

**2017 LTEP
Other Ministry and Agency Review**

Energy's Counter Edits
Ministry/Agency Proposed Edits

Ministry/ Agency	Page #	Proposed Change	Accept/Reject	Rationale (if reject)	Lead Division
ENERGY	44	Change "3. Smart Grid Platform" to "Digital Grid Platform"	Accept	(Missed this in the last round of edits; need to align with graphic.)	SNAP
ENERGY	6 - 7	From Chapter 7. Supporting First Nation and Métis Capacity and Leadership • Ontario will improve the availability of conservation programs for First Nations and Métis, including communities served by Independent Power Authorities. • Ontario will continue to prioritize the connection of remote First Nation communities to the grid and continue to support the four First Nations where transmission connection is not economically feasible. • The Aboriginal Community Energy Plan program will be expanded to help communities implement their community energy plans and support Ontario's Climate Change Action Plan. • Ontario will engage with First Nations and Métis to explore options for supporting education and capacity building, the integration of small-scale renewable energy projects, net metering and other innovative solutions that address local or regional energy needs and interests.		Propose these edits to recently added executive summary section.	SNAP

		- Innovative financing models and support tools will be investigated to consider improvements to lower the financing costs of projects led or partnered by First Nations or Métis. - Ontario will report back to First Nations and Métis communities between Long-Term Energy Plans to provide updates on the province's progress and seek ongoing feedback from First Nations and Métis. Ontario's Natural Gas Grant Program will support the expansion of natural gas access to First Nation communities.			
Finance	97	Text Box: What is the Aboriginal Loan Guarantee ProgramN/A Launched in 2009, the \$650 million Aboriginal Loan Guarantee program (ALGP) provides a provincial guarantees-to support a First Nation or Métis corporation borrowing to purchase up to 75 per cent of a First Nation or Métis the corporation's equity in a qualifying project application, to a maximum of \$50 million. To date, the ALGP has supported First Nation or Métis equity interests in nine projects, including the 438MW Lower Mattagami hydroelectric project, the Bruce to Milton transmission reinforcement project, the 28MW Peter Sutherland hydro-electric project, and the 4MW Mother Earth Renewable Energy wind project .	Accept		SNAP
MCSS	10 - 12	Document should explicitly state that social assistance recipients are automatically eligible for OESP	Accept		SNAP
MCSS	11	Deleting the word "other" in the sentence "Synchronizing with the OESP..."	Accept		SNAP

MCSS	9 - 10	On June 1, 2017, the <i>Ontario Fair Hydro Plan Act, 2017</i> became law¹, providing additional help for electricity consumers. Ontario's Fair Hydro Plan: - lowers electricity bills by 25 per cent for a typical residential consumer. As many as half a million small businesses and farms are also benefiting from the reduction; - includes the 8 per cent rebate that took effect on January 1, 2017, a reduction equal to the provincial portion of the Harmonized Sales Tax; MCSS concerns: - The 2 bullets reference the committed 25% reduction for a typical residential consumer. - The last bullet references how the initial 8% of these savings will take effect in Jan 2017. With this announcement, MCSS worked with ENERGY to ensure the (ineligible) of the 8% savings was visible on consumer's hydro bills (similar to OESP) so it would not be clawed back from social assistance payments, - ENERGY has not been able to identify a similar and viable process for identifying the 17% savings on a hydro bill and therefore these savings are being clawed back. Therefore, SA (social assistance) recipients will not benefit from this change correctly – which will be included in the plan – potential issues management.	Reject	There does not appear to be a proposed change to the wording. The LTEP content that MCSS has flagged here is consistent with publicly available messaging on the Ontario Fair Hydro Plan and the <i>Ontario Fair Hydro Plan Act, 2017</i>.	ESP
MCSS	General	<u>Comment:</u> Affordability Fund- Concern that the definition of "home" has not been determined in advance as	Reject	The Affordability Fund is being administered by an independent Trust, which will provide oversight of funds and facilitate efficient	CRED

¹ Ontario's Fair Hydro Act, 2017

		MCSS has VAW agencies etc. that will be interested in tapping into fund and will be unclear as to who is eligible.		distribution of funds to electricity distributors. The Trust has sought input from stakeholders, including LDCs and representatives of low income organizations, in establishing eligibility criteria, and other program details. Specific eligibility criteria will be communicated by the Trust once finalized.	
MCSS	General	Inconsistency in language re: First Nations Delivery Credit. Suggested using First Nations Delivery Credit as opposed to “On-Reserve” language	Accept		SNAP
MCSS	General	Other comments	Reject	For discussion between Ministries – not LTEP relevant.	SNAP
MEDG	23	“Many of Ontario’s solar manufacturers are also reporting increased export activity to the U.S., despite strong global competition.” Reconsider this line re: solar section 201.	Reject	The success of renewable energy companies illustrates the lasting impact of Ontario green energy policies and programs and is important to communicate to Ontarians. The overall impact on the US solar market and implications re: section 201 is not changed as a result of Ontario based manufacturers experience increased exports to the US in recent years (their overall share of the US market remains minimal).	CRED
MEDG	23	There is some risk in referencing Heliene as a success story. If Trump makes a negative determination in the section 201 Solar Trade case, for Canada, Heliene will close its Ontario operations and expand its Minnesota operations. This decision is expected sometime after Nov. 2017.	Reject	There is risk in profiling any renewable energy / cleantech company given the nature of the inherent volatility in the cleantech sector. Cautions are well taken however it is important to highlight the success of Heilene as a Northern Ontario early mover in renewable energy manufacturing that has made/is making the transition from serving the domestic market to exporting. Trade issues with the US (Solar Trade case, NAFTA renegotiation) raise concerns for a number of sectors and would be hard to rule out as a risk altogether.	CRED
MEDG	27 - 28	Missing definition of Incremental Capacity Auction.	Reject	Has already been dealt with.	ESP
MEDG	50	Concern with language, “The Province will expand its assistance for <u>Ontario energy companies</u> wanting to export their goods...” MEDG Comment: Clarify “Ontario Energy Companies”.	Accept (with edits)	Change sentence to, “The Province will expand its assistance for Ontario companies wanting to export their <u>energy-related</u> goods...”	SNAP

