

PD&G Committee Priorities Report

Cabinet Office, Policy & Delivery September 14, 2017
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CABINET CONFIDENTIAL

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Priority	Actions Over the Next Year	Measures of Success	Key Risks
Long-Term Energy Plan	OFHP ▪ establishment of Automatic enrollment of social assistance recipients for the Ontario Electricity Support Program (OESP) • Establishment and enrollment of eligible customers into Rural or Remote Rate Protection/Distribution Rate Protection and First Nation Delivery Credit. • Ongoing work with agencies, LDCs and partners on implementation of Global Adjustment (GA) refinancing . Including: ○ Ontario Power Generation (OPG)/Special Purpose Vehicle (SPV) to produce Financing Plans consistent with the Fair Allocation Amount; ○ Ministry of Finance to work with OPG in defining circumstances under which Provincial Guarantee would be activated; ○ OPG/SPV to begin purchasing of investment asset; ○ OPG/SPV working with lenders and credit rating agencies in establishing the vehicles for selling of investment asset interests.	OFHP • Residential electricity bills reduced on average by 25% and held at the rate of inflation for 4 years. • Establishment of a AAA or AA rated investment asset. • Achieving appropriate alignment of clean energy costs and benefits • Increased OESP enrollment ▪ Increased demand response resources through Industrial Conservation Initiative (ICI) expansion contributing to further reductions in peak electricity demand levels. • Rural distribution rates in line with those paid in more urban areas of the Province. • Continued enrollment of FNDC-eligible customers not currently enrolled in utility systems. • Metrics for Affordability Fund under development by Trust.	OFHP • The model assumes GA refinancing does not have a fiscal impact. ▪ Ability to keep rates in line CPI over the next 4 years as committed to by the government, which could increase fiscal pressure. • Higher bill increases following the inflationary cap. • Auditor General may issue an adverse opinion. • The structure is unique which increases the risk of unknown factors impacting its performance. • According to a legal opinion by former Supreme Court Justice Binnie, there is a moderately high risk that the proposed change would be characterized as an unconstitutional tax.

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The 2017 Long-Term Energy Plan	• LGIC approval and publishing of the 2017 LTEP • LGIC approval of IESO and OEB Implementation Directives • IESO and OEB to prepare implementation plans for Minister of Energy approval • Implement 2017 LTEP including introducing legislation for Green Button and Net Metering	• Delivering reliable and affordable electricity while meeting the province's CCAP targets • Approval of IESO and OEB implementation plans on schedule. • Timely implementation of profiled initiatives, including IESO Market Renewal.	• Delivery of 2017LTEP in time for summer fall release as planned. • Alignment with the province's goals under the Climate Change Action Plan (CCAP) and the OFHP.