Estimates Briefing Book
2018-19

Ministry of Energy

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Part I: Published Plan
2018-19

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PART I: 2018-19 PUBLISHED PLAN

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PART I: 2018-19 PUBLISHED PLAN

1. MINISTRY OVERVIEW

1.1. MANDATE

The Ministry of Energy is responsible for providing Ontarians with an affordable, reliable and clean supply of energy and more choices in their energy use – through the implementation of the Long-Term Energy Plan and the administration of programs described in the *Ontario Fair Hydro Plan Act, 2017* and the *Ontario Rebate for Electricity Consumers Act, 2016.*

1.2. MINISTRY CONTRIBUTION TO PRIORITY OUTCOMES

To meet its mandate and priorities, the Ministry develops and implements legislation and policy and administers programs.

The Ministry developed the 2017 Long-Term Energy Plan that sets out the energy sector's roadmap, with a focus on integrated policy and setting the direction for Ontario's energy future. As part of the Long-Term Energy Plan, the Ministry is investing in innovative technologies to modernize and improve the efficiency of Ontario's grid, and strengthening our commitment to energy conservation, to drive down costs to customers and providing customers with more choice.

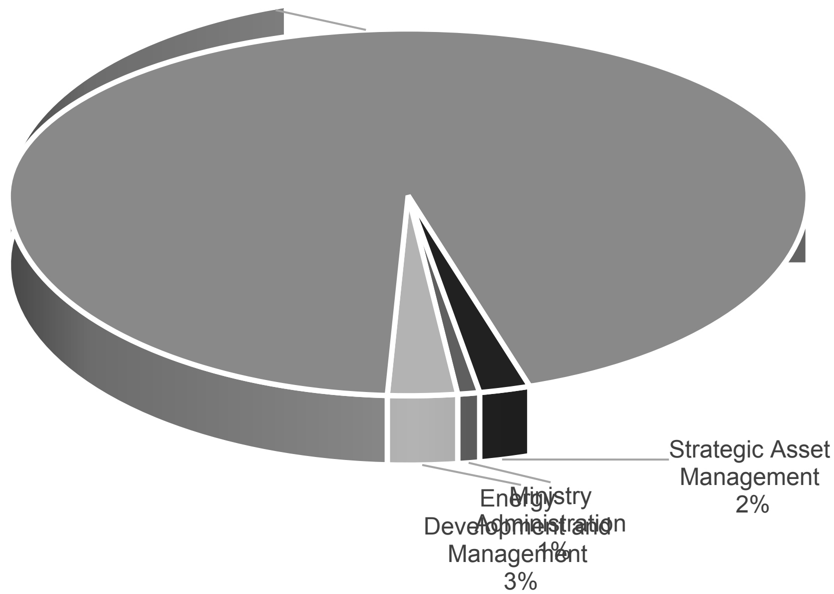
The Ministry has created a broader strategy to mitigate the impact of electricity prices on consumers and businesses through the programs described in the *Ontario Fair Hydro Plan Act* and the *Ontario Rebate for Electricity Consumers Act.* The Ministry administers these programs, which have lowered electricity bills by 25 percent on average for residential consumers. One program, the Affordability Fund, is overseen and administered by an independent Trust.

The Ministry is also expanding the supply of cost-effective and low-carbon energy by providing a loan to a First Nations transmission company to connect remote First Nations communities that rely on diesel generation to the electricity grid, which is part of an overall cost-sharing agreement with the federal government. Through this agreement the federal government announced $1.6 billion in funding for the project.

The Ministry is responsible for Government Business Enterprises whose revenues contribute to the fiscal plan - $860 million in net income attributed to the Province in 2016-17:

- $500 million net income from Hydro One;
- $342 million net income from the Ontario Power Generation (OPG); and
- $18 million net income from Brampton Distribution Holdco Incorporated.

Ministry Operating Expense by Vote, excluding Consolidations



1.3. MINISTRY PROGRAMS

Below is a detailed description of the Ministry’s programs:

Ministry Administration works to achieve ministry and government objectives by providing executive direction, strategic advice and vital corporate services, including communications, strategic human resources, French Language Services, information technology, legal services, Freedom of Information and Protection of Privacy activities, accommodations and facilities management, emergency management, continuity of operations planning, controllership and accounting, and strategic and resource planning and allocation activities.

Energy Development and Management is responsible for developing Ontario's energy policy framework, central to the building of a strong and prosperous economy. The program supports and oversees:

- Energy conservation and efficiency;
- Grid modernization;
- Cleaner forms of energy;
- Regulatory and business oversight of Ontario’s energy sector and agencies;
- Engagement and consultation with First Nation and Métis communities; and
- Facilitation of Indigenous participation in renewable energy and transmission system developments.

Electricity Price Mitigation helps Ontarians manage electricity costs.

Strategic Asset Management supports the Province as a shareholder of Hydro One in regards to managing its ownership interest and governance responsibilities.

The Ministry is a policy development and implementation Ministry. Below outlines the Ministry’s key policy priorities:

An Affordable Energy System

Legislation was introduced in 2016 and 2017that was designed to lower electricity bills by 25 percent on average for residential customers and limit increases to the rate of inflation for four years. As many as half a million small businesses and farms are also benefitting. Actual reductions vary depending on consumption patterns, electricity distributor and, where applicable, cost of retail contract.

Electricity rate mitigation includes:

Ontario

- The **Ontario Rebate for Electricity Consumers (OREC)** provides an 8 percent rebate (equal to the provincial portion of HST) for about five million residential consumers, small businesses and farms. The rebate was automatically added to eligible consumer's bills beginning January 1, 2017.

- Refinancing a portion of Global Adjustment (GA) over a longer time period. Electricity consumers that are eligible for the eight percent rebate are also eligible for GA refinancing, including residential consumers, farms, most small businesses, long-term care homes and condominiums.

- A related program for Independent Power Authorities (IPA) under the OREC program was created to ensure that customers of IPAs have the opportunity to participate in the program and receive the 8 percent rebate.

- Eligible consumers can also receive additional support through programs including:

    - Distribution Rate Protection, which provides distribution charge relief for customers of local distribution companies (LDCs) with the highest distribution charges;

    - The Ontario Electricity Support Program (OESP), which provides assistance to eligible low-income consumers;

    - The First Nations Delivery Credit, which provides a 100 percent credit for delivery or service charges for all on-reserve First Nations residential customers of licensed electricity utilities; and

    - The Affordability Fund, which provides energy efficiency measures to Ontarians who do not qualify for low-income conservation programs, and who are otherwise unable to make energy efficiency improvements without support.

- The Industrial Conservation Initiative (ICI), which has been expanded to include smaller manufacturers and greenhouses with peak demand greater than 500 kilowatts (kW), in addition to all consumers over 1 megawatt (MW) who were already eligible.

- Shifting cost recovery for OESP and the Rural or Remote Rate Protection (RRRP) from electricity bills to provincial revenues, lowering regulatory charges by approximately $3/MWh.

- Improving sector efficiency and modernizing Ontario's electricity market, working in collaboration with the Independent Electricity System Operator (IESO) and the Ontario Energy Board (OEB).

The Ministry also has a number of existing initiatives that help consumers manage electricity costs:

Residential Consumers

- The **Ontario Energy and Property Tax Credit** provides low- to moderate-income Ontarians, including seniors, who own or rent a home, with help paying both their energy costs and property tax. For the 2018 benefit year, qualifying individuals can receive up to $1,043 in tax relief annually, and seniors can receive up to $1,187 annually.

- The **Northern Ontario Energy Credit** helps eligible low-to middle-income northern residents manage energy costs. For the 2018 benefit year, qualifying individuals received up to $151 annually and families (including single parents) received up to $232 annually.

- The **Low-Income Energy Assistance Program** offers emergency financial assistance as on-bill assistance up to $600 annually, special customer service rules, and energy conservation programs to qualifying electricity and natural gas consumers.

- The **Save ON Energy Home Assistance Program** helps income-eligible consumers manage their energy costs by providing home energy efficiency assessments and energy savings measures at no cost.

- The government removed the **Debt Retirement Charge (DRC)** from residential users' electricity bills as of January 1, 2016. This saves a typical residential electricity ratepayer about $65 per year. The DRC ended for non-residential consumers on April 1, 2018. In total, the end of the DRC represents a reduction of about $600 million annually for Ontario businesses.

Businesses

- The **Save On Energy** for Business Programs, provides financial incentives that help businesses to reduce their use and manage costs through energy audits, retrofits and process and system improvements.

- **Natural Gas Conservation Programs** delivered by Ontario's natural gas utilities (Enbridge Gas and Union Gas), provides incentives for efficient building equipment and systems retrofits such as space heating, water heating and food services.

Industrial Consumers

- The **Industrial Conservation Initiative (ICI)** allows all electricity consumers with average peak monthly electricity demand over 1 MW, as well as manufacturers and greenhouses over 500 kW to lower their electricity costs by reducing their demand during the top five peak hours of the year. Reducing demand during peak hours benefits companies financially (current participants save about 33 percent on average on their electricity bills) and benefits the electricity system by deferring the need for new peak generation.

- The **Northern Industrial Electricity Rate Program (NIERP)** supports continued growth and development in the northern resource and manufacturing sector. Participants in NIERP receive a rebate of two cents per kilowatt hour. On average, electricity prices can be reduced by about 25 percent through the program.

- The **Industrial Accelerator Program** assists eligible industrial, commercial and institutional customers that are directly or indirectly connected to the IESO transmission grid to fast-track capital investment in major energy-efficiency projects. Transmission-connected customers with distribution-connected sites can also elect to have their sites administered through this program.

- The **Save On Energy for Business** electricity conservation program offered by local distribution companies – offers industrial customers financial incentives for audits, retrofits and process and systems improvements to help businesses better manage their electricity use.

- The Demand Response Auction, available through the IESO, provides participating businesses with availability payments for reducing their electricity consumption when called upon by the IESO to do so to meet system needs.