MEDG	9 - 10	The same two paragraphs about Power-to-Gas are repeated in Chapters 3 and 6.	Reject	As with RNG, power-to-gas is both an innovative use of the natural gas distribution system and an important part of fighting climate change.	ESP
MEDG	N/A	Encourage use of domestic cyber security solutions	Reject	Such solutions are already referenced in chapter 3.	SNAP
MIT	50	Replace “export” with “diversify”. Final sentence reads, “The Province will expand its assistance for all Ontario companies wanting to <u>diversify their energy-related goods...</u> ”	Accept		SNAP
MIT	53	Replace “export” with “diversify”. Final sentence reads, “Ontario will fund pilot projects to help Ontario’s innovative energy companies <u>diversify</u> to foreign markets”	Accept		SNAP
MMA	3	Ontario’s Climate Change Action Plan aims to reduce emissions in the building sector by encouraging the construction of near net zero and net zero energy and carbon emission homes and buildings.	Reject	CCAP’s goals and commitments for the buildings sector refer to net zero carbon emissions buildings, so including “or energy” in this sentence would not be appropriate/correct.	CRED
MMA	4	Ontario will encourage construction of near net zero and net zero energy and carbon emission homes and buildings to reduce emissions in the building sector.	Accept	No concern.	CRED
MOECC	102	A question mark: “N/A”	Reject	No detail provided	SNAP
MOECC	16	<u>Near and Net Zero Carbon Emission Building, paragraph 3</u> “Together with the federal and other provincial governments, Ontario is exploring opportunities to bring about these new standards by developing markets for high efficiency products and appliances. For example, markets have yet to be developed for space heating technologies that are more than 100 per cent efficient, such as air source heat pumps.” The Green Ontario Fund will help	Partially Accept	The first paragraph discusses Federal-Provincial goals re: energy efficiency standards. The second sentence that gave an example of ASHP efficiencies exceeding 100% has been removed as it was seen as potentially confusing to the reader. Green Ontario Fund is not directly relevant to efficiency standards goals, so have not included proposed language. To address request to mention Building Code updates: To follow paragraph on p. 16 mentioned in column to left: In addition, planned updates to the Ontario Building Code would also	CRED

		overcome barriers to developing these markets. Include Building Code UpdatesN/A		make significant contribution in reducing GHG emissions in the building sector and support the government's Climate Change Action Plan.	
MOECC	17	"Ontario remains committed to an a clean / very low carbon / de-carbonized electricity system that includes-emphasizes / is focused on renewable energy generation and supports the goals of the Province's Climate Change Action Plan."	Accept (partial)	Accepted language: Consistent with previous Energy messaging. Rejected language: The ministry is transitioning to a technology neutral and market based approach to securing energy resources. Individual technology types, such as renewables, will not be given specific emphasis in Ontario's supply mix. The Market Renewal process is expected to incorporate non-emitting resources such as renewable energy and ensure that Ontario can meet its CCAP goals. Suggested Revision (includes deletion of MOECC's additions): "Ontario remains committed to an a clean / very low carbon / de-carbonized electricity system that includes-emphasizes/is focused on renewable energy generation and supports the goals of the Province's Climate Change Action Plan."	CRED
MOECC	23	We'd like to see the description on fossil fuel prices make the following point(s)... One of the benefits from the kind of shift to non-fossil fuels that a cap and trade program is a reduced reliance on imported fossil fuels. We had talked about quantifying that kind of displacement effect, and in again making that part of the overall narrative on fuels and cap and trade (and the CCAP)	Reject	Renewable alternatives are considerably more expensive than fossil fuels. Any benefits of switching away from imported fossil fuels will be largely and substantially offset by end-users paying more for energy. Imported fossil fuels have extensive infrastructure in Ontario for their sale / distribution. Replacing fossil fuels will adversely impact those existing businesses. Unclear if imported fossil fuels will be replaced by locally produced renewable alternatives. Ontario may have to rely extensively on imported ethanol, renewable diesel or renewable	ESP

				natural gas - in which case imports will be substituted with imports.	
MOECC	24	"Ontario's climate Change Action Plan has reinforced the importance of community energy and community GHG plans, and indicated Ontario will continue to support them. Ontario's Climate Change Action Plan also includes a Challenge Fund to provide funding for projects to reduce GHG emissions proposed by a municipality that has completed a community energy or community GHG plan and meets the program eligibility criteria.	Accept	N/A	CRED
MOECC	25	Ontario's cap and trade program came into effect on January 1, 2017. The cap and trade program is a flexible, market-based program that sets an annual cap for greenhouse gas (GHG) emissions with the targets becoming more stringent over time . The cap will be lowered each year to enable Ontario to meet its GHG reduction targets. Cap and trade creates a market to provide incentives to reduce emissions. Large emitters must have enough allowances and credits to cover their GHG releases. Companies that emit more than their allocation can buy additional allowances through government auctions or from other companies that have more allowances than emissions participants in secondary markets. Some companies are currently allocated free allowances in recognition of their exposure to international trade and/or the amount of energy they need to use to reduce the risk of carbon leakage (i.e., where production is relocated to jurisdictions without similar carbon policies) . Under the Climate Change Mitigation and Low-Carbon Economy Act, 2016, proceeds from Ontario's cap and trade auctions will be used to	Accept changes	Proposed change to language re: CCAP proceeds figures. Under the Climate Change Mitigation and Low-Carbon Economy Act, 2016, proceeds from Ontario's cap and trade auctions will be used to reduce the province's GHG emissions by helping Ontarians shift away from higher carbon fuels and reduce their energy consumption. Proceeds are projected to be \$1.8 billion in 2017-18 and \$1.4 billion annually, starting in 2018-19, and these funds will help Ontario's Climate Change Action Plan is investing up to \$8.3 billion over five years to fight climate change, reduce greenhouse gas pollution and transition Ontario to a low-carbon economy	ESP

