

**2017 LTEP
OEB Edits Tracker**

Lead Division	Chapter	Page #	OEB Proposed Change	OEB Comment	OEB Importance	Accept /Reject	Proposed Counter Edit
SNAP	1	5	shifts the funding of the Ontario Electricity Support Plan (OESP) and most of the Rural or Remote Rate Protection (RRRP) program from electricity bills to provincial revenues. This will reduce the regulatory charges paid by all Ontario ratepayers;			Accept	
SNAP	1	6	Table Y: Amounts of Proposed Monthly Credits of Ontario Electricity Support Program (OESP) by Household Income Level – Energy Intensive	Not sure why this is 'proposed'		N/A	Already addressed in current draft of LTEP.
SNAP	1	7	The First Nations Delivery Credit benefits up to 21,500 residential customers living on reserves. The costs are being funded by provincial revenues.	Could be read as a cap; consider rephrasing		Accept	Change “up to” to “ the majority of the ”
ESP	1	8	Ontario’s Fair Hydro Plan helps consumers by refinancing a portion of the Global Adjustment (GA). The GA pays costs associated with contracted and rate-regulated generation, as well as conservation and demand management programs in Ontario.			Accept	
ESP	1	9-10	In addition to these measures, Ontario is looking for new ways to provide electricity rate assistance to mid-sized electricity 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 Ontario Energy Board (OEB) has identified opportunities to improve the way the GA is charged to these mid-sized 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. The OEB and the Ministry of Energy are considering changes to the GA charge; a design under which it varies with the time of use could lower prices for some Class B consumers and encourage more efficient consumption patterns.			Accept	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, including how considering changes to the way 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.

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SNAP	2	10-11	Improving consumer protection and fortifying the OEB's regulatory powers over USMPs would ensure that their fees and charges are just and reasonable, and that customers served by these companies receive value for money. It would also give the OEB more insight into how these companies determine their costs and set their rates and how they set up their contractual agreements with developers. The ministry envisions that broader USMP regulation will enable consumers living in condominiums and other multi-unit residential buildings to enjoy similar protections as LDC customers, including consideration for: • clarity about what goes into the prices they are charged; • practices regarding disconnections; and • access to the OEB's processes to resolve issues regarding the quality of service USMPs provide to their customers. The Minister of Energy will request the OEB to make it a priority to complete a review of these issues.	We understand this may have already been edited	**	Accept	<i>Note: we had proposed edits after the last round of agency comments but these are preferable.</i>
SNAP	2	16	<i>The East-West Tie Line will provide a long-term, reliable supply of electricity to meet the growth in demand and changes to the supply mix in Northwest Ontario.</i>	This paragraph is of serious concern because it could affect the ability of the Board to adjudicate this matter independently.	***	N/A	The following edit was included in the last round: <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 continues to be developed. to ensure East-West Tie project is built at a cost that is fair to Ontario ratepayers.</i>

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ESP	2	17	These costs are then folded into the rates charged to their customers. Natural gas utilities whose rates 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.			Accept	
ESP	2	22-23	In addition to OPG's oversight of the Darlington refurbishment, Ontario has its own independent advisor, supported by Infrastructure Ontario, to ensure that it has continued and effective oversight. OPG's expenditures on nuclear refurbishment are also being reviewed by the OEB as part of its rate-setting process.			Reject	While OEB is currently reviewing OPG's costs for Unit 2 refurbishment, OEB will continue to review costs for the remaining units in future rate applications.
ESP	2	23	The Province announced on January 11, 2016 that it had approved OPG's plan to ask the Canadian Nuclear Safety Commission (CNSC) to approve the continued operation of Pickering until 2024.			Reject	Existing wording is consistent with the Province's January 2016 news release and Cabinet approval for OPG to ask OEB and CNSC.
SNAP	2	24	The development of the Northwest Bulk transmission project will proceed in phases. Phase One, a line from Thunder Bay to Atikokan, is to come into service as soon as is practical, with development work on the second phase, a line from Atikokan to Dryden, proceeding at the same time. Phase Three, a line from Dryden to the Manitoba border, may be needed after 2035 to enable the better integration of provincial electricity grids.	Same as comment above at p. 16 (This paragraph is of serious concern because it could affect the ability of the Board to	***	Accept	Accept "development of the" EWT language has been removed from the summary section in current draft of LTEP.

