructure that has been built will last for many decades to come, the province would refinance those capital investments to ensure that system costs are more equitably distributed over time.**
 - **In addition, a number of important programs, such as the Ontario Electricity Support Program (OESP), will now be funded by the government instead of by ratepayers.**

KEY ISSUE - LTEP

- Through the 2010 and 2013 LTEPs, ENERGY has increased Indigenous participation in the energy sector to enhance economic development opportunities that advances the relationship between Ontario and First Nations envisioned by the Political Accord.
- Over the fall 2016, the Ministry of Energy held 14 First Nation engagement sessions across the province to inform the update of the LTEP. The sessions included participation from almost 200 representatives from nearly 100 Indigenous communities and organizations.
- Energy Table participants are likely interested to understand timelines for LTEP as well as how Indigenous perspectives will be reflected.

Suggested Response:

- **Indigenous participation in the energy sector has increased through the 2010 and 2013 LTEPs which has led to enhanced economic development opportunities and advancement of the relationship between Ontario and First Nations envisioned by the Political Accord.**
- **Over the fall 2016, the Ministry of Energy held 14 First Nation engagement sessions across the province to inform the update of the LTEP. The First Nation sessions included participation from over 150 representatives from approximately 78 First Nation communities and organizations.**
- **I am pleased that we were able to significantly increase First Nation participation in Ontario's energy sector through the commitments of the 2013 LTEP.**
- **Based on the IESO's Ontario Planning Outlook (OPO) the Province is in a robust energy supply situation for the next ten years and we are not procuring additional generation.**
- **I would like to hear your thoughts on how we the evolution of First Nation participation in the sector given the Province is shifting away from procurement of new supply?**

KEY ISSUE – GRIEVANCE TABLE

- At the April 21, 2016 Energy Table meeting in Timmins, First Nation representatives reported that feedback from a COO survey indicated that electricity costs/delivery charge was the biggest “grievance” communities have.
- While a general update is appropriate on the overall process of the Grievance Table, the Energy Table is not an appropriate forum to discuss the specifics of each First Nation currently participating.
- COO may be seeking to expand the role of the Grievance Table process by having Hydro One participate directly in discussions involving the Ministry and more information is required from COO on this issue.
- COO may be seeking a way to keep the Grievance Table process active post ratification of the Hydro One transaction and/or creating further assurances for the Chiefs to provide greater comfort for them to ratify the Hydro One deal.
- COO has identified a “Permits” as a lesson learned item and may relate to the outstanding Indian Act permits for transmission infrastructure crossing reserve land.
- HONI has transmission assets on and across 21 First Nation Reserves in Ontario. It has secured agreements with 13 First Nations; INAC has issued 3 permits to date. Negotiations are on-going with 8 First Nations. See appendix for map and ~~LSB note for further details.~~

GRIEVANCE TABLE CONT'D

- Energy Table participants may wish to press the Ministry for its involvement in settling permit issues. It is suggested that the Ministry listen but not respond to specific calls for action at this time.
- COO has also identified a Hydro One engagement process and it isn't clear if they are referring to the Negotiation Table or some other related process.

Suggested Response:

- **We are making progress with the First Nations that we are currently working with through the Grievance Table process.**
- **I am keenly interested in making sure we can achieve meaningful outcomes with each of these First Nations. In so doing we must acknowledge that there are capacity constraints in taking on additional First Nation communities.**
- **In addition, some of the grievances raised are not within the power of the Ministry of Energy to address alone. For example, the issue of Indian Act permits for transmission and distribution infrastructure that cross reserve lands, is a matter that in many cases involves multiple parties (Hydro One, Ontario Electricity Financial Corporation, and the federal government).**
- **The Ministry encourages discussion amongst the parties on these matters, and in some cases may be able to provide a more active facilitation role where a solution is not forthcoming.**
- **I would like your thoughts on the Grievance Process and other approaches you may have developed based your collective experience to date.**

KEY ISSUE – WEALTH CREATION

- COO has indicated that it wishes to raise procurement activities that could be undertaken by Hydro One and OPG that could benefit FN communities (e.g. tree clearing maintenance work). COO also wants to discuss access to capital and this could lead to discussions on the limitations of the Aboriginal Loan Guarantee Program (ALGP). The Ministry is looking at different social finance frameworks and support mechanisms, which will include reviewing the existing ALGP.
- Some Energy Table participants may wish to press the Ministry for ongoing renewable energy procurement opportunities. The earlier agenda item of walking through the OPO should provide all participants with the supply/demand outlook that indicates no new procurements are expected.

Suggested Response:

- **I am encouraged by the level of First Nation participation in energy initiatives through the 2010 and 2013 LTEPs. These initiatives will have a positive impact on long-term wealth creation for First Nation communities.**
- **We are looking to continue building on what has been developed to date and advancing these initiatives to provide greater flexibility for unique and innovative community interests .**
- **We recognize that access to capital can be a significant barrier for communities and the Ministry is supportive of programs such as the ALGP continuing to be made available.**
- **Ontario continues to support the development of the transmission grid connection of remote First Nation communities, led by Wataynikaneyap Power, to ensure they have the transmission infrastructure needed to power and advance their socio-economic interests .**
- **I think you can agree that we have made significant strides in facilitating wealth creation in First Nation communities and I am interested in hearing your perspectives on how we can work together to further advance wealth creation in an evolving energy sector?**

COLLABORATIVE FOR 2017

- COO has identified two opportunities it would like to present on, for which not many details were available in advance:
 - Northern Energy Tour
 - First Nations Energy Council
- There are a few areas of collaboration that the Ministry believes are possible:
 - Watay Power: jointly seeking federal funding commitments and continuing to support the project
 - Delivery Rate Credit: ensuring all First Nations are aware of the Credit and the role that leaders on both sides played to make it happen
 - **Long -Term** Energy Plan (**LTEP**): identifying areas of collaboration once the LTEP document is published.

Suggested response:

- **ENERGY has been able to advance a positive relationship with First Nations that supports the Political Accord through implementation of the First Nations-Ontario Energy Table, the Grievance process and the commercial discussions for First Nation participation in the broadening of Hydro One ownership.**
- **Although the opportunities moving forward may change given the evolving sector, I look forward to continue building relationships with First Nation communities to find ways that take advantage of emerging opportunities.**
- **I am interested in hearing your ideas on how we strengthen our relationship in a manner that addresses our mutual interests.**

APPENDIX HYDRO ONE PERMITS FOR TX ASSETS ON RESERVE

