

Details on Planned Discretionary Spending

PHASE II

Internal Holdback on 5% of Discretionary Spending

The Ministry only has discretionary control over a small portion of its total budget, \$118.1 million (see breakdown in chart below). A 5% internal holdback on this budget is \$5.9 million.

The Ministry does not have discretionary control over the following allocations:

- A significant portion of the Ministry's non-discretionary expenses are its entitlement-based Transfer Payment programs for the Ontario Fair Hydro Plan. A 5% reduction cannot be applied on these programs as they are demand-driven. The Ministry will monitor program forecasts closely and continue to provide updates to TBS on a timely basis.
- During the 2017-18 PRRT process, the Ministry received an increase in transfer payment allocation to support First Nations participation in the sale of Hydro One. These expenses are required to meet contractual commitments with the First Nations and thus, cannot be reduced.
- The Ministry consolidates the fiscally neutral agencies – the Ontario Energy Board and the Independent Electricity System Operator – onto its allocation. These expenses have been removed and are not discretionary because they are not funded by the fiscal plan.
- The allocation to support Energy's GGRA initiative, the Electric Vehicle Overnight Charging Rebate Program, is currently on holdback pending a report back to TB/MBC.
- Salaries and Wages and Benefits is not discretionary. The Ministry is tracking to fully spend its payroll allocation in 2017-18 under the approved OPS-wide salary rate structures.

The Ministry plans to manage this holdback through anticipated savings from Vote 2906, Strategic Asset Management.

Ministry of ENERGY

Summary of Planned Discretionary Spending

Standard Account, TP	Total Allocation 2017-18 Estimates	Discretionary Spending	Placed on Holdback	Percentage Discretionary Spending on Holdback (%)
Vote 2901-01				
Salaries and Wages (51)	6.9	Non-discretionary	-	-
Employee Benefits (52)	0.8	Non-discretionary	-	-
Transportation & Communication (53)	0.3	0.3	-	0.0%
Services (54)	11.1	11.1	-	0.0%
Supplies & Equipment (55)	0.3	0.3	-	0.0%
Less: Recoveries	(4.4)	(4.4)	-	0.0%
Total	15.1	7.4	-	0.0%
Vote 2902-01				
Salaries and Wages (51)	12.3	Non-discretionary	-	-
Employee Benefits (52)	1.5	Non-discretionary	-	-
Transportation & Communication (53)	0.4	0.4	-	0.0%
Services (54)	6.5	6.5	-	0.0%
Supplies & Equipment (55)	0.3	0.3	-	0.0%
Transfer Payments (57)				
Aboriginal Engagement Agreements	0.2	0.2	-	0.0%
Green Energy Initiatives	1.3	1.3	-	0.0%
Electric Vehicle Overnight Charging Rebate Program	2.2	2.2	-	0.0%
Conservation Initiatives	1.9	1.9	-	0.0%
Less: Recoveries	(2.2)	(2.2)	-	0.0%
Total	24.5	10.6	-	0.0%
Vote 2905-01				
Transfer Payments (57)			-	-
Ontario Electricity Support Program	140.0	Non-discretionary	-	-
Rural or Remote Rate Protection Program	344.0	Non-discretionary	-	-
Northern Ontario Energy Credit	26.0	Non-discretionary	-	-
Ontario Rebate for Electricity Consumers	939.0	Non-discretionary	-	-
On-Reserve First Nations Delivery Credit	15.0	Non-discretionary	-	-
Total	1,464.0	-	-	0.0%
Vote 2906-01				
Services (54)	100.0	100.0	5.9	5.9%
Transfer Payments (57)				
Conferred Benefit Amount	135.0	Non-discretionary	-	0.0%
Strategic Asset Management	0.0	Non-discretionary	-	0.0%
Indigenous Engagement				
Cash Contribution for First Nations	45.0	Non-discretionary	-	0.0%
Total	280.0	100.0	5.9	5.9%
Consolidation & Other Adjustments				
Independent Electricity System Operator	218.4	-	-	-
Ontario Energy Board	45.7	-	-	-
GGRA Reclassification	2.2	-	-	-
Total	266.2	-	-	0.0%
Q2 Internal Holdback on Discretionary Spending	2,049.9	118.1	5.9	5.0%