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			of use could lower prices for all Class B consumers, as well as residential and small business consumers who are on the RPP.				The pilots will begin in the fall of 2017next year and run for at least one calendar year Language had already been changed to: <i>“The pilots have begun rolling out and will run for at least one calendar year.”</i> <u>Rationale:</u> The LDCs with approved pilots (London Hydro, Alectra Utilities and Oshawa PUC) began recruiting customers in Summer 2017. Phase 1 of Alectra’s is expected to start in September (see Alectra backgrounder). The OEB has announced the pilots, and it may be confusing to customers to state that they would begin next year. The announcements do not communicate pilot start dates. <u>Partially Accept:</u> The results will help guide OEB decisions on potential new price plans that could give customers greater control, be better matched to their lifestyle and help improve system efficiency. that match customer lifestyles and increase customer control <u>Rationale:</u> Suggested change aligns with OEB edit and ENERGY messaging (e.g. Minister Speech on August 29 at the Alectra RPP Pilot launch event.). <u>Changes to second paragraph:</u> In addition to these pilot programs, the government and the Ontario Energy Board (OEB) are working together on potential approaches to regulatory changes, including 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

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				classes would contribute New pricing and charging plans” Ambiguity of which charge/price intended here (commodity vs delivery) suggests ‘incentive’ is better			“incentives”. Changing from “not constrained” to “being used less”.
SNAP	3	31	A modern grid is a digital grid. It harnesses the power of data so that customers and utilities can make the right decisions. For LDCs, it means having the information critical to making their networks run as smoothly as possible. For customers, it means the local network will be ready when you want to buy an electric vehicle, install a battery, put up solar panels or assess the benefits of a new pricing planIt means more tools for you to track your energy usage. It means a more efficient, reliable, and resilient grid. Above all, it means potential savings on your bill.	Distributors already face these expectations, including the forecast of renewable energy facility installations and investing in enabling improvements per legislation. Suggest deletion.		Reject	The proposed edit is non-technical and subjective. For the LTEP storyline, which includes efforts to translate proposals in terms that make sense for customers, the language should remain unchanged.
SNAP	3	33	However, that same study found there were several barriers to modernizing the grid further in Ontario. For example, LDCs are challenged by the diffuse benefits issue. This is when they bear the costs of technologies such energy	Not clear which study This		Accept	The proposed rewrite is consistent with the intent and an improvement to of the original language.

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			storage, but other participants get the benefits. Without clear rules for addressing diffused benefits, LDCs are less motivated to explore solutions that may be more cost-effective and provide greater benefits to the grid. Ontario is committed to removing these barriers so that utilities can make the right investments. If there's appetite for a broader rewrite, consider: However, there remain several barriers to modernizing the grid further in Ontario. For example, LDCs and other potential asset owners are challenged by the fact that some novel technologies have widespread benefits that do not always get adequately recognized and compensated. This is sometimes known as the diffused benefits issue. If investors bear all the costs of a given project, such as an energy storage installation, while other participants get some of the benefits but bear none of the costs, the business case for an investment is weaker. Without clear rules for addressing this phenomenon, businesses, including LDCs, are less motivated to explore solutions that may be more cost-effective and provide greater benefits to the grid. Ontario is committed to removing these barriers so that utilities and other potential asset owners can make the right investments.	paragraph could benefit from many changes, but the most crucial is the one that appears in the text – change 'prevented from' to 'less motivated to'.			
CRED	3	35	Renewable generation systems, such as solar PV panels, are becoming more widely adopted across the province. When strategically located and combined with smart communications and control systems, renewable distributed generation can benefit LDCs and their customers: utilities can defer or avoid costly investments in their local distribution networks, and customers can generate and store their own power, lowering their own bills and ensuring reliable access to electricity when power from their network is not available. The Province and the IESO will develop a program to support the deployment of strategically located renewable			Reject	