A Reliable Energy System

Ontario is transitioning to a cleaner energy system by modernizing and upgrading its transmission and distribution grids, upgrading and refurbishing existing generation assets, and adding more renewable and low carbon energy sources to the system for a balanced mix of clean power sources while maintaining reliability. Initiatives include:

- Supporting grid modernization and the demonstration of innovative technologies through the Smart Grid Fund (SGF). SGF projects are commercializing the next generation of electricity grid solutions to improve reliability and efficiency on the distribution system.

- Prioritizing the East West Tie transmission line to reinforce the system between Wawa and Thunder Bay. This reinforcement will enhance capacity in the Northwest and improve system reliability for the region.

- Connecting up to 21 of 25 remote First Nation communities in northwestern Ontario, currently relying on costly diesel generation for their electricity supply, to the provincial electricity grid.

- A new line to Pickle Lake is required as part of the plan to connect remote First Nation communities currently reliant on diesel. A new line to Pickle Lake will also provide the capacity to serve potential growth in mining activity in the area, including in the Ring of Fire, and increase the overall reliability of the system north of Dryden.

- Supporting projects to reduce reliance on diesel generation in the 4 remote First Nation communities determined not economically viable to connect to the provincial electricity grid.

- Ontario is expanding access to natural gas for communities that do not currently have service, including those in rural and northern Ontario and First Nations communities.

Ontario will continue to plan and study transmission projects as changing demand and supply conditions require. Regional planning assesses needs and options based on a region's unique electricity infrastructure and community priorities.

A Clean Energy System

In 2009, the *Green Energy and Green Economy Act, 2009* was passed to encourage the development of renewable energy generation and to promote energy conservation.

Renewable energy generation is a vital component of Ontario's Climate Change Strategy and helped meet Ontario's goal to reduce the Province's greenhouse gas emissions by six percent below 1990 levels by 2014 and will play a key role in meeting the target of 37 percent reduction by 2030.

Between 2005 and 2016, the share of installed renewable energy capacity in Ontario's electricity supply mix grew from 26 percent to 40 percent. This has contributed to making Ontario's electricity system more than 95 percent free of greenhouse gas emissions.

Currently, Ontario has approximately 16,600 MW of renewable energy online and approximately 1,000 MW of additional contracted renewable capacity yet to come online. Initiatives to support a clean energy system include:

- Ontario fulfilled its commitment to end coal-fired generation in advance of its target of the end of 2014. Replacing coal-fired electricity generation was the single largest climate change initiative undertaken in North America and was the equivalent of taking up to seven million cars off the road.

- Two of Ontario's former coal generating stations, Atikokan Generating Station and Thunder Bay Generating Station, were successfully converted from coal to biomass and advanced biomass fuel, respectively.

- Gas-fired plants address local and provincial reliability needs during periods of peak demand and complement Ontario's nuclear and hydro facilities, which provide baseload power, and support the integration of non-hydroelectric renewables into the electricity system.

- On December 15, 2016, Ontario and Quebec signed an agreement on electricity trade and storage to make the best use of our existing electricity systems and reduce costs for Ontario consumers.

- Ontario is moving forward with plans to refurbish a significant part of the Province's nuclear fleet through the refurbishment of four units at Darlington Nuclear Generating Station and six units at Bruce Nuclear Generating Station.

- The government also approved a plan for OPG to seek the necessary regulatory approvals from the OEB and Canadian Nuclear Safety Commission to enable ongoing operation of the Pickering Generating Station up to 2024.

- On January 1, 2017, Ontario implemented a cap and trade program. By law, all proceeds from cap and trade must be invested in projects that support GHG reductions, such as supporting Ontarians in shifting away from fossil fuels and investing in emerging clean technologies.

- The Feed-In Tariff (FIT) program and microFIT program made it easier for homeowners, small businesses, farmers, not-for-profit groups, community groups, First Nation and Métis communities and large commercial developers to take part in renewable energy projects. The IESO made offers for the final round of FIT contracts in September 2017, and on December 1, 2017, the final application window for the microFIT program officially closed after reaching the 50 MW Annual Procurement Target for 2017.

- The first phase of the Large Renewable Procurement (LRP I) introduced strong competition among developers of large renewable projects, helping to drive down price and secure clean, reliable generation for the Province. In 2016 the government suspended the second procurement round (LRP II) given the province's strong supply outlook.

- In 2017, Ontario updated its net metering framework to expand opportunities for electricity consumers to generate clean, renewable energy and help reduce load on the electricity system. Further enhancements are being developed, which could support customer choice and enable innovative technologies and customer-utility relationships.

Committing to Conservation

Conservation is the cleanest and most cost-effective energy resource and it offers consumers a way to reduce their energy bills. As Ontario plans for its energy needs for the next 20 years, conservation will be considered before building new generation and transmission facilities, where cost-effective.

Initiatives to support putting conservation first include:

- Long-term conservation target of 30 terawatt hours (TWh) in 2032; which will offset almost all forecasted growth over the planning period — equivalent to more than all the power used by the City of Toronto in 2016. The target is expected to be achieved through a combination of programs and improved building codes and product efficiency standards.

- The 2015-2020 Conservation First Framework builds on the success of programs under the previous Framework and supports the development of new programs to meet local needs and offer more choice for consumers. Under the Conservation First Framework, LDCs remain the face of conservation to their customers and have been provided with the funding and certainty they need to deliver conservation programs to their customers.

- Ontario's 2015-2020 Demand Side Management (DSM) Framework supports the delivery of natural gas programs in the province by natural gas utilities. The Framework aligns with the Conservation First Framework and encourages coordination of electricity and natural gas conservation programs.

- The Demand Response Auction, managed by the IESO, provides participating businesses with payments for being available to reduce their electricity consumption when called upon by the IESO to do so to meet system needs.

- Smart meters allow consumers to better participate in energy conservation and have enabled time-of-use (TOU) pricing. TOU rewards customers who shift electricity usage from peak to off-peak hours, when there is less demand on the system and electricity is less expensive to produce.

- Green Button, a data standard, can give consumers access to data on their energy consumption and allow them to securely and automatically transfer their data with various software applications that can help them manage and conserve energy.

Partial Divestment of Hydro One

In November 2015, the Province moved forward with the partial divestment of its ownership interest in Hydro One to create lasting public benefits and ongoing public protections. The final anticipated share offering of Hydro One was completed in May 2017.

With the completion of this initiative, the Province exceeded its objective to raise $9 billion in gross proceeds and other revenue benefits. On January 2, 2018, the Province announced the closing of the sale of approximately 2.4 percent of the then outstanding shares of Hydro One to OFN Power Holdings LP for the collective benefit of 129 First Nation communities in Ontario.

The Province continues to hold approximately 47.4 percent of Hydro One's common shares and remains the largest shareholder. By law, the Province is prohibited from reducing its ownership below 40 percent, and no other shareholder or group of shareholders is permitted to own more than 10 percent of the company.

More information on the programs and policies in this document can be found at:

Organization	Website

Ministry of Energy	http://www.energy.gov.on.ca
Ontario Energy Board (OEB)	http://www.ontarioenergyboard.ca/
Independent Electricity System Operator (IESO)	http://www.ieso.ca/
Ontario Power Generation (OPG)	http://www.opg.com/

TABLE 1: MINISTRY PLANNED EXPENDITURES 2018-19 ($M)

Operating	1,965.27
Capital	25.26
TOTAL	**1,990.53**

2. HIGHLIGHTS OF 2017-18 ACHIEVEMENTS

The following are highlights of achievements for 2017-18. For further information on each achievement, please refer to the Appendix: 2017-18 Annual Report.

1. Taking further action to mitigate the impact of electricity prices on consumers and businesses

- The Ministry reduced the average residential electricity bill by 25 percent.
- Rate relief provided by the Ontario Electricity Support Program was increased by 50 percent.

The Ministry will limit increases to the rate of inflation for four years for eligible consumers and continue to look for opportunities to minimize electricity system costs through efficiency and other initiatives..

2. Developing the Province's next Long-Term Energy Plan

- The Ministry issued the 2017 Long-Term Energy Plan, Delivering Fairness and Choice, which focusses on energy affordability, innovation and consumer choice.

3. Promoting energy conservation and the adoption of renewable energy

- The Ministry updated the efficiency standards for twelve products.
- To support the transition of the renewable energy sector with the conclusion of the Feed-in Tariff (FIT) and microFIT programs in 2017, the Ministry made enhancements to Ontario's net metering regulation in July 2017 and made legislative amendments in December 2017.
- The Ministry directed the IESO to develop and administer an innovative renewable distributed generation program which includes support for virtual net metering demonstration projects.
- LDCs have achieved 3.8 TWh of net annual electricity savings, which are expected to persist to 2020 and represent 54 percent of the 7 TWh 2015-2020 Conservation First Framework electricity savings target.
- Ontarians have conserved about 1,700 million cubic meters of natural gas from conservation programs in market from 2006 to 2015 - equivalent to the natural gas used by over 800,000 homes in a year, or taking about 750,000 cars off Ontario's roads for one year.
- The Ministry established an Affordability Fund, administered by an independent Trust, to provide energy efficiency measures to Ontarians who do not qualify for low-income conservation programs and who need support to improve energy efficiency in their homes.

- The Green Investment Fund-enhanced home energy audit and retrofit program offered by Enbridge Gas Distribution and Union Gas and has achieved a cumulative GHG savings of approximately 800,000 tonnes of lifetime GHGs.

The Ministry will continue to increase energy efficiency and conservation in Ontario.

4. Supporting the growth of the low-carbon economy and reduction in greenhouse gas pollution

- The Ministry is responsible for developing a program to reduce electricity charging costs for electric vehicles and implementing benchmarking and rating tools to allow consumers to share information on energy usage and performance.
- The Ministry continued to provide oversight of Ontario’s nuclear refurbishments. The first Darlington unit refurbishment achieved 50 percent completion on time and on budget, and the government confirmed its commitment to proceed with the next Darlington unit refurbishment.
- The Ministry has also contributed to funding to support a microgrid project in a remote First Nation community.
- The Ministry worked with the Ministry of the Environment and Climate Change (MOECC) and the IESO to support the establishment of the Green Ontario Fund (GreenON). In August 2017, the Ministry also directed the IESO to partner with GreenON in the design and delivery of certain GreenON programs.