		reduce the province's GHG emissions by helping Ontarians Ontario businesses and households shift away from higher carbon fuels and reduce their energy consumption. Ontario's Climate Change Action Plan is investing up to \$8.3 billion over five years (MoECC suggested to double check this # against 2017 Budget) to fight climate change, reduce greenhouse gas pollution and transition to a low-carbon economy². Putting a price on carbon through cap and trade will have a significant impact on the operation of the electricity market in Ontario. It will encourage a transition away from generation that uses fossil fuels clean imports and generation that are free of GHG emissions. It will also encourage more efficient natural gas generation. As Ontario moves forward with Market Renewal, the cost of carbon will become increasingly important in the economics of electricity generation projects, and their ability to compete in incremental capacity auctions. Market Renewal has the potential to create a framework that effectively incorporates emerging clean technologies into our supply mix. Together, cap and trade and Market Renewal initiatives can help to ensure electricity sector emissions remain well below historical levels, while also helping to meet our climate change and GHG reduction commitments.			
MOECC	25	Cap and trade will increase the price of conventional fossil fuels and affect how often fossil-fueled generators get called on to meet the province's electricity demand. This will help reduce	Accept		ESP

Ministry of the Environment and Climate Change, Needed2016-2020 Climate Change Action Plan, p.8

		the province's greenhouse gas emissions and shift Ontario towards a low-carbon economy.			
MOECC	34	Shifting to Lower Carbon Gasoline and Diesel: Having existing fuel stations offer higher blends of ethanol and bio-based bio diesel	Accept		ESP
MOECC	46	The province's robust supply of energy will also allow it to combine different energy sources into integrated energy systems that provide new services for homeowners and businesses. Natural gas will continue to play a critical role in space and water heating for the foreseeable future , but we must use it as efficiently as possible and look for ways to lower its carbon intensity through greater use of renewable natural gas and supplement over time, replace it with the next generation of clean energy technologies, such as ground-source and air-source heat pumps. Proceeds from Ontario's cap and trade auctions will help fund the further application adoption of these technologies. By making the best use of our existing energy sources and infrastructure, a more integrated energy system will allow Ontario to chart the most effective course for achieving its goals for reducing GHG emissions	Reject	Replacement of natural gas is not aligned with the integrated energy solutions concept and contradicts the "making the best use of our existing energy sources and infrastructure" point. Discussion on lowering the carbon intensity of natural gas and using renewable natural gas is not needed in this paragraph.	ESP
MOECC	70	Shifting to Renewable Natural Gas: Ontario is investing proceeds from the auctions in the carbon market to help introduce RNG in the province. The investment will help consumers with the cost of shifting to renewable natural gas, as RNG costs more than conventional natural gas. The Province will continue to work with industry partners and the Ontario Energy Board (OEB) to introduce a requirement that natural gas contain some renewable content, fulfilling a commitment of the Climate Change Action Plan	Reject	Funding for RNG will not be directed to consumers to shift to RNG. It will either go to RNG producers or the utilities and help reduce the costs of RNG.	ESP

MOECC	71	We'd like to see the description on fossil fuel prices make the following point(s)... that the carbon price needs to be understood as a policy tool to influence relative choices. Simply stating that a carbon price increases prices on fossil fuels is telling only one side of the story. As you say in other parts of the document, a carbon price creates incentives for non-fossil energy sources. And in fact the function that it plays in affecting relative choices between fossil and non-fossil fuel choices, and in making non-fossil more attractive to consumers than carbon intensive fuels, is exactly the point of the exercise. We'd like to see that narrative more firmly and consistently described throughout.	Accept	Additions to Chapter 2: Influence of the carbon market: <i>Natural gas utilities that are not regulated by the OEB and large facilities that must independently comply with cap and trade will decide on their own how to manage their compliance costs. <u>Alternative fuels which do not face cap and trade charges - like renewable natural gas - could be used to reduce emissions and mitigate cap and trade costs in the natural gas sector.</u></i> <i>Suppliers of other fuels in Ontario, such as gasoline, diesel and propane, operate in a competitive market. They are responsible for complying with cap and trade regulations and are expected to pass through their compliance costs to retail consumers. <u>Switching to renewable fuels like ethanol, biodiesel and renewable diesel and to lower carbon transportation fuels (like natural gas) are ways for consumers and obligated parties to reduce emissions and lower their cap and trade costs.</u></i> Additions to Chapter 6: Responding to the challenge of climate change <i>Cap and trade creates a market to provide incentives to reduce emissions. Large emitters must have enough allowances to cover their GHG releases. <u>Switching from high carbon fossil fuels to lower carbon alternatives, including renewable fuels, is one way for large emitters to reduce emissions.</u></i> new paragraph <i>Putting a price on carbon through cap and trade will also impact the operation of the fuels market. <u>Renewable alternatives do not face cap and trade costs and, consequently, will become relatively more attractive than carbon intensive fuels. This could increase the adoption and use of fuels like renewable natural gas, ethanol and renewable diesel. Similarly, in the transportation sector, lower carbon alternatives like natural gas may become more attractive compared to diesel.</u></i>	ESP
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MOECC	75 - 76	Shifting to Renewable Natural Gas: RNG can be an Ontario-made source of energy. Some types of RNG, such as biogas from landfills or agricultural waste are technically feasible today. In the longer term, RNG may be produced from by biomass from forestry residue	Accept		ESP
MOECC	77	We'd like to see the description on fossil fuel prices make the following point(s)... how the carbon price stacks up against other factors that drive fossil fuel prices. We know that lots of factors are at play, and don't want to leave the impression that price increases are solely, or even mostly, a result of the cap and trade program	Reject	As noted by MOECC "it is clear and undeniable that the cap and trade program will have an impact on fossil fuel pricing". Other things equal, with cap and trade prices for fossil fuels will be higher than they otherwise would be. Therefore, it may not be helpful to analyze the myriad of other factors that impact fossil fuel prices. The LTEP did not go into an in-depth discussion of the different components of pricing for all the fuels and is not a price forecasting document. The Fuels Technical Report discussed the supply chain and factors that influence prices in some depth.	ESP
MOECC	95	"In addition, the Green Ontario Fund will be offering new incentives, financing and services to help First Nation and Metis adopt low-carbon technologies and reduce their energy use." Instead, take language from the climate change Action Plan on support for Indigenous Communities (\$85 M-96 M)	Considering	We can choose to reject MOECC's comment since specific wording was not provided and there is a risk of incorrectly interpreting their comment/CCAP text since MOECC will not be reviewing LTEP again. There is no direct quote to pull from CCAP. ENERGY's proposed new text: The Climate Change Action Plan (CCAP) allocates \$85-\$96 million from the Greenhouse Gas Reduction Account (GGRA) for collaboration with Indigenous communities [page 73 of CCAP]. This includes Ontario will establish as establishing a fund for community level greenhouse gas pollution reduction projects and for community energy and climate action planning in First Nation	SNAP