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			DG systems, paired with other DERs and smart grid technologies, to demonstrate their value to customers and the grid. The data gathered from these innovative projects will help inform the development of the policy framework applicable to renewable DG and steer further cost effective integration of these resources into Ontario's energy system while ensuring value for customers.				
SNAP + CRED	3	36-37	To encourage change in the energy sector, the Province will work with utilities and other partners to build a culture of innovation, and will look to the IESO and the OEB to explore, where cost-appropriate: 1. building a stronger culture of innovation in the sector; 2. the identification of barriers to energy storage; 3. utility facilitation of residential smart charging; 4. the deployment of renewable distributed generation and other distributed energy resources at scales and locations that provide value to customers; 5. the use of innovative, non-wires solutions that could, among other things, a. allow utilities to manage their systems more efficiently or cost effectively; 6. a cost-benefit framework that provides clarity on the treatment of investments which provide benefits to other electricity system participants without a means for recovering commensurate costs from them (also known as the diffuse benefits issue); 7. ; • the ability of utilities to make non-traditional distribution system investments that would ultimately reduce ratepayers' costs associated with capital or other investments; and	Connection between choice and non-wires solutions is not clear. OEB does not believe this is an accurate characterization of the legislative provision in question.	***	Reject	Note: At a meeting with OEB staff on July 6, 2017, which included VP and ADM participation, it was agreed that the OEB Directive would include more general statements about policy intent, counter to the Ministry's desire to have clear, specific language. Instead, the LTEP would be used to provide the clear policy intent, and would therefore provide more detail on the general concepts included in the Directive. First comment: non-wire solutions, such as investments in innovative technologies behind the meter, could provide customers more choice by giving them tools they can use for direct benefit (e.g. reliability, power quality), but that LDCs could also use for grid function (e.g. system balancing). Other non-wire solutions providing such benefits are asset management systems that can integrate new technologies, such as smart charging, in a way that provides direct benefit to customers (e.g. on-bill incentives). Reject: Second comment: bullet 7 was removed and replaced with different language in previous edits. Reject: Bullet 2: OEB already went through an "identification" process. The intent is for OEB to now remove the barriers for equitable treatment. PO would also like to see stronger language on government and agencies moving forward on removing barriers to storage

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						Partial Accept Reject: Bullet 3: inconsistent with the policy intent to enable behind the meter investments in technology, namely smart charging in this instance, that can avoid more costly system upgrades. Reject: Bullet 6: the proposed change narrows the scope of the potential solution to seeking cost recovery from other beneficiaries, but that's not the only way to address diffuse benefits. The OEB clearly understands this issue and changes are not required to provide more clarity on the Ministry's policy intent. Partial Accept: Bullet 8: the intent here is to enable LDCs to participate in other market activities that could be used as a distinct revenue stream to reduce costs for customers. This was explained to the OEB at the July 6, 2017 meeting mentioned above and was accepted for inclusion in the OEB Directive. Suggest including OEB addition and original ministry language ("make non-traditional distribution systems investments and participate in market opportunities") Partial Accept: Bullet 5: accept change from "will" to "could", and modify the bullet per the below. Note: The OEB will still need to evaluate the cost effectiveness of non-wire solutions when LDCs present rate cases to the Board. The intent of this language is to address the issue that the OEB incents investments in traditional "poles and wires" by providing a regulated rate of return on these capital expenditures, but not for other technologies that would improve system operation and provide more customer choice. The Ministry is cautious to limit these non-wire solutions to those providing greater "efficiency and cost effectiveness" – while these are certainly desirable benefits, these terms could constrain how the OEB evaluates these alternatives.	
						N/A	

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							<i>“allow utilities to manage their systems better and encourage customer choice, including the principles of efficiency and cost effectiveness”</i> Bullet 7: already removed during previous edit based on OEB comments.
SNAP	3	37	As part of this effort, the Province will encourage LDCs to raise the profile of their plans for how they intend to modernize their grids and their businesses as part of their filings to the OEB.	OEB currently expects this as part of DSP; change to follow directive language.		Reject	This paragraph was already modified to align with the OEB Directive language, which was changed from “requiring LDCs to complete modernization plans” to “raising the profile of plans”. The intent of this paragraph is to signal the government’s encouragement of LDC modernization plans. The Smart Grid Fund would be used to support this goal, and the Ministry would seek for LDCs to include these plans in rate filings, where possible.
SNAP	3	41	- Barriers to the deployment of cost-effective energy storage will be identified, and so will steps for pursuing opportunities to advance the cost-effective modernization of Ontario’s electricity sector; - Utilities will be able to intelligently integrate electric vehicles into their grids, including smart charging in homes;	This might sometimes depend on local conditions.		Reject	Bullet 1: as noted above, the policy intent is not to simply identify barriers, but to reduce them. With respect to further additions, the Ministry is making modifications to bullet 5 summary section of chapter 3 (as well as in the executive summary). Bullet 2: Ministry does not understand this proposed change from the OEB. The statement here has specific intent – if LDCs are enabled to make behind the meter investments on smart charging, the policy intent is for that to happen when it is cost-effective to do so, or more generally, so that other customers are not subsidizing EV owners.
SNAP	4	42	The independence of the Ontario Energy Board (OEB) is a vital feature of Ontario’s electricity sector. It gives consumers and sector partners the confidence that decisions are being made in the public interest. Ontario	We don’t see this paragraph as necessary.		N/A	Already addressed in current draft of the LTEP. <i>Note:</i> have reached out to OEB to ask for clarity on why this is not needed. We thought this paragraph would be helpful for them in the context of placing conditions on