The Ministry will continue to maintain low electricity sector emissions in support of the province’s climate change targets.

5. Engaging with Indigenous partners in energy planning decisions and supporting economic development and reconciliation

- The Province completed the sale of approximately 2.4 percent of the then outstanding common shares of Hydro One to 129 participating First Nations for their collective benefit.
- The Province is working with Wataynikaneyap Power LP and the Government of Canada to connect remote First Nation communities to the electricity grid.
- As part of the Ministry’s LTEP engagement process, 17 Indigenous sessions were held with approximately 100 Indigenous communities.
- In Fall 2017, the Ministry, in collaboration with the IESO, coordinated the first ever Aboriginal Community Energy Plan (ACEP) symposium to bring Ontario First Nations together to share information and best practices on energy planning issues.

- The Ministry is leading the Climate Change Action Plan initiative that aims to reduce diesel generation in remote First Nation communities through the use of renewable microgrid technologies.

The province has made it a priority to connect remote First Nations that rely on diesel generation to the grid.

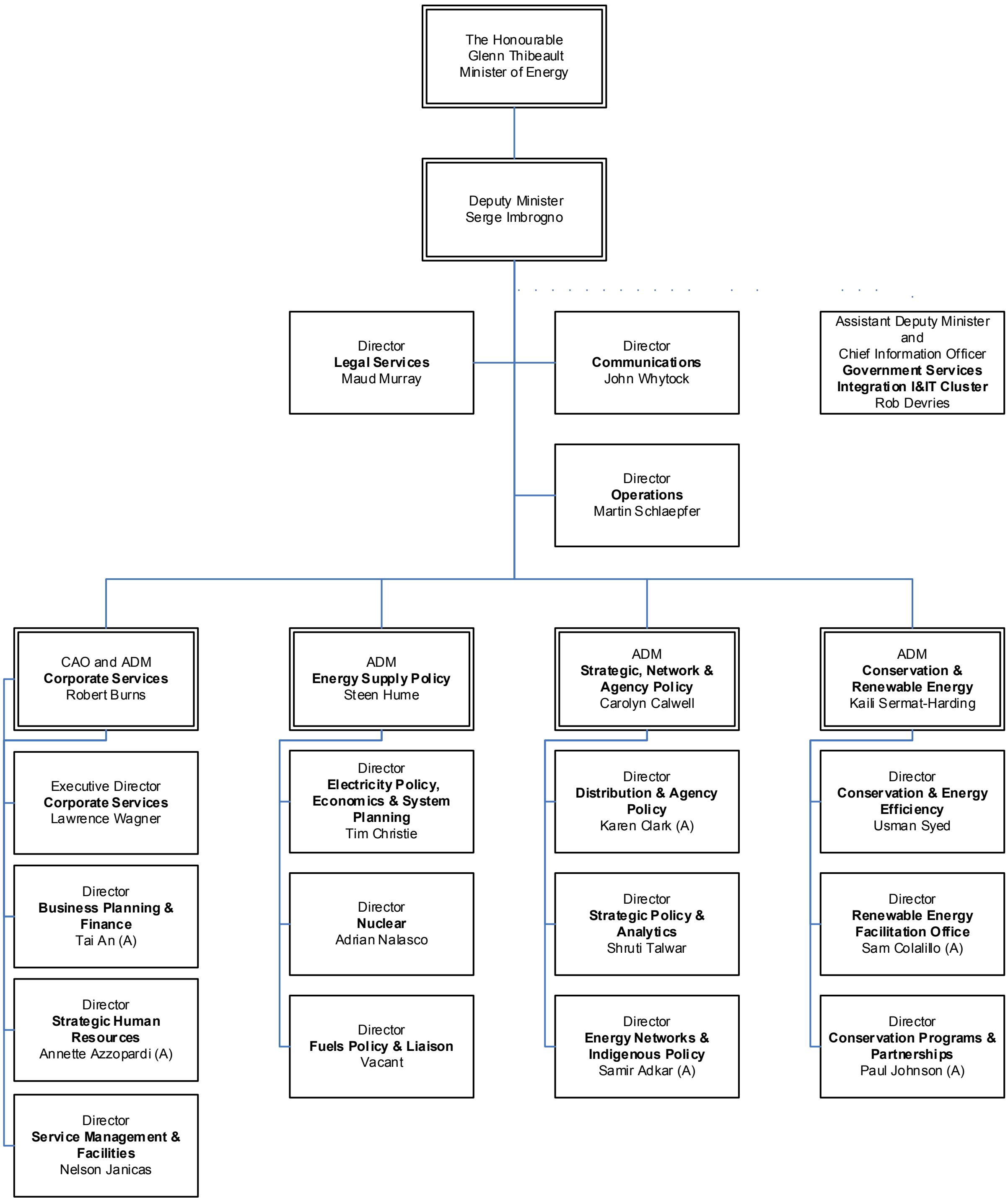
6. Driving efficiencies and maximizing return on investment from the electricity sector

- In May 2017, the Province completed its final secondary offering of Hydro One shares, raising approximately $2.8 billion in gross proceeds from the sale of 120,000,000 common shares. This was the final anticipated share offering by the Province.
- The Ministry established a Panel to undertake a comprehensive review of the OEB, looking at the regulator’s mandate, role and structure so it is best positioned to support the energy sector of the future.
- The Ministry continued its investment of innovative technologies to modernize and improve the efficiency of Ontario’s grid by launching Round 4 of the Smart Grid Fund and committed to provide financial support to Ontario companies to demonstrate their technologies internationally.

The Ministry will continue to support innovation in Ontario’s energy sector and promote the cost-effective modernization Ontario grids.

Ontario

3. MINISTRY ORGANIZATION CHART



As of April 1, 2018

Ontario

4. AGENCIES, BOARDS AND COMMISSIONS (ABCS)

a. Ontario Energy Board (OEB)

The OEB, a quasi-judicial adjudicative and regulatory tribunal regulates the Province's electricity and natural gas sectors in the public interest.

The OEB's mandate and powers in relation to the energy sector are set out principally in three statutes – *the Ontario Energy Board Act, 1998, the Electricity Act, 1998, and the Energy Consumer Protection Act, 2010*, and the regulations made under those statutes. Other statutes, such as the *Statutory Powers Procedure Act* also inform the OEB's jurisdiction and powers.

The OEB's annual operating expenses are consolidated onto the Ministry's financial records. Its operations and activities are fully-funded by its regulated stakeholders in the gas and electricity sectors, under the auspices of its cost-assessment authority pursuant to *Ontario Regulation 16/08 (Assessment of Expenses and Expenditures)* of *the Ontario Energy Board Act, 1998.*

Ontario Energy Board (OEB)	Estimates 2018-19	Estimates 2017-18	Difference Between 2018-19 and 2017-18	Actuals 2016-17
Operating Expense	43,728,300	44,514,000	(785,700)	37,682,318
Capital Expense	2,637,400	1,223,800	1,413,600	780,000
Total OEB Consolidation Adjustments	**46,365,700**	**45,737,800**	**627,900**	**38,462,318**

b. Independent Electricity System Operator (IESO)

The IESO delivers key services across the electricity sector including: managing real-time operations of Ontario's power grid system, planning for the Province's future energy needs, enabling conservation and designing a more efficient electricity marketplace to support sector evolution. The IESO's mandate is embodied in the *Electricity Act, 1998*.

The IESO's expenses are consolidated onto the Ministry's financial records. Its annual operating costs are recovered from annual usage fees set by the OEB for domestic and export market participants.

Independent Electricity System Operator (IESO)	Estimates 2018-19	Estimates 2017-18	Difference Between 2018-19 and 2017-18	Actuals 2016-17
Operating Expense	204,518,400	196,347,800	8,170,600	197,214,878
Capital Expense	22,624,100	22,013,900	610,200	23,498,723
Total IESO Consolidation Adjustments	**227,142,500**	**218,361,700**	**8,780,800**	**220,713,601**

c. Ontario Power Generation (OPG)

OPG, the largest electricity generator in the province, generates about half of the electricity produced in Ontario. OPG's total in-service generating capacity was 16,210 MW as of December 31, 2017, which represented approximately 45 percent of installed generation capacity in Ontario's electricity grid. OPG's diverse generation fleet is over 99 percent free of smog and greenhouse gas emissions. OPG owns and operates the following generating assets[1]:

- 2 nuclear stations;
- 66 hydroelectric stations;
- 2 biomass stations;
- 1 thermal station; and
- 1 wind turbine.

The majority of OPG's generation is rate-regulated, meaning it receives prices authorized by the Ontario Energy Board for the electricity it generates.[2] For other facilities, OPG has long-term Energy Supply Agreements (ESA) with the IESO.[3]

OPG is owner of two other nuclear stations, which are leased to Bruce Power L.P. It also co-owns but does not operate the Portlands Energy Centre in Toronto and the Brighton Beach gas-fired generating station in Windsor.

OPG was established under the Business Corporations Act and is wholly owned by the Province of Ontario. The Minister of Energy represents the Province as the sole shareholder of the company. As a government business enterprise, OPG's financial performance is consolidated to the Province. In 2016-17, OPG's net income was $342 million. This includes earnings from its nuclear funds which are also consolidated as revenue on the public accounts.
OPG pursues efficiency and productivity improvements to reduce costs and create value for the shareholder and ratepayers. Building on the efficiencies achieved since

[1] As of December 31, 2017
[2] Regulated facilities include Darlington and Pickering nuclear generating stations, and 54 hydroelectric facilities.
[3] ESAs are in effect for 12 hydroelectric stations, 2 biomass stations (Thunder Bay and Atikokan), and Lennox Generating Station.

2011 under the completed Business Transformation initiative, OPG is proceeding with its OPG25 initiative, intended to ensure the company's operations are cost-effective after the eventual shutdown of the Pickering Generating Station and the cost impacts of the shutdown are mitigated.