				communities, particularly to reduce emissions from buildings and infrastructure, and for the development of carbon sequestration projects [Page 40 of CCAP].	
MOECC	Chapter 5	The second point I wanted to make was in relation to GreenON. The chapter (chapter 5N/A) that deals with energy efficiency and renewables takes some time before getting to GreenON, and then does so in a pretty cursory manner. If the narrative that the government wants to use, through the LTEP, around achieving much greater reductions in the fuels sector is to be consistent, then a big part of that narrative will be built around GreenON and the role that it will play in helping consolidate all the programs that are referenced in that chapter, and then offering new ones going forward. So, on that chapter we'd ask for a rethink on how the overall story is told, and for GreenON to be a much more central part of it all. We'd be happy to work with your team on how to do that.	Partially Accept	ENERGY does not support undertaking “a rethink on how the overall story is told” in chapter 5. (Note that ENERGY is not contemplating that GreenON will help “consolidate all the programs that are referenced in that chapter”.) Several changes could, however, be made to expand on language related to the Green Ontario Fund and multi-fuel conservation programs. Proposed changes to chapter 5 include: Introduction: Conservation and energy efficiency require a sustained commitment if they are to achieve persistent savings over the long term. Ontario is enhancing its commitment to Conservation First to improve affordability and choice for people, businesses and communities, and to co-ordinate its conservation programs with Ontario's climate change objectives. Additionally, the Province will help Ontario homes and businesses transition to a low-carbon future by expanding program offerings through the new Green Ontario Fund. Getting more from Conservation The IESO is currently conducting a mid-term review of the 2015-2020 Conservation First Framework and the Industrial Accelerator Program for electricity conservation. The Ontario Energy Board (OEB) is conducting a similar review of the Demand Side Management Framework for natural gas programs. These reviews are looking at how the programs are meeting customer needs, distributor budgets and targets for conservation savings, and coordination with Ontario's climate change objectives, including Green Ontario Fund programs.	CRED

				Ensuring a Customer-Centred Approach The current conservation frameworks encourage electricity and natural gas distributors to collaborate in providing more efficient programs and a streamlined experience for customers. Such partnerships can offer energy consumers a co-ordinated, one-window approach to help meet their energy management needs. Currently, 46 electricity distributors are involved in joint conservation plans, and electricity distributors are partnering with natural gas distributors to design and develop programs that cover multiple fuels. Partnerships can enable multi-fuel programs to improve customer convenience and expand choice. Smart thermostats To standardize incentives for the purchase of smart thermostats and expand their availability across Ontario, the Province directed the IESO in August 2017 to design and deliver, with the support of the Green Ontario Fund, a province-wide rebate program for smart thermostats. In addition, the Green Ontario Fund has launched the GreenON Installations program, which provides, on a limited basis and at no cost, a smart thermostat installation and in-home energy review.	
MOECC	Chapters 3 and 6	The Influence of the Carbon Market On January 1, 2017, Ontario implemented a cap and trade program.³ Cap and trade will increase the cost of fossil fuels based on their carbon intensity, but also influence how Ontario plans the province's energy supply and achieves cost-effective reductions in greenhouse gas (GHG) emissions. The price signal provided by the cap	Accept Accept (with modifications)	<i>The Influence of the Carbon Market</i> On January 1, 2017, Ontario implemented a cap and trade program.⁴ Cap and trade will increase the cost of fossil fuels based on their carbon intensity, but also influence how Ontario plans the province's energy supply and achieves cost-effective reductions in greenhouse gas (GHG) emissions. The price signal provided by the cap and trade program will help move the province's energy system to even cleaner sources.	ESP