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			upholds this independence, and expects that the OEB, when delivering on the vision outlined in <i>Delivering Fairness and Choice</i> , will set policies in a manner that benefits ratepayers and the sector as a whole.				the outcomes articulated, but if they do want it removed we defer to them.
SNAP	4	43	. By focusing on the principles of transparency, responsiveness to customers, efficiency and cost-effectiveness, the OEB will continue to support a future in which: • utilities (LDCs and transmitters) have incentives to cut costs and make annual improvements to productivity and cost-efficiency; • utilities are constantly striving to improve; • utilities are held to account when expectations are not met; • customers get the highest possible value from their electricity services; and • businesses and other large customers have a timely and predictable process to connect to the grid or modify their existing connections. Ontario will look to the OEB to further strengthen the accountability that both distributors and transmitters need to show to their customers, particularly with respect to reliability.	It is not clear which enhanced requirements are being referred to. Modified another sentence as alternative. Also, the matter of timing is not something that can be prescribed.	***	Partial Accept	Reject: removing of “Ontario will look...” sentence. Cabinet Minute commits to an enhancing of the regulatory framework and so this sentence should remain in the context of the entire framework, not just reliability. Reject: addition of “continue to.” Cabinet Minute commitment is to go beyond what is being done currently. Stating this desired outcome is not considered interfering with OEB independence. Accept: deletion of word ‘unnecessary’. Accept (with modification): timeline paragraph. In the previous round of agency edits we proposed changing “next major rate application cycle” to “in a timely manner.”
SNAP	4	43	Reliability and quality of service are of vital importance to electricity consumers. This is especially true for communities on long, radial lines that can fail more frequently and for businesses that are particularly sensitive to electricity outages or fluctuations. The OEB has considered a number of ways to improve reliability over the years and the Province will look to the OEB to examine further cost-effective steps that could help customers be better aware of the reliability of their service and their ability to resolve their concerns. The Province believes that an enhanced framework for the reliability and quality of service of transmission and	Intended to better distinguish the province’s vision and to avoid it being misunderstood as the government directing the OEB in a manner that	***	Accept with edits	This language has changed slightly since the version the OEB has reviewed. OEB edits accepted below in the latest version. “...the Province will look to the OEB to examine further cost-effective steps that could help ensure provide customers with are-given useful knowledge about the reliability of their service and opportunities to resolve their concerns.” Accept edits to second paragraph.