5. DETAILED FINANCIAL INFORMATION

The following table summarizes the Ministry of Energy's combined operating and capital budgets by program (or Vote) for 2018-19. The Ministry has four programs:

- Ministry Administration
- Energy Development and Management
- Electricity Price Mitigation
- Strategic Asset Management

TABLE 2: COMBINED OPERATING AND CAPITAL SUMMARY BY VOTE

Votes/Programs	Estimates 2018-19	Change from Estimates 2017-18	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
OPERATING EXPENSE						
Ministry Administration Program	15,065,600	(9,600)	(0.1)	15,075,200	17,721,243	14,026,484
Energy Development and Management	47,882,100	23,422,600	95.8	24,459,500	26,459,500	257,233,750
Electricity Price Mitigation	1,606,826,400	142,826,400	9.8	1,464,000,000	1,273,200,000	346,343,666
Strategic Asset Management	35,000,000	(245,000,000)	(87.5)	280,000,000	187,919,890	42,946,786
Total Operating Expense to be Voted	**1,704,774,100**	**(78,760,600)**	**(4.4)**	**1,783,534,700**	**1,505,300,633**	**660,550,686**
Statutory Appropriations	65,014	-	-	65,014	65,014	65,968
Ministry Total Operating Expense	**1,704,839,114**	**(78,760,600)**	**(4.4)**	**1,783,599,714**	**1,505,365,647**	**660,616,654**
Consolidation Adjustments - Independent Electricity System Operator	204,518,400	8,170,600	4.2	196,347,800	200,133,600	197,214,878
Consolidation Adjustments - Ontario Energy Board	43,728,300	(785,700)	(1.8)	44,514,000	43,685,200	37,682,318
Operating Expense Adjustment - Greenhouse Gas Reduction Account Reclassification	12,180,000	10,030,000	466.5	2,150,000	17,150,000	-
Total Including Consolidation & Other Adjustments	**1,965,265,814**	**(61,345,700)**	**(3.0)**	**2,026,611,514**	**1,766,334,447**	**895,513,850**
OPERATING ASSETS						
Ministry Administration Program	1,000	1,000		-	-	-
Electricity Price Mitigation	1,100,000,000	-	-	1,100,000,000	-	-
Total Operating Assets to be Voted	**1,100,001,000**	**1,000**	**0.0**	**1,100,000,000**	**-**	**-**
Ministry Total Operating Assets	**1,100,001,000**	**1,000**	**0.0**	**1,100,000,000**	**-**	**-**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

Votes/Programs	Estimates 2018-19	Change from Estimates 2017-18	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
CAPITAL EXPENSE						
Energy Development and Management	1,000	-	-	1,000	1,000	-
Total Capital Expense to be Voted	**1,000**	**-**	**-**	**1,000**	**1,000**	**-**
Statutory Appropriations	1,000	-	-	1,000	1,000	-
Ministry Total Capital Expense	**2,000**	**-**	**-**	**2,000**	**2,000**	**-**
Consolidation Adjustments - Independent Electricity System Operator	22,624,100	610,200	2.8	22,013,900	22,756,800	23,498,723
Consolidation Adjustments - Ontario Energy Board	2,637,400	1,413,600	115.5	1,223,800	1,172,400	780,000
Total Including Consolidation & Other Adjustments	**25,263,500**	**2,023,800**	**8.7**	**23,239,700**	**23,931,200**	**24,278,723**
CAPITAL ASSETS						
Energy Development and Management	1,000	-	-	1,000	-	-
Total Capital Assets to be Voted	**1,000**	**-**	**-**	**1,000**	**-**	**-**
Ministry Total Capital Assets	**1,000**	**-**	**-**	**1,000**	**-**	**-**
Ministry Total Operating and Capital Including Consolidation and Other Adjustments (not including Assets)	**1,990,529,314**	**(59,321,900)**	**(2.9)**	**2,049,851,214**	**1,790,265,647**	**919,792,573**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in Ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

For additional financial information, see:

http://www.fin.gov.on.ca/english/budget/estimates/
http://www.fin.gov.on.ca/english/budget/paccts/
http://budget.ontario.ca/2018/index.html

6. LEGISLATION ADMINISTERED BY THE MINISTRY

The following is a list of legislation for which the Ministry of Energy has primary legislative or administrative responsibility.

1. *Electricity Act, 1998*, S.O. 1998, c. 15, Sched. A

   - Except Part VIII (Minister of Government and Consumer Services) and Part IX.1(Minister of Infrastructure)

2. *Energy Consumer Protection Act, 2010, S.O. 2010, c. 8*

3. *Green Energy Act*, 2009, S.O. 2009, c. 12, Sched. A

   - Section 10 and subsection 8 (2) are shared with the Minister of Infrastructure

4. *Hydro One Inc. Directors and Officers Act*, 2002, S.O. 2002, c. 3

5. *Ministry of Energy Act*, *2011,* S.O. 2011, c. 9, Sched. 25

   - In respect of energy matters, except for sections 7 and 10 insofar as the powers and duties set out in those sections are required to develop and administer the Ontario Ethanol Growth Fund program, which are assigned to the Minister of Agriculture, Food and Rural Affairs

6. *Ontario Clean Energy Benefit Act, 2010*, S.O. 2010, c. 26, Sched. 13

   - Except in respect of sections 7, 8, 9 and 10, which are administered by the Minister of Finance.

7. *Ontario Energy Board Act*, 1998, S.O. 1998, c. 15, Sched. B

8. *Ontario Rebate for Electricity Consumers Act, 2016*, S.O. 2016, c. 19

   - Except in respect of sections 7, 8, 9 and 10, which are administered by the Minister of Finance.

9. *Ontario Fair Hydro Plan Act, 2017,* S.O. 2017, c. 16, Sched. 1

10. *Power Corporation Act*, R.S.O. 1990, c. P. 18

11. *The Toronto District Heating Corporation Act*, 1980, S.O. 1980, c. 73

12. *Toronto District Heating Corporation Act*, 1998, S.O. 1998, c. 15, Sched. C

- Except for section 4

7. GLOSSARY OF TERMS

ACEP	Aboriginal Community Energy Plan Program
BES	Bulk Electric System
BPS	Broader Public Sector
CCAP	Climate Change Action Plan
CDM	Conservation and Demand Management
CES	Canadian Energy Strategy
CIP	Critical Infrastructure Protection
CIPC	Critical Infrastructure Protection Committee
DSM	Demand Side Management
DRC	Debt Retirement Charge
ESA	Energy Supply Agreements
FIT	Feed-in Tariff
GA	Global Adjustment
GHG	Greenhouse Gas
GreenON	Green Ontario Fund
GWh	Gigawatt Hours
ICI	Industrial Conservation Initiative
IPA	Independent Power Authorities
IESO	Independent Electricity System Operator
kW	Kilowatts
LDC	Local Distribution Companies
LTEP	Long-Term Energy Plan
LRP	Large Renewable Procurement
MEP	Municipal Energy Program
MOECC	Ministry of the Environment and Climate Change
MW	Megawatts
MWh	Megawatt Hours
NIERP	Northern Industrial Electricity Rate Program
OEB	Ontario Energy Board
OESP	Ontario Electricity Support Program
OPG	Ontario Power Generation
OREC	Ontario Rebate for Electricity Consumers
PJ	Petajoule
RRRP	Rural or Remote Rate Protection
SGF	Smart Grid Fund
TWh	Terawatt Hours
TOU	Time-of-use

8. APPENDIX: 2017-18 ANNUAL REPORT

2017-18 ACHIEVEMENTS

1. Taking further action to mitigate the impact of electricity prices on consumers and businesses

Electricity Rate Mitigation:

Rate mitigation measures described in the *Ontario Fair Hydro Plan Act, 2017* and the *Ontario Rebate for Electricity Consumers Act, 2016* have lowered electricity bills by 25 percent on average for residential consumers and are designed to limit increases to the rate of inflation for four years. These measures also include initiatives to reduce costs for businesses.

The rate mitigation measures include refinancing a portion of Global Adjustment (GA), expanding distribution rate protection and the Ontario Electricity Support Program (OESP), providing a First Nations Delivery Credit, and establishing an Affordability Fund. These electricity support programs (OESP and the majority of RRRP) are funded from provincial revenues rather than electricity consumers and provincial funding provides the 8 percent rebate introduced on January 1, 2017.

Ontario Electricity Support Program (OESP)

The OESP was enhanced by increasing all monthly credits by 50 percent and increasing the number of eligibility categories so more Ontarians can receive assistance on their bills. Shifting cost recovery for RRRP and OESP from electricity bills to provincial revenues, lowered regulatory charges by approximately $3/MWh.

2. Developing the Province's next Long-Term Energy Plan

The Ministry launched the 2017 Long-Term Energy Plan (2017 LTEP), Delivering Fairness and Choice, focussing on energy affordability, innovation and customer choice.

Focusing on the consumer while ensuring a reliable and innovative energy system, the 2017 LTEP is a road map that sets out the direction for Ontario's energy future. The Province engaged with Ontarians to develop the plan through:

- public open houses;
- stakeholder sessions;
- Indigenous engagement sessions;
- Environmental Registry submissions; and

- online consultation.

The Ontario Energy Board and the Independent Electricity System Operator, together with the Ministry, are now working to deliver the 2017 LTEP and their Implementation Plans, as required by the Minister's October 26, 2017 directives to them.

3. Promoting energy conservation and the adoption of renewable energy

<u>Enhancing Energy Efficiency Standards for Products and Appliances</u>

The Ministry amended Ontario's energy efficiency regulation including new and updated efficiency standards for twelve products, including air conditioners, ceiling fans, heat pumps and transformers. Effective January 1, 2018, the amendment is estimated to result in around 10.2 PJ/year (2.83 TWh/year) of electricity savings in 2032 (equivalent to taking approximately 300,000 homes off the grid) which would reduce GHG emissions by 0.9 megatons of carbon dioxide in 2032, equivalent to taking approximately 210,000 vehicles off the road in that year.