³ <https://www.ontario.ca/page/cap-and-trade>

⁴ <https://www.ontario.ca/page/cap-and-trade>

		and trade program will move the province's energy system to even cleaner sources. Fossil-fuelled generators must now account for the GHG emissions they produce when burning fossil fuels to generate electricity. This carbon cost accounts for part of the price of the electricity they offer into the wholesale market, which increases the relative competitiveness of non-emitting electricity generation and imports of clean energy from neighbouring jurisdictions.			
MOECC	Glossary	the Northern Industrial Electricity Rate Program, which provides rate rebates to northern energy intensive industries facing competitiveness pressures due to higher energy costs. The program also assists industrial consumers in developing and implementing energy management plans to manage their usage and reduce costs.	Reject	Competitiveness is a rationale provided by MNDM in describing NIERP. Reference linked below https://www.mndm.gov.on.ca/en/northern-development/business-support/northern-industrial-electricity-rate-program http://www.forms.ssb.gov.on.ca/mbs/ssb/forms/ssbforms.nsf/GetFileAttach/019-0297E~2/\$File/0297E_Guide.pdf	ESP
MTO	23	Reading copy has Text Box about "GTA West Bulk Reinforcement" that mentions only existing Right of Ways. This may conflict of confuse with discussion elsewhere on need for a new corridor. Suggest delete or edit the text box.	Accept	This is referring to the GTA West Bulk Reinforcement box on the Major Transmission Projects Under Development Map on page 15 of the Ministry review version and page 23 of version 8. This is a different project from the GTA West corridor that aligns with the GTA West Transportation EA. The version that MTO reviewed has since been revised to incorporate edits, which specify more clearly that this is a different project, as shown below. -- GTA West Bulk Reinforcement <i>Growth in demand, the eventual retirement of the Pickering Nuclear Generating Station and new renewable generation across Ontario are all adding stress to the bulk transmission system in the western section of the Greater Toronto Area. The IESO is considering solutions to the region's needs. New transmission</i>	SNAP

				facilities on existing rights of way and/or transformer station may be required. The IESO is presently studying the need for and timing of reinforcements to the transmission system in the region. Transmission solutions being investigated include building new transmission lines along the existing Parkway belt west transmission corridor (between Milton SS to Hurontario SS) and expanding station facilities at the existing Milton switching station.	
MTO	41	Adding “and with OEMs” to Vehicle-to-Grid Integration	Accept (with Edits)	Replace OEM with “vehicle manufacturers”	SNAP
MTO	63	Modify [summary bullet on page 63 of v8] to a more specific bullet related to identifying a more specific corridor, similar to language in body.	Accept	Significant cost savings are possible if land for a transmission corridor in the northwest Greater Toronto Area is reserved before the area develops. There is a need for a new transmission corridor in the northwest Greater Toronto Area and given the size of the forecasted growth. Further studies will identify a specific route.	SNAP
MTO	86	The demand for electricity is forecast to be relatively steady over the 20-year planning period of <i>Delivering Fairness and Choice</i> . In the long-term, the IESO projects an increase in overall demand as electrification of the economy increases. The possibility of electrification exists in nearly every part of society. In particular, there is a great potential in the transportation sector, where it would be an economical and clean alternative to fossil-fuel powered engines. The IESO’s outlook assumes forecast estimates that there will be approximately 2.4 million electric vehicles on the road by 2035, up from about 9,000 10,000 electric vehicles in Ontario at the end of 2016.	Reject Accept	IESO outlook is not considered a forecast or an estimate. Figure re: EVs on the road in Ontario at end of 2016 to be updated to 10,000. The IESO’s outlook assumes that there will be approximately 2.4 million electric vehicles on the road by 2035, up from about 10,000 electric vehicles in Ontario at the end of 2016.	ESP
OEB	10	“avoid guaranteeing equivalent outcomes between USMP customers and LDC customers”	Accept	Change last paragraph before bulleted list to read “Consumers living in condominiums and other multi-unit residential buildings will benefit from increased consumer protections. The OEB will conduct a review of relevant issues including:” Additional edit: change “costs are set by the owner” to “costs are agreed to by the owner”	SNAP

OEB	13	East-West Tie – under adjudication, these statements are problematic	Accept	See edits to reflect OEB comment. -- East-West Tie Transmission Line <i>The East-West Tie Line would provide a long-term, reliable supply of electricity to meet the growth in demand and changes to the supply mix in Northwest Ontario. As the project has moved through development, estimates on its total cost have increased. This is a concern, as Ontario is focussed on making the electricity system more cost-effective. The Province will review all options to protect ratepayers as the project as the project continues to be developed. to ensure East-West Tie project is built at a cost that is fair to Ontario ratepayers.</i>	SNAP
OEB	13 - 14	OEB has not stated it is considering changes to how GA is charged (OEB doesn't control the regulation)... they have only pointed out issues with how it is currently charged. (page 9)	Accept (with modifications)	Suggested edits: In addition to these measures, Ontario is looking for new ways to provide electricity rate assistance to consumers that are too large to be eligible for the OEB's Regulated Price Plan (RPP) and too small for the ICI program. For example, the The government and the Ontario Energy Board (OEB) is are working together on potential approaches to regulatory changes, such as including considering changes to the way how the GA is charged to these consumers, also known as non-RPP Class B consumers. For these consumers, the GA is a fixed monthly charge that is the same regardless of the time that they consume electricity. A GA charge that varies with time of use would lower prices for some Class B consumers and encourage more efficient consumption. Ontario will continue to explore innovative ways to provide assistance to these mid-sized consumers, while always striving to increase system efficiency. The Province will continue to engage with businesses to explore options that provide them with support for electricity costs and meet communities' priorities for economic development.	ESP
OEB	15	Project list – need to caveat that most projects require leave to construct approval from OEB	Accept	OEB is referring to the text of the Major Transmission Projects Under Development Map. The map is of "projects under	SNAP

