

2016 Ontario-Quebec Joint Meeting of Cabinet Ministers

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Sent on behalf of Steve Orsini

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November 23, 2016

MEMORANDUM TO:

Serge Imbrogno
Deputy Minister, Energy

SUBJECT:

2016 Ontario-Quebec Joint Meeting of Cabinet Ministers

I am writing to follow-up on the specific outcomes of the recent Joint Meeting of Ontario and Quebec Cabinet Ministers that was held on October 21, 2016 in Toronto.

Premier Wynne was very pleased with the outcomes of the meeting and with the supporting materials. I would like to thank you and your staff for your contributions to this very successful meeting.

As you know, Ontario and Quebec signed an Agreement for Trading Electricity, Capacity, and Energy Storage. This agreement builds on the two Memoranda of Understanding (MOU) on electricity trade signed with Quebec in 2014 and 2015, and confirms the close cooperation that exists between the two provinces with respect to energy and the fight against climate change.

Under the 2016 Agreement, the Independent Electricity System Operator (IESO) will import a total of 14 terawatt hours (TWh) of power from Hydro-Quebec from 2017 to

2023. In addition, Ontario will cycle and store energy in Quebec's reservoirs, sending energy to Quebec in off-peak, lower-priced periods and withdraw that energy back in during on-peak, higher-priced periods to offset gas use. Based on the 2014 MOU on the Seasonal Exchange of Electricity Capacity, Ontario will reserve 500 MW of capacity for Hydro-Quebec to meet Quebec's winter peak demand.

I encourage you to continue working directly with your Quebec counterparts on ensuring the Agreement is signed on or before December 1, 2016 as well as on implementing the provisions of the agreement and related commitments.

In order to update our Premiers on work underway as well as to facilitate planning for the 2017 joint meeting of Cabinet Ministers (to be held in Quebec), I ask that you submit brief progress reports on work related to the agreement to be signed between HQ and IESO, including any opportunities for expansion, as well as any outstanding commitments from previous meetings, including collaboration on oil and gas issues and collaboration on electricity systems options for remote First Nations communities in Ontario and off-grid communities in Quebec. These reports will be expected on:

- January 15, 2017;
- April 1, 2017; and
- August 1, 2017.

My Quebec colleague, Juan Roberto Iglesias, has made a parallel request to your Quebec counterparts. I plan to be in regular contact with Dr. Iglesias to discuss progress achieved on joint initiatives, including opportunities for public communications and identifying new opportunities for collaboration and/or common positioning.

Please provide a copy of your report to Deputy Betzner as well as to my office. Do not hesitate to contact Deputy Betzner should you have any questions or concerns on this matter, as she will also be in regular contact with her Quebec counterpart.

I encourage you and your Ministry to continue to develop relationships with your Quebec colleagues and to collaborate on potential initiatives, including for the 2017 joint meeting.

Thank you for your ongoing support in strengthening the Ontario-Quebec partnership.

Original signed by

Steve Orsini