<u>Progress to Achieving Energy Conservation Targets</u>

As of December 2017, local distribution companies have achieved 3.8 TWh of net annual energy savings, which are expected to persist to 2020 and represent 54 percent of the 7 TWh 2015-2020 Conservation First Framework electricity savings target.

Ontarians have conserved about 1,700 million cubic meters of natural gas from conservation programs in market from 2006 to 2015 - equivalent to the natural gas used by over 800,000 homes in a year, or taking about 750,000 cars off Ontario's roads for one year. Programs and savings have continued from 2015, and evaluation of results since 2015 is in progress.

<u>Net Metering</u>

On July 1, 2017, the Ministry enhanced Ontario's net metering framework as part of our LTEP commitment to transition from the Feed-in Tariff (FIT) and microFIT programs to a net metering based approach.

This allows the province to continue to encourage new sources of renewable electricity supply without relying on the long-term contracts and fixed pricing of the FIT and microFIT programs as well as encourage sizing generation to match load.

The 2017 LTEP committed to further enhance Ontario's net metering framework by allowing for new ownership models for net-metered generation. This approach could enable more homeowners, businesses and other electricity customers to participate in net metering, and could create opportunities for electricity distributors, industry and electricity customers to explore innovative approaches to renewable distributed generation integration through virtual net metering demonstration projects.

The Ministry directed the IESO to develop and administer a program to support innovative renewable distributed generation projects, including virtual net metering demonstration projects. The IESO's program, the Renewable Distributed Generation Integration Fund, will begin calls for proposals in Q3 2018.

Affordability Fund

The Ministry established an Affordability Fund, overseen by an independent trust, to provide energy efficiency measures to Ontarians ineligible for low-income conservation programs (i.e., the Save on Energy Home Assistance Program), but need support to improve the energy efficiency of their homes. The Affordability Fund and application website were launched on October 24, 2017.

Broader Public Sector (BPS) Energy and GHG Reporting

In 2017, 99 percent of BPS organizations reported their annual energy use and GHG emissions. The Ministry posted the 2011 to 2015 reports submitted by BPS organizations on the government's Open Data website, which allows the public easy access to all reports. The BPS page continues to be a popular page on the Open Data website.

EcoSchools

The program provides support for initiatives and activities to enhance energy conservation and climate change knowledge and awareness in schools. For the program year ending August 31, 2017, EcoSchools certified 1,839 schools from 56 school boards. Approximately 900,000 students were involved with the program.

4. Supporting the growth of the low-carbon economy and reduction in greenhouse gas pollution

Ontario's Climate Change Action Plan

The Ministry is responsible for a number of Ontario's Climate Change Action Plan initiatives such as developing a program to reduce electricity charging costs for electric vehicles, supporting renewable and microgrid projects to reduce dependence on diesel fuel in the communities where grid connection is not viable, and implementing benchmarking and rating tools to allow consumers to share information on energy usage and performance.

In addition, programs and initiatives in the Climate Change Action Plan and delivered by the Green Ontario Fund will further support efforts to decarbonize the fuels sector. Over the next 20 years, the electrification of transportation, enhanced conservation and switching to lower-carbon fuels are expected to transform the fuels sector.

Legislative amendments to enable Ontario to establish a regulatory framework for the province-wide implementation of Green Button by electricity and natural gas distributors were passed in December 2017 as part of the *Stronger, Fairer Ontario Act (Budget Measures), 2017.* The Ministry posted its regulatory proposal on the Environmental and Regulatory registries for public comment from November 29, 2017 to January 22, 2018.

Green Ontario Fund

The IESO supported the design and delivery of GreenON.ca, which launched in August 2017, as a coordinated one-stop shop for Ontarians to get information about and access GreenON programs and other conservation and renewable energy programs in the province. The IESO also supported the design and delivery of several GreenON programs, including GreenON Installations, GreenON Support, GreenON Rebates and the Smart Thermostat $100 Rebate program.

Green Investment Fund

In 2016, the Ministry launched a $100 million investment under the Green Investment Fund, in partnership with Enbridge Gas Distribution and Union Gas, to help homeowners conduct audits and complete energy-saving retrofits, such as replacing furnaces, water heaters and upgrading insulation. To meet the high demand for this program, the Ministry provided an additional $15 million in funding from the Greenhouse Gas Reduction Account to continue the program. As of the end of February 2018, the program has achieved a cumulative GHG savings of approximately 800,000 tonnes of lifetime GHGs.

Smart Grid Fund Round 3

Approximately $10.5 million was awarded to twelve projects as part of Ontario's Smart Grid Fund Round 3. Project categories include energy storage, data analytics, advanced microgrids and grid automation.

Nuclear Refurbishments

OPG began refurbishment of Unit 2 at Darlington Nuclear Generating Station in October, 2016 and remains on track to complete the project within approved budget and schedule.

In April 2017, OPG completed Segment 1 (i.e., defueling and islanding the unit from the rest of the operating station) out of a total of 4 Segments in Darlington Unit 2 refurbishment, on time and on budget. The next key task – currently underway – is removal of reactor core components which are being replaced as part of the refurbishment.

In February 2018, the government marked the 50 percent completion of Unit 2 refurbishment on time and on budget, and committed to the next refurbishment (i.e., Unit 3).

The IESO continued to oversee implementation of the updated Bruce refurbishment agreement, including ongoing investments in the life extension of the Bruce nuclear units and planning for the first refurbishment to begin in 2020.

5. Engaging with Indigenous partners in energy planning decisions and supporting economic development and reconciliation

<u>Funding Grid Connections for Remote First Nation Communities</u>

The Province is working with Wataynikaneyap Power LP and the Government of Canada to connect 16 remote First Nation communities in Northerwestern Ontario to the electricity grid and reduce their reliance on diesel generation.

On March 22, 2018, Ontario and Canada announced an agreement that involves $1.6 billion in federal funding for the Wataynikaneyap Power project.

<u>2017 Long-Term Energy Plan</u>

As part of the Ministry's 2017 LTEP engagement process, 17 Indigenous sessions were held with approximately 100 Indigenous communities and organizations represented. Feedback from the sessions is reflected in the 2017 LTEP including a commitment to prioritize the connection of remote First Nation communities to the grid, improve access to conservation programs, expand the Aboriginal Community Energy Plan program to help communities implement energy plans, support education capacity building and the integration of small-scale renewable energy products and support innovative financing models.

<u>Microgrid Technology for Diesel Reduction</u>

The Ministry is leading the Climate Change Action Plan initiative that aims to reduce diesel generation in remote First Nation communities through the use of renewable microgrid technologies.

Indigenous Clean Energy Projects

In Ontario, First Nation and Métis communities and groups are leading or partnering in more than 600 wind, solar and hydroelectric projects.

In total, these projects have a contracted capacity of over 2,200 MW of clean energy – enough to power about 700,000 Ontario homes each year.

Indigenous Participation in the Partial Divestment of Hydro One

On January 2, 2018, the Province announced the completion of the sale of 14,391,012 common shares of Hydro One Limited, representing approximately 2.4 percent of the then outstanding common shares, to OFN Power Holdings LP, for the collective benefit of First Nations communities in Ontario. OFN Power Holdings LP is wholly-owned by OFN Sovereign Wealth LP, which is in turn wholly-owned by 129 participating Ontario First Nations. The purchase is financed through a 25 year term loan from the Province.

This fulfilled the Province's commitment in its agreement in principle with the Chiefs-in-Assembly on behalf of the First Nations in Ontario, which was previously announced in July 2016.

6. Driving efficiencies and maximizing return on investment from the electricity sector

Partial Divestment of Hydro One

In May 2017, the Province completed its anticipated final share offering of Hydro One. The Province offered 120,000,000 common shares, approximately 20 percent of the then outstanding common shares, at $23.25 per share for total gross proceeds of approximately $2.8 billion.

With the completion of this initiative, the Province raised more than $9 billion in gross proceeds and other revenue benefits. This includes $4 billion in net revenue gains that, through the Trillium Trust, will be invested in infrastructure and $5 billion to reduce debt. By leveraging the value of Hydro One shares, the government is investing in priority transit and transportation projects that will help people in their everyday lives, including GO Regional Express Rail, light rail transit, improvements to roads and bridges and natural gas network expansion in rural and northern communities.

The government currently holds approximately 47.4 percent of Hydro One's common shares. Assuming Hydro One completes the acquisition of Avista including full execution of its equity issuance in 2018, the government expects to hold approximately 42.3 percent of Hydro One.

OEB Modernization Panel

In December 2017, a Panel was established to review the province's energy regulator - Ontario Energy Board. The Panel's mandate, set out in its Terms of Reference, includes exploring how the mandate, role and structure of the OEB could be modernized to assist in responding to a rapidly changing energy sector. The Panel has developed a robust engagement plan to receive input to address public and sector interests and will report to the Minister at the end of 2018.

Smart Grid Round 4 and the International Energy Demonstration Fund

The Ministry launched Smart Grid Fund Round 4, which will support pilot demonstration projects by organizations that seek to commercialize new and innovative smart grid technologies and deployment projects that help Ontario utilities acquire and install grid modernizing solutions.

The 2017 Long-Term Energy Plan announced a commitment to provide financial support to Ontario companies to demonstrate their technologies internationally.

TABLE 3: MINISTRY INTERIM ACTUAL EXPENDITURES 2017-18

	Ministry Interim Actual Expenditures ($M) 2017-18 *
Operating	**1,766.33**
Capital	**23.93**
Staff Strength ** (as of March 31, 2018)	**203**

* Interim actuals reflect the numbers presented in the *2018 Ontario Budget*.
** Ontario Public Service Full-Time Equivalent positions.

Part II: Detailed Financials 2018-19

Ministry of Energy

Ce document est disponible en français

PART II: 2018-19 DETAILED FINANCIALS

TABLE OF CONTENTS

PART II: 2018-19 DETAILED FINANCIALS

1. MINISTRY SUMMARY INFORMATION

The Ministry of Energy is responsible for setting the legislative and policy framework to provide Ontarians with an affordable supply of energy and more choices in their energy use.