				development” and does not discuss where each project is in approvals. Ministry could add a footnote to the map: -- <i>* All projects are subject to regulatory approvals.</i>	
OEB	23	Province has no authority to ensure East-West tie is built	Accept	Revisions below address the Board’s comment: -- <i>The Province will review all options to protect ratepayers as the East-West Tie continues to be developed. to ensure East-West Tie project is built at a cost that is fair to Ontario ratepayers.</i>	SNAP
OEB	25	TOU price reflects <u>value</u> not <u>cost</u> of electricity at on/off peak times.	Reject	The OEB’s RPP Roadmap (page 3) and website describe the change in TOU prices as aligning with the cost of different resources called upon at peak and non-peak times. RPP Roadmap (page 3) – “There are three TOU pricing periods. Off-peak, when energy demand is low and less expensive sources of electricity are used. Mid-peak, when the cost of energy and demand are moderate. And on-peak, when demand is highest and more expensive forms of electricity production are used to meet demand.” Further, there is no reference to ‘value of electricity’ on the website or in any of the RPP Roadmap materials.	CRED
OEB	25	[RPP] Pilots will not be combined with EV’s	Reject	Alectra Utilities’ application expressly states that their Enhanced TOU with Low Overnight will serve specialty customers, including those with EV’s. Alectra Proposal: “The Enhanced TOU with Free Overnight rate is intended for two specific customer types: shift workers and customers with large controllable load such as thermal storage or electric vehicle”	CRED
OEB	25	Pilots will not begin in fall 2017 use ‘next year’ instead	Reject	Language had already been changed to: ‘The pilots have begun rolling out and will run for at least one calendar year.’ The LDCs with approved pilots (London Hydro, Alectra Utilities	CRED

				and Oshawa PUC) began recruiting customers in Summer 2017. Phase 1 of Alectra's pilot started September 1 (see Alectra backgrounder).	
OEB	25	The OEB has never intended to create price pilots that 'match customers lifestyles'.	Accept	While the main OEB documents do not mention 'matching customer lifestyles', the OEB's RPP Roadmap Pilot Plan technical manual (page 8) discusses the objectives of the pilots, including: <i>"Finally, empowering customers involves educating them about their energy consumption habits, offering choices so that they can choose rates that allow them to balance out their energy bills and lifestyle needs, and providing tools for them to make more informed energy consumption decisions."</i> <u>Suggested Change:</u> The results will help guide OEB decisions on potential new price plans that could give customers greater control, and be better matched to their lifestyle. that match customer lifestyles and increase customer control	CRED
OEB	25, 27-29	Need to be cautious about endorsing OPG's position on Darlington refurbishment given a rate application is currently before the OEB.	Reject	The Province is using 2013 LTEP and 2017 LTEP to confirm the system need for refurbishing four units at Darlington. This is consistent with amendments to O.Reg. 53/05. Note: See OPG's comments below for suggested modification to language around Darlington off-ramps.	ESP
OEB	27	Directive does not connect "ensuring appropriate consumer protection for net-metering."	NA	In the process of developing the OEB Implementation Directive, ENERGY staff and OEB staff discussed the need to include actions on net metering consumer protection measures. The OEB and ENERGY discussed that as consumer protection is part of the OEB's mandate, it was not necessary to include in the Implementation Directive. Where a net-metering consumer protection issue aligns with the existing OEB mandate it would be dealt with in the regular course of OEB business. ENERGY has been engaging with OEB regarding proposed legislative and	CRED

				regulatory changes related to the Energy Consumer Protection Act, to ensure clarity on protections relating to net metering projects.	
OEB	27	Also, net-metering will not eliminate need for LDCs to invest in system upgrades.	Accept	Revision clarifies that net metering will not completely remove the need for LDCs to invest in system upgrades. Revised language indicates that eliminating need for system upgrades may be possible in only “certain” circumstances. <u>Suggested Change</u> (to be made to text on p. 38): “Net-metered renewable energy systems can also help reduce peak demand and delay or even eliminate the need for LDCs to invest in certain costly upgrades to their networks.”	CRED
OEB	40	“statement of OEB independence is unnecessary”	Accept	This was included in order to reflect that outcomes and preferences indicated in LTEP were subject to OEB’s normal fulfillment of its mandate. However if OEB feels it is unnecessary, we defer to them.	SNAP
OEB	41	“OEB has already undertaken extensive work to incent LDCs”	Reject	Ministry has set public expectations, including in Fair Hydro Plan, that the OEB would be taking enhanced measures to incent further distribution sector efficiencies. Such language should be reflected in LTEP. Additional edit: change date of refreshed framework from 2011 to 2012.	SNAP
OEB	42	Options for improving T & D standards, which standardsN/A Re: penalties revert to directive language	Reject	The section very clearly states that we are referring to the reliability and quality of service standards for transmission and distribution utilities, specifically referencing the scorecard metrics for LDCs and the transmission customer standards (see text below). The OEB, in its own proceedings has referred to the development of “standards”. For example, EB-2010-0249, “Electricity Distribution System Reliability Standards” -- <i>The OEB also sets reliability and quality of service standards for</i>	SNAP

				<i>transmission and distribution utilities. Distributors report the frequency and duration of outages in their annual performance scorecard to the OEB. Transmitters also have customer standards, including a process to address areas of poor performance.</i> -- Regarding penalties, the LTEP does not use this word. Based on previous discussions with the Board where concern was expressed that this would be confused with the Board's ability to charge penalties, the ministry has used the word "consequences" (see text below). -- <i>introducing incentives and consequences to ensure the utilities are held to account for under-performance. For example, as in done in some other jurisdictions, Ontario customers could receive an on-bill credit when service standards are not met;</i>	
OEB	42	Concerns with list of activities Board will undertake.	Reject (mostly)	See above – Ministry is looking to OEB to further enhance its efficiency measures and this language must remain. However we accept the edit on timeframe. Remove sentence on "next major rate application cycle" and replace with "The OEB will develop a plan to implement these enhanced requirements in a timely manner."	SNAP
OEB	43	Misleading to say there is no scorecard for tx, expectation is already in place, but tx decision is pending for HONI.	Accept	The language, repeated below, indicates the scorecard has not been implemented, which is accurate. However, this phrase is not required to get across the message about the need for metrics beyond system-wide metrics. -- <i>Because the OEB scorecard has not been implemented for transmitters, The</i> <i>Reporting in transmission rate applications varies. Hydro One, a large transmitter with hundreds of customer delivery points, only reports its system-wide performance, while a small transmitter like Five Nations Energy Inc., with only four</i>	SNAP