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			distribution utilities could provide customers with increased benefits, for example by:	violates the OEBA.			
SNAP	4	44	The Province will direct the OEB to review the standards that transmission and distribution utilities currently have for reliability and quality of service and options for improving the standards. It will also ask the IESO to review how its planning and policies can improve customer reliability.		***	Accept	
SNAP	4	44	<i>The publication of standardized and more detailed criteria for reliability would ensure greater transparency for customers. This is particularly relevant for transmitters and large distributors.</i> <i>The current LDC scorecard requires Ontario distributors to report their system-wide reliability. This means a small distributor, like Whitby Hydro with fewer than 40,000 customers, reports the same level of detail as a large distributor like Toronto Hydro with nearly 700,000 customers.</i> <i>The OEB's expectation that transmitters have scorecards was implemented prior to the most recent rate cycle; scorecards for some transmitters are expected to be in place soon. Scorecards may vary, depending on the size of system a transmitter operates. Hydro One, a large transmitter with hundreds of customer delivery points may not report its performance with the same granularity that a small transmitter like Five Nations Energy Inc., with only four delivery points, reports.</i>		**	Accept with edits	This paragraph was revised by the Ministry in the previous round of OEB edits. Ministry counter edits are applied to the latest version below. <i>Reporting in transmission rate applications varies. Hydro One, a large transmitter with hundreds of customer delivery points, reports only its system-wide performance, while a small transmitter like Five Nations Energy Inc., with only four delivery points, reports the data for each. The OEB's expectation that transmitters have scorecards was implemented prior to the most recent rate cycle; scorecards for some transmitters are expected to be in place soon.</i> Rationale: The OEB's language implies Ministry support for varying levels of granularity in transmitter scorecard. I.e. "Scorecards may vary, depending on the size.." The Ministry is intending to communicate that more standardized and detailed criteria would ensure greater transparency.
SNAP	4	45	The Province will look to the OEB to explore ways of facilitating these partnerships where they make economic sense, as well as additional ways to realize these savings and provide better customer service. The Province will also look to the OEB to identify ways that its own authority could be enhanced to promote regulatory efficiency, and reduce costs .	Rephrased to avoid prescribing method.	***	Reject	Language already revised based on OEB staff edits (SNAP take a look and see if we need to revise further). Cabinet Minute commits OEB to a review of its own regulatory efficiencies including ensuring proportional review of rate filings. Need to maintain a statement in this regard, especially considering stakeholder expectations. The edits already made based on the first round of agency feedback, where this review is phrased in a more positive tone, are preferable.

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SNAP	4	47	In the spring of 2017, the OEB issued a draft framework that will define cyber security guidance and reporting requirements for LDCs. This framework will be in place by the end of this year.			Accept	This language is preferable to the earlier edits.
SNAP	4	47	As they exercise their respective responsibilities for planning, the Province will look to the IESO and the OEB to promote a co-ordinated, streamlined and longer-term approach to the end-of-life replacement of transmission and distribution assets. The approach needs to be consistent with the beneficiary pays principle, so that consumers who benefit from the asset are responsible for the costs.			Accept	Not sure the rationale as this is in the directive, but helps to plain language the document and the language remains in the OEB directive.
SNAP	4	49	1. The Province continues to entrust the Ontario Energy Board (OEB) with responsibility for improving the performance of local distribution companies (LDCs). 2. The Province will look to the OEB to identify additional tools and powers that it could use to make utilities more accountable to their consumers, promote efficiencies and cost reductions, encourage partnerships, and ensure regulatory processes are cost-effective and streamlined while also accommodating changing utility business models. 3. Ontario will work with the OEB and LDCs to redesign the electricity bill to make it more useful for consumers in understanding and managing their energy costs. • The Province will look to the OEB to review the standards for reliability and quality of service for transmitters and distributors and options for improving the standards. It will also ask the Independent Electricity System Operator (IESO) to review how its planning and policies can improve reliability.		**	Partial Accept	Bullet 1 – reject. As noted, Cabinet Minute commits to enhancement of framework so phrasing should not read as continuation of status quo. Bullet 2 – Accept Bullet 4 – Accept.
N/A	5	51	No edit apparent.				
CRED	5	57	The OEB will also identify steps for pursuing further energy efficiency on the distribution system.	Align with directive		Already addressed	Already addressed in current draft of the LTEP.
CRED	8	81	As part of the mid-term review of the DSM Framework that is currently underway, natural gas utilities are expected to			Accept	

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			propose a transition plan on how to integrate natural gas conservation into their planning for future infrastructure.				
SNAP	Glossary	88	Beneficiary Pays – an approach to cost allocation where consumers pay for an asset in proportion to the benefits they derive from it. This protects ratepayers from paying for infrastructure that benefits only a few customers.	Check		Accept	
SNAP	Glossary	90	Ontario Energy Board (OEB) – The OEB is the independent agency that regulates Ontario’s electricity and natural gas sectors in the public interest. .			Accept	
CRED	Glossary	90	Regulated Price Plan (RPP) – Prices set by the OEB for residential and small business customers in Ontario.			Accept	
CRED	Glossary	90	Time-Of-Use Prices – Prices that vary in accordance with the changing value of power at different times of day.			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) – “<i>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.</i>” Further, there is no reference to ‘value of electricity’ on the website or in any of the RPP Roadmap materials.