The Ministry develops and advises on all aspects of energy policy for Ontario, including electricity, natural gas and oil. It oversees the Ontario Energy Board and the Independent Electricity System Operator. The Ministry also represents the shareholder in dealings with Ontario Power Generation and represents the Province as a shareholder of Hydro One, managing its investment in and the governance relationship with this publicly traded company.

The Ministry is also responsible for updating and developing policy related to the Long-Term Energy Plan (LTEP).

The Ministry works with many partners inside and outside government to promote energy conservation, develop the electricity generation, transmission, distribution and other energy-related facilities that help power our economy, and ensure that Ontario remains one of the best places in the world in which to live, work, invest and raise a family.

Ontario

Table 1: Total Operating and Capital Summary by Vote

MINISTRY OF ENERGY
Total Operating and Capital Summary by Vote

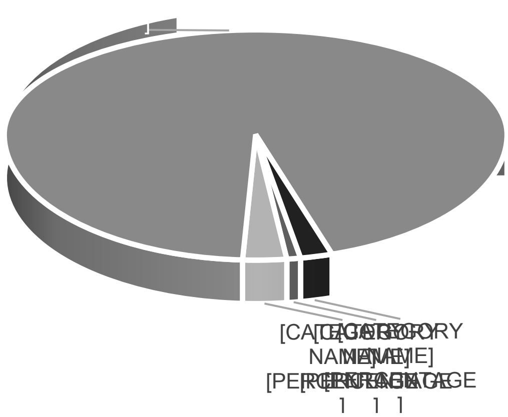
Votes/Programs	Estimates 2018-19	Change from Estimates 2017-18	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
OPERATING EXPENSE						
Ministry Administration Program	15,065,600	(9,600)	(0.1)	15,075,200	17,721,243	14,026,484
Energy Development and Management	47,882,100	23,422,600	95.8	24,459,500	26,459,500	257,233,750
Electricity Price Mitigation	1,606,826,400	142,826,400	9.8	1,464,000,000	1,273,200,000	346,343,666
Strategic Asset Management	35,000,000	(245,000,000)	(87.5)	280,000,000	187,919,890	42,946,786
Total Operating Expense to be Voted	**1,704,774,100**	**(78,760,600)**	**(4.4)**	**1,783,534,700**	**1,505,300,633**	**660,550,686**
Statutory Appropriations	65,014	-	-	65,014	65,014	65,968
Ministry Total Operating Expense	**1,704,839,114**	**(78,760,600)**	**(4.4)**	**1,783,599,714**	**1,505,365,647**	**660,616,654**
Consolidation Adjustments - Independent Electricity System Operator	204,518,400	8,170,600	4.2	196,347,800	200,133,600	197,214,878
Consolidation Adjustments - Ontario Energy Board	43,728,300	(785,700)	(1.8)	44,514,000	43,685,200	37,682,318
Operating Expense Adjustment - Greenhouse Gas Reduction Account Reclassification	12,180,000	10,030,000	466.5	2,150,000	17,150,000	-
Total Including Consolidation & Other Adjustments	**1,965,265,814**	**(61,345,700)**	**(3.0)**	**2,026,611,514**	**1,766,334,447**	**895,513,850**
OPERATING ASSETS						
Ministry Administration Program	1,000	1,000	-	-	-	-
Electricity Price Mitigation	1,100,000,000	-	-	1,100,000,000	-	-
Total Operating Assets to be Voted	**1,100,001,000**	**1,000**	**0.0**	**1,100,000,000**	**-**	**-**
Ministry Total Operating Assets	**1,100,001,000**	**1,000**	**0.0**	**1,100,000,000**	**-**	**-**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

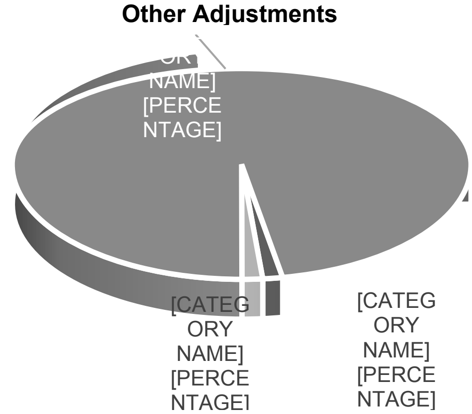
Votes/Programs	Estimates 2018-19	Change from Estimates 2017-18	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
CAPITAL EXPENSE						
Energy Development and Management	1,000	-	-	1,000	1,000	-
Total Capital Expense to be Voted	**1,000**	**-**	**-**	**1,000**	**1,000**	**-**
Statutory Appropriations	1,000	-	-	1,000	1,000	-
Ministry Total Capital Expense	**2,000**	**-**	**-**	**2,000**	**2,000**	**-**
Consolidation Adjustments - Independent Electricity System Operator	22,624,100	610,200	2.8	22,013,900	22,756,800	23,498,723
Consolidation Adjustments - Ontario Energy Board	2,637,400	1,413,600	115.5	1,223,800	1,172,400	780,000
Total Including Consolidation & Other Adjustments	**25,263,500**	**2,023,800**	**8.7**	**23,239,700**	**23,931,200**	**24,278,723**
CAPITAL ASSETS						
Energy Development and Management	1,000	-	-	1,000	-	-
Total Capital Assets to be Voted	**1,000**	**-**	**-**	**1,000**	**-**	**-**
Ministry Total Capital Assets	**1,000**	**-**	**-**	**1,000**	**-**	**-**
Ministry Total Operating and Capital Including Consolidation and Other Adjustments (not including Assets)	**1,990,529,314**	**(59,321,900)**	**(2.9)**	**2,049,851,214**	**1,790,265,647**	**919,792,573**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

Ministry Operating Expense by Vote, excluding Consolidations & Other Adjustments



Ministry Operating Expense by Standard Account, excluding Consolidations & Other Adjustments



**ODOE includes Supplies and Equipment, Services, and Transportation and Communications

Table 2: Operating Summary by Vote and Standard Account

MINISTRY OF ENERGY
Operating Summary by Vote and Standard Account

Standard Account *	2901 Ministry Administration Program	2902 Energy Development and Management	2905 Electricity Price Mitigation	2906 Strategic Asset Management	Total Ministry	
	$	$	$	$	$	% **
OPERATING EXPENSE						
Salaries and Wages	7,173,614	14,292,200	-	-	21,465,814	1.2
Employee Benefits	849,800	1,683,000	-	-	2,532,800	0.1
Transportation and Communications	312,700	385,000	-	-	697,700	0.0
Services	10,803,300	7,761,900	-	5,000,000	23,565,200	1.4
Supplies and Equipment	343,600	312,600	-	-	656,200	0.0
Transfer Payments	-	35,627,400	1,606,826,400	30,000,000	1,672,453,800	97.2
Other Transactions	-	1,000	-	-	1,000	0.0
Less: Recoveries	(4,353,400)	(12,180,000)	-	-	(16,533,400)	
TOTAL	**15,129,614**	**47,883,100**	**1,606,826,400**	**35,000,000**	**1,704,839,114**	**100.0**
PERCENT OF TOTAL MINISTRY	0.9	2.8	94.3	2.1	100.0	
OPERATING ASSETS						
Advances and Recoverable Amounts	1,000	-	-	-	1,000	0.0
Loans and Investments	-	-	1,100,000,000	-	1,100,000,000	100.0
TOTAL	**1,000**	**-**	**1,100,000,000**	**-**	**1,100,001,000**	**100.0**
PERCENT OF TOTAL MINISTRY	-	-	100.0	-	100.0	

* Including Statutory Appropriations

** Percentage of ministry total excludes Recoveries

Table 3: Capital Summary by Vote and Standard Account

MINISTRY OF ENERGY
Capital Summary by Vote and Standard Account

Standard Account *	2902 Energy Development and Management	Total Ministry	
	$	$	%**
CAPITAL EXPENSE			
Other Transactions	2,000	2,000	100.0
TOTAL	**2,000**	**2,000**	**100.0**
PERCENT OF TOTAL MINISTRY	100.0	100.0	
CAPITAL ASSETS			
Land and Marine Fleet	1,000	1,000	100.0
TOTAL	**1,000**	**1,000**	**100.0**
PERCENT OF TOTAL MINISTRY	100.0	100.0	

* Including Statutory Appropriations

** Percentage of ministry total excludes Recoveries

Table 4: Reconciliation to Previously Published Data

MINISTRY OF ENERGY
Reconciliation to Previously Published Data

Operating Expense	Estimates 2017-18	Actual 2016-17
	$	$
Total Operating Expense Previously Published *	1,783,599,714	661,040,734
Government Reorganization:		
Transfer of functions to other Ministries	-	(424,080)
Restated Total Operating Expense	**1,783,599,714**	**660,616,654**

* Total Operating Expense includes Statutory Appropriations, Special Warrants and total operating expense to be voted.

2901
Ministry Administration

2. VOTE SUMMARY INFORMATION – MINISTRY ADMINISTRATION

This program works to achieve ministry and government objectives by providing executive direction, strategic advice and vital corporate services, including communications, strategic human resources, accessibility, French Language Services, information technology and business solutions, legal services, Freedom of Information and Protection of Privacy activities, information and records management, accommodations and facilities management, emergency management, continuity of operations planning, procurement, controllership and accounting, and strategic and resource planning and allocation activities.