				<i>delivery points, reports the data for each.</i>	
OEB	44	Remove language on OEB reducing its own regulatory burden.	Reject	The Ministry has said publicly (through Fair Hydro Plan) that the OEB would review its processes as part of a search for efficiencies. This has been reconfirmed to the EDA and relevant stakeholders are interested in the details of this measure (many LDCs have flagged increase regulatory compliance costs as a business challenge). The OEB Directive language gives the OEB flexibility on how to undertake this review, however a clear statement on expectations should remain in LTEP.	SNAP
OEB	45	Cybersecurity framework will not be in place by the end of the year.	Accept	Change “by the end of this year” to “in the near future.”	SNAP
OEB	48	Language on Energy Storage	Reject	Corrected in the last turn of the document	SNAP
OEB	48	Language on Barriers to Innovation: change “invest” in smart charging to “facilitate” to align with directive.	Accept		SNAP
OEB	48	OEB wishes to remove language on “providing clarity on how the OEB will consider applications from utilities for new business models and innovative ideas allowed under the Strengthening Consumer Protection and Electricity System Oversight Act, 2015;” since it is an adjudicative process; OEB does not plan to develop guidelines.	Reject	We have no reason to believe the OEB lacks the power to create guidelines; using adjudication and case law is their choice. The lack of clarity over this provision of the OEBA has been identified as an important barrier to innovative business models.	SNAP
OEB	55	<u>Comment:</u> “OEB will identify steps for pursuing conservation on the distribution system” ...N/A	Accept	Aligns with language in the OEB Directive: <u>“Examine and identify steps for pursuing opportunities to advance the cost-effective modernization of Ontario’s electricity sector. Opportunities to be examined include, but are not limited to:</u> - <u>Cost-effective smart grid and non-wires solutions;</u> - <u>Active system management and customer participation;</u> - <u>Energy efficiency measures on distribution systems.”</u> <u>Suggested Clarification:</u> The OEB will also identify steps for pursuing energy efficiency measures further conservation on the distribution system.	CRED

OEB	9	Need to be cautious about endorsing OPG's position on ongoing Pickering operation given a rate application is currently before the OEB.	Reject	The language in 2017 LTEP around the benefits of ongoing Pickering operation and pending regulatory approvals is consistent with the Ministry's messaging since January 2016. Also, the characterization of OEB and CNSC roles are factual in terms of what is being approved (i.e., to ensure costs are prudent and the plant is safe, respectively).	ESP
OMAFRA	12	Distribution Rate Protection - Changing "less rural areas" to "other areas"; Changing "differs" to "differ"	Accept		SNAP
OMAFRA	46	Ontario will continue to work with industry partners to introduce renewable natural gas (RNG) into the province's natural gas supply, lower the cost of RNG for consumers , and expand the use of lower-carbon fuels for transportation	Reject	Not necessary to highlight initiatives to lower RNG costs. Funding is limited and RNG costs could be high. Phrase "work with industry partners" implicitly has cost considerations.	ESP
OMAFRA	49	Building on Success of Renewables: Should add on what has been to community consultation and engagement	Reject	Community consultation is covered elsewhere in the LTEP. This section is focused on economic benefits of renewable energy activity.	CRED
OMAFRA	70	Shifting to Renewable Natural Gas Ontario is investing proceeds from the auctions in the carbon market to help introduce RNG in the province. The investment will help consumers with the cost of shifting to renewable natural gas RNG, as RNG it currently costs more than conventional natural gas. The Province will continue to work with industry partners and the Ontario Energy Board (OEB) to introduce a requirement that natural gas contain some renewable content, fulfilling a commitment of the Climate Change Action Plan, while continuing to work to bring down the cost of RNG.	Accept (with modifications)	Accept the wording change; however, the addition at the end of the paragraph isn't needed. Funding is limited and RNG costs could be high. Ontario is investing proceeds from the auctions in the carbon market to help introduce RNG in the province. The investment will help consumers with the cost of shifting to RNG, as it currently costs more than conventional natural gas. The Province will continue to work with industry partners and the Ontario Energy Board (OEB) to introduce a requirement that natural gas contain some renewable content, fulfilling a commitment of the Climate Change Action Plan	ESP
OMAFRA	70 - 71	Specify locations of nuclear jobs at Cameco and BWXT	Reject	Cameco locations are already listed in the call-out box and economic benefits of the May 2017 agreement are specified as "Northumberland County" per the company's press release.	ESP

				BWXT locations in Ontario are too numerous to mention (i.e., Cambridge, Pickering, Peterborough, Toronto, Arnprior, Dundas). Note: Both companies have signed off on their respective text in the call-out box.	
OMAFRA	71	Shifting to Renewable Natural Gas Add the following Ontario's new Waste-Free Ontario Act, and its Organic Waste Action Plan, will create more opportunities to use organic waste to produce clean energy.	Accept	Because it comes from organic sources, the use of RNG does not release any additional carbon into the atmosphere. <u>Ontario's new Waste-Free Ontario Act, and its Organic Waste Action Plan, will create more opportunities to use organic waste to produce clean energy.</u>	ESP
OMAFRA	76	Shifting to Lower Carbon Gasoline and Diesel Suggest something more broad, e.g., "alternative fuels including bioenergy" instead of advanced bioenergy While current outlooks predict an increased electrification of light-duty vehicles and the use of alternative fuels, including advanced bioenergy, for long-haul road freight and aviation, technological innovation remains inherently unpredictable	Accept		ESP
OMAFRA	76	Switch order – should be “clean generation and imports” “It will encourage a transition away from generation that uses fossil fuels clean imports and generation that are free of GHG emissions.”	Reject	This edit has already been made.	ESP
OMAFRA	86	Text Box: A Pilot Program for Renewable Natural Gas in Transportation Ontario’s Climate Change Action Plan commits Ontario committed the Province to increasing the	Accept		ESP