Table 5: Vote 2901 – Ministry Administration (Operating Expense and Operating Assets)

MINISTRY OF ENERGY
Vote 2901 – Ministry Administration

Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
OPERATING EXPENSE						
Ministry Administration	15,065,600	(9,600)	(0.1)	15,075,200	17,721,243	14,026,484
Total Operating Expense to be Voted	**15,065,600**	**(9,600)**	**(0.1)**	**15,075,200**	**17,721,243**	**14,026,484**
S Minister's Salary, the *Executive Council Act*	47,841	-	-	47,841	47,841	49,301
S Parliamentary Assistant's Salary, the *Executive Council Act*	16,173	-	-	16,173	16,173	16,667
Total Statutory Appropriations	64,014	-	-	64,014	64,014	65,968
Total Operating Expense	**15,129,614**	**(9,600)**	**(0.1)**	**15,139,214**	**17,785,257**	**14,092,452**
OPERATING ASSETS						
Accounts Receivable	1,000	1,000	-	-	-	-
Total Operating Assets to be Voted	**1,000**	**1,000**	-	-	-	-
Total Operating Assets	**1,000**	**1,000**	-	-	-	-

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

2.1. ITEM/SUB-ITEM SUMMARY INFORMATION – MINISTRY ADMINISTRATION

VOTE/ITEM: 2901 - 01

VOTE: Ministry Administration

ITEM: Ministry Administration

TYPE: Operating Expense

ITEM DESCRIPTION

This program works to achieve ministry and government objectives by providing executive direction, strategic advice and vital corporate services, including communications, strategic human resources, accessibility, French Language Services, information technology and business solutions, legal services, Freedom of Information and Protection of Privacy activities, information and records management, accommodations and facilities management, emergency management, continuity of operations planning, procurement, controllership and accounting, and strategic and resource planning and allocation activities.

Table 6: Comparative Details – Ministry Administration

Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
Salaries and Wages	7,173,614	308,900	4.5	6,864,714	6,864,714	5,661,132
Employee Benefits	849,800	-	-	849,800	849,800	752,484
Transportation and Communication	312,700	-	-	312,700	312,700	288,612
Services	10,803,300	(318,500)	(2.9)	11,121,800	13,767,843	9,331,479
Supplies and Equipment	343,600	-	-	343,600	343,600	137,521
Less: Recoveries	(4,353,400)	-	-	(4,353,400)	(4,353,400)	(2,078,776)
Total	**15,129,614**	**(9,600)**	**(0.1)**	**15,139,214**	**17,785,257**	**14,092,452**

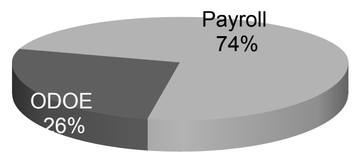
* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

**Includes Statutory Appropriations

Explanation for Estimates Changes from 2017-18

Realignment to Salaries & Wages	308,900
Realignment from Services	(308,900)
IT Services Realignment	(9,600)
	(9,600)

By Standard Account



VOTE/ITEM: 2901 - 01

VOTE: Ministry Administration

SUB-ITEM: Main Office

TYPE: Operating Expense

SUB-ITEM DESCRIPTION

The Main Office provides the overall policy, program and management direction of the ministry. It consists of the Offices of the Minister, Parliamentary Assistant and the Deputy Minister.

Table 7: Comparative Details – Main Office

Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
Salaries and Wages	1,790,614	77,100	4.5	1,713,514	1,713,514	2,142,947
Employee Benefits	194,200	-	-	194,200	194,200	246,808
Transportation and Communication	90,400	-	-	90,400	90,400	153,971
Services	433,300	(77,100)	(15.1)	510,400	510,400	89,190
Supplies and Equipment	60,400	-	-	60,400	60,400	53,585
Total	**2,568,914**	**-**	**-**	**2,568,914**	**2,568,914**	**2,686,501**

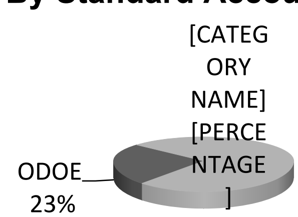
* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

**Includes Statutory Appropriations

Explanation for Estimates Changes from 2017-18

Realignment to Salaries & Wages	77,100
Realignment from Services	(77,100)
	0

By Standard Account



Ontario

VOTE/ITEM: 2901 - 01

VOTE: Ministry Administration

SUB-ITEM: Communications Services

TYPE: Operating Expense

SUB-ITEM DESCRIPTION

Communications Services provides support to the ministry's policies and programs through the preparation and distribution of speeches, news releases and other communications tools. It develops and maintains the ministry website on the internet, supports the ministry's intranet site and handles information, advertising and promotion, broad-based educational programs, public inquiry support, regional communications activities and manages the correspondence for the ministry.

Communications Services ensures the ministry informs, consults and educates the public on ministry policies and programs, and provides information and other assistance to the media. Through Communications Services, the Minister, Deputy Minister and senior management are provided with timely and accurate information on ministry policy issues and programs.

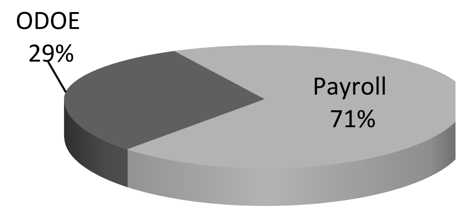
Table 8: Comparative Details – Communications Services

Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
Salaries and Wages	2,598,700	111,900	4.5	2,486,800	2,486,800	2,393,521
Employee Benefits	320,000	-	-	320,000	320,000	335,882
Transportation and Communication	88,300	-	-	88,300	88,300	53,841
Services	1,014,800	(111,900)	(9.9)	1,126,700	3,772,743	2,087,161
Supplies and Equipment	81,800	-	-	81,800	81,800	29,410
Total	**4,103,600**	**-**	**-**	**4,103,600**	**6,749,643**	**4,899,815**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

Explanation for Estimates Changes from 2017-18	
Realignment to Salaries & Wages	111,900
Realignment from Services	(111,900)
	0

By Standard Account



VOTE/ITEM: 2901 - 01

VOTE: Ministry Administration

SUB-ITEM: Legal Services

TYPE: Operating Expense

SUB-ITEM DESCRIPTION

Legal Services provides the legislative and legal support to the ministry. Activities include strategic advisory services, legal drafting and negotiations. Legal staff are employees of the Ministry of the Attorney General and are seconded to the Ministry of Energy.

Table 9: Comparative Details – Legal Services

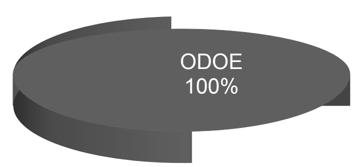
Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
Salaries and Wages	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-
Transportation and Communication	35,000	-	-	35,000	35,000	24,928
Services	3,144,900	-	-	3,144,900	3,144,900	3,980,379
Supplies and Equipment	75,000	-	-	75,000	75,000	7,820
Total	**3,254,900**	**-**	**-**	**3,254,900**	**3,254,900**	**4,013,127**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

Explanation for Estimates Changes from 2017-18

No change

By Standard Account



VOTE/ITEM: **2901 - 01**

VOTE: Ministry Administration

SUB-ITEM: Analysis and Planning

TYPE: Operating Expense

SUB-ITEM DESCRIPTION

Analysis and planning is responsible for the development and implementation of the ministry's annual plan, estimates, expenditure monitoring, control and reporting to central agencies and senior management, strategic human resources planning, emergency management and support to the ministry on corporate priorities including controllership, risk management, Integrated Financial Information Systems (IFIS), and quality assessment and planning.

Table 10: Comparative Details – Analysis and Planning

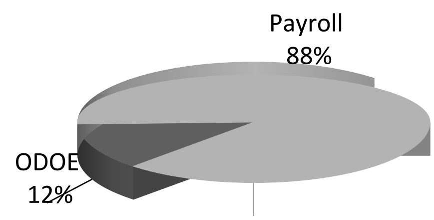
Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
Salaries and Wages	2,784,300	119,900	4.5	2,664,400	2,664,400	1,124,664
Employee Benefits	335,600	-	-	335,600	335,600	167,425
Transportation and Communication	69,000	-	-	69,000	69,000	51,037
Services	309,500	-	-	309,500	309,500	44,101
Supplies and Equipment	66,400	-	-	66,400	66,400	4,974
Total	**3,564,800**	**119,900**	**3.5**	**3,444,900**	**3,444,900**	**1,392,201**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

Explanation for Estimates Changes from 2017-18

Realignment to Salaries & Wages	119,900
	119,900

By Standard Account



VOTE/ITEM: 2901 - 01

VOTE: Ministry Administration

SUB-ITEM: Financial and Administrative Services

TYPE: Operating Expense

SUB-ITEM DESCRIPTION

Finance and Administrative Services ensures the ministry has efficient financial and administrative policies, procedures and systems adhere to corporate and ministry policies, guidelines and procedures.

It represents the financial and French Language services the ministry obtains. It also includes accommodation charges paid to Infrastructure Ontario by the ministry.

Table 11: Comparative Details – Financial and Administrative Services

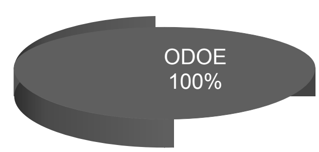
Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
Salaries and Wages	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-
Transportation and Communication	30,000	-	-	30,000	30,000	1,913
Services	3,848,400	(119,900)	(3.0)	3,968,300	3,968,300	1,743,361
Supplies and Equipment	60,000	-	-	60,000	60,000	41,732
Less: Recoveries	(2,790,000)	-	-	(2,790,000)	(2,790,000)	(1,163,267)
Total	**1,148,400**	**(119,900)**	**(9.5)**	**1,268,300**	**1,268,300**	**623,739**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

Explanation for Estimates Changes from 2017-18

Realignment from Services	(119,900)
	(119,900)

By Standard Account



VOTE/ITEM: 2901 - 01

VOTE: Ministry Administration

SUB-ITEM: Human Resources

TYPE: Operating Expense

SUB-ITEM DESCRIPTION

Human Resources is responsible for organizational planning and various HR activities to ensure ministry goals are met and corporate directives are followed. It is responsible for organizational development, health and wellness, employee engagement and diversity activities.

Table 12: Comparative Details – Human Resources

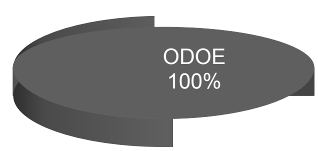
Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
Salaries and Wages	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	2,369
Transportation and Communication	-	-	-	-	-	-
Services	160,000	-	-	160,000	160,000	13,449
Supplies and Equipment	-	-	-	-	-	-
Less: Recoveries	(110,000)	-	-	(110,000)	(110,000)	-
Total	**50,000**	**-**	**-**	**50,000**	**50,000**	**15,818**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

Explanation for Estimates Changes from 2017-18

No change

By Standard Account



VOTE/ITEM: 2901 - 01

VOTE: Ministry Administration

SUB-ITEM: Audit Services

TYPE: Operating Expense

SUB-ITEM DESCRIPTION

Internal Audit Services are provided to the Ministry by the Ontario Internal Audit Division of the Treasury Board Secretariat through a Memorandum of Understanding.