		availability and use of lower-carbon fuel. The Province is now developing a pilot program that would extract take methane from agricultural materials or food wastes and use it for vehicle fuel transportation. The pilot is expected to demonstrate the business models and technology that will allow agricultural and food sectors to produce RNG, and support businesses as they upgrade change their vehicles and fueling infrastructure to use RNG.			
OMAFRA	9 - 10	Expanding Access to Natural Gas the Province launched a new \$100 million Natural Gas Grant Program in April 2017	Accept		ESP
OMAFRA	Chapter 6 Summary	Expanding Access to Natural gas Please mention [Natural Gas Grant Program] expansion projects consider GHGs (e.g., reduction of GHGs by switching from diesel and propane)	Reject	Natural Gas Grant Applications are currently being reviewed by MOI and other ministries. Possible that approved projects may displace electricity as the NGGP evaluation criteria include energy cost savings as well as GHGs. OMAFRA did not provide approved language.	ESP
OMAFRA	N/A	Page unknown – make reference to Whitby LDC consolidation transaction	Reject	There are many consolidation transactions under discussion and this one does not merit highlight. It is also still subject to commercial negotiation and will be subject to OEB review, so referencing is premature.	SNAP
OPG	N/A	Net and Virtual Metering - We encourage caution in expanding net metering and establishing virtual net metering. Other jurisdictions such as Arizona and Nevada have had a difficult time constraining similar constructs once they were established. We will send you some information on this separately next week.	Agree with observations; no changes to LTEP necessary	The ministry agrees with the advice to proceed with caution. This is reflected in the ministry's incremental approach to updating Ontario's net metering framework. Third party ownership will enable new business models and improve customer access to cost effective renewable energy generation for their own use. Third parties will be subject to appropriate consumer protection requirements and appropriate connection processes with LDCs. The government's decision not to enable virtual net metering at this time but instead to enable only demonstration projects is an example of this cautionary and incremental approach and will help	CRED

				inform future policy considerations. As part of the development of net metering policy options and recommendations, ENERGY consulted with stakeholders (including LDCs, private sector, the OEB and IESO) and conducted jurisdictional research. Energy staff would be happy to provide additional information and analysis on net metering in other jurisdictions (including Arizona and Nevada) to DMO and OPG.	
OPG	N/A	Remove the reference to 2022 in the Pickering section to align with Minister's concurrence letter for OPG's business plan and CNSC application.	Accept	The IESO's estimate for \$600 million in ratepayer savings and 8 MT reduced emissions is based on shutting down two units in 2022 and four units in 2024. Similarly, the supply chart in LTEP and supporting data modules will reflect Pickering operating to 2022/2024.	ESP
OPG	N/A	Remove the specific reference to Provincial approval for future unit refurbishments at Darlington. Replace with the language along the lines of OPG's Q2 2017 financials: <i>"Failure to carry out the refurbishment of the first unit as planned may result in the Province not proceeding with OPG's refurbishment of the remaining units."</i>	Accept (with modifications)	The proposed change would be a deviation from the Ministry's standard messaging on Darlington off-ramps since January 2016 including news releases, speeches and Committee responses. Nonetheless, the Ministry recognizes OPG's sensitivities in terms of accounting and regulatory approvals given this will appear in an LTEP document. Suggest the following to better align with the current LTEP draft and for consistency with the description of Bruce off-ramps (i.e., cost overruns): <i>"The Province has established off-ramps for Darlington refurbishment where OPG's failure to adhere to the approved costs and schedule of previous refurbishments may result in the Province not proceeding with the remaining units."</i>	ESP
OPG	N/A	Add linkage between SMRs, increased operating flexibility and carbon reduction goals.	Accept (with modifications)	Current LTEP draft includes additional language on the key benefits identified in the Ministry's feasibility study: <i>"In 2016, the Province released a consultant's study on the</i>	ESP

				<i>feasibility of SMRs for remote mining applications in Ontario, which found that SMRs could be an economic and emission-free alternative to diesel power.”</i>	
OPG	N/A	Consider identifying opportunities to switch from home oil heating to electric heating (rather than only to gas).	Reject	Out of scope for LTEP 2017 and inconsistent with modelling assumptions. Fuel-switching is only being considered where it does not result in the need for incremental electricity generating capacity beyond the planned supply resources outlines in IESO’s outlook.	ESP
OPG	N/A	OPG sees pathways for our participation in rolling out EV infrastructure. The draft seems to make a direct connection between EVs and LDCs. Suggest broadening the language.	Reject	The scenario described in LTEP is about regulatory barriers to LDC investment in residential smart charging – those barriers don’t exist for non-regulated entities, and OPG could move forward with such an initiative as a business development opportunity without any further signals in the LTEP. The LTEP signals a variety of roles for EVs in the future and OPG is not constrained in participating in any number of those roles, with the right business case.	SNAP
TBS	12	Removing “Costs are being funded by provincial revenue” for the On-Reserve Credit.	Reject	Factually correct.	SNAP
TBS	45	Removing \$60M from the SGF section	Reject	Already completed.	SNAP
TBS	50	looser language regarding “will develop”	Accept (with edits)	Change paragraph to, “In consultation with industry and the federal government, Ontario <u>intends to develop</u> a pilot program...”	SNAP
TBS	53	Looser language regarding “will fund”	Accept (with edits)	Change paragraph to, “Ontario <u>intends to fund</u> pilot projects to help Ontario’s innovative energy companies...”	SNAP