The Ontario Internal Audit Division provides a full range of independent and objective assurance and consulting services designed to add value and improve the operations of the Ministry including:

- Value-for-money, financial and internal control audits;
- Compliance reviews, risk assessment and control reviews;
- Forensic and fraud investigations;
- Advice on governance, controllership, accountability and sound business practices;
- Training and education on risk and control; and
- Specialized audit, risk assessment and advisory services for information management and information technology projects.

Table 13: Comparative Details – Audit Services

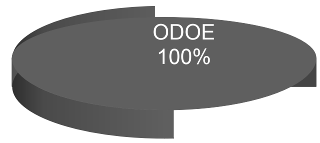
Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
Salaries and Wages	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-
Transportation and Communication	-	-	-	-	-	-
Services	236,000	-	-	236,000	236,000	265,400
Supplies and Equipment	-	-	-	-	-	-
Less: Recoveries	(160,000)	-	-	(160,000)	(160,000)	(176,484)
Total	**76,000**	**-**	**-**	**76,000**	**76,000**	**88,916**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

Explanation for Estimates Changes from 2017-18

No change

By Standard Account



VOTE/ITEM: **2901 - 01**

VOTE: **Ministry Administration**

SUB-ITEM: **Information Systems**

TYPE: **Operating Expense**

SUB-ITEM DESCRIPTION

Information technology services are provided to the ministry through a Services Agreement with the Central Agency Cluster for I&IT.

Table 14: Comparative Details – Information Systems

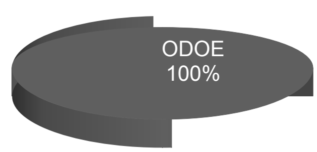
Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
Salaries and Wages	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-
Transportation and Communication	-	-	-	-	-	2,922
Services	1,656,400	(9,600)	(0.6)	1,666,000	1,666,000	1,108,438
Supplies and Equipment	-	-	-	-	-	-
Less: Recoveries	(1,293,400)	-	-	(1,293,400)	(1,293,400)	(739,025)
Total	**363,000**	**(9,600)**	**(2.6)**	**372,600**	**372,600**	**372,335**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

Explanation for Estimates Changes from 2017-18

IT Services Realignment	(9,600)
	(9,600)

By Standard Account



2.2 Item Summary Information – Ministry Administration

VOTE/ITEM: **2901 - 10**

VOTE: **Ministry Administration**

ITEM: **Advances and Recoverable Amounts**

TYPE: **Operating Assets**

SUB-ITEM DESCRIPTION

Placeholder amount for Operating Assets.

Table 15: Comparative Details – Advances and Recoverable amounts (Operating Asset)

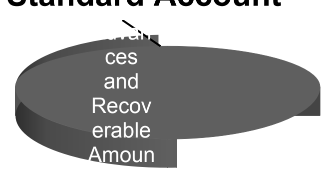
Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
Advances and Recoverable Amounts						
Advances and Recoverable - In-year Recoveries	1,000	1,000	-	-	-	-
Total	**1,000**	**1,000**	-	-	-	**-**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

Explanation for Estimates Changes from 2017-18

Placeholder for Operating Assets	1,000
	1,000

By Standard Account



2902
Energy Development and Management

3. VOTE SUMMARY INFORMATION – ENERGY DEVELOPMENT AND MANAGEMENT

This program is responsible for developing Ontario's energy policy framework, which is central to the building of a strong and prosperous economy. It provides leadership and support to the energy sector to ensure clean, reliable, affordable and sustainable energy supply, transmission and distribution systems. The program supports energy conservation and efficiency, grid modernization, and the development of cleaner forms of energy. This program also oversees engagement and consultation with First Nations and Métis on provincial energy sector activities and projects while facilitating the participation of Indigenous communities in renewable energy and transmission system developments.

Note: Recoveries under Operating Expense for Energy Development and Management include recoveries of $2,180,000 from the Greenhouse Gas Reduction Account are based on forecasts of anticipated revenues and contingent upon a sufficient balance standing to the credit of the Greenhouse Gas Reduction Account.

Table 16: Vote 2902 – Energy Development and Management (Operating Expense)

MINISTRY OF ENERGY
Vote 2902 – Energy Development and Management

Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
OPERATING EXPENSE						
Policy Programs	47,882,100	23,422,600	95.8	24,459,500	26,459,500	257,233,750
Total Operating Expense to be Voted	**47,882,100**	**23,422,600**	**95.8**	**24,459,500**	**26,459,500**	**257,233,750**
S Bad Debt Expense, the *Financial Administration Act*	1,000	-	-	1,000	1,000	-
Total Statutory Appropriations	1,000	-	-	1,000	1,000	-
Total Operating Expense	**47,883,100**	**23,422,600**	**95.8**	**24,460,500**	**26,460,500**	**257,233,750**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

Table 17: Vote 2902 – Energy Development and Management (Capital Expense and Capital Assets)

MINISTRY OF ENERGY
Vote 2902 – Energy Development and Management

Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
CAPITAL EXPENSE						
Energy Development and Management - Expense related to Capital Assets	1,000	-	-	1,000	1,000	-
Total Capital Expense to be Voted	**1,000**	**-**	**-**	**1,000**	**1,000**	**-**
S Amortization Expense, the *Financial Administration Act*	1,000	-	-	1,000	1,000	-
Total Statutory Appropriations	1,000	-	-	1,000	1,000	-
Ministry Total Capital Expense	**2,000**	**-**	**-**	**2,000**	**2,000**	**-**
CAPITAL ASSETS						
Energy Development and Management	1,000	-	-	1,000	1,000	-
Total Capital Assets to be Voted	**1,000**	**-**	**-**	**1,000**	**1,000**	**-**
Total Capital Assets	**1,000**	**-**	**-**	**1,000**	**1,000**	**-**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

3.1 Item Summary Information – Policy and Programs

VOTE/ITEM: **2902 - 01**

VOTE: **Energy Development and Management**

ITEM: **Policy and Programs**

TYPE: **Operating Expense**

ITEM DESCRIPTION

Policy and Programs develops the structural, legislative and regulatory approaches necessary for a reliable electricity sector, maintains shareholder relations with Ontario Power Generation (OPG) and Hydro One, develops mechanisms to protect energy consumers, and oversees the Ontario Energy Board (OEB) and the Independent Electricity System Operator (IESO). It encourages the development and implementation of energy efficient and renewable energy technologies and promotes a culture of conservation, leads the transition toward a coal-free, low-carbon electricity supply, advances initiatives to modernize Ontario's nuclear fleet and supports advanced network development while ensuring delivery through a strong, stable transmission and distribution system.

The ministry co-chairs the federal-provincial process on electricity reliability which engages with stakeholders, including North American standards organizations, provincial, federal and U.S. energy agencies, local distribution companies, independent generators, large power consumers, environmental groups, consumer groups and other provinces, territories and the federal governments to review supply adequacy and future transmission and distribution needs, future outlook and to facilitate and advance energy supply and conservation initiatives.

Table 18: Comparative Details – Policy and Programs

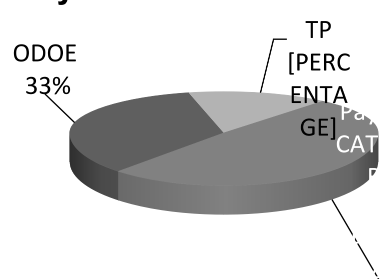
Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
Salaries and Wages	14,292,200	1,978,000	16.1	12,314,200	12,314,200	11,480,937
Employee Benefits	1,683,000	185,100	12.4	1,497,900	1,497,900	1,578,364
Transportation and Communication	385,000	-	-	385,000	385,000	298,125
Services	7,761,900	1,259,500	19.4	6,502,400	6,502,400	33,845,959
Supplies and Equipment	312,600	-	-	312,600	312,600	80,465
Transfer Payments						
Electric Vehicle Overnight Charging Rebate Program	2,180,000	30,000	1.4	2,150,000	2,150,000	-
Microgrid Technology for Diesel Reduction	10,000,000	10,000,000	-	-	-	-
Conservation Initiatives	1,900,000	-	-	1,900,000	1,900,000	811,151
Aboriginal Engagement Agreements	200,000	-	-	200,000	200,000	3,794,073
Green Energy Initiatives	1,347,400	-	-	1,347,400	3,347,400	201,768,756
Smart Grid Fund	20,000,000	20,000,000	-	-	-	4,000,000
Other Transactions	1,000	-	-	1,000	1,000	-
Less: Recoveries	(12,180,000)	(10,030,000)	466.5	(2,150,000)	(2,150,000)	-
Total	**47,883,100**	**23,422,600**	**95.8**	**24,460,500**	**26,460,500**	**257,657,830**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

Explanation for Estimates Changes from 2017-18

Smart Grid Fund	20,000,000
Administration cost for additional Ministry programs	3,422,600
Electric Vehicle Overnight Charging Rebate Program	30,000
Microgrid Technology for Diesel Reduction	10,000,000
Recoveries from GGRA	(10,030,000)
	23,422,600

By Standard Account



3.2 Item Summary Information – Policy and Programs

VOTE/ITEM: 2902 - 04

VOTE: Energy Development and Management

ITEM: Policy and Programs

TYPE: Capital Expense

ITEM DESCRIPTION

Placeholder amount for expenses related to Capital Expense, including Statutory Appropriation for Amortization Expense, the Financial Administration Act.

Table 19: Comparative Details – Policy and Programs

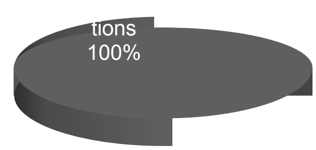
Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
Other Transactions	2,000	-	-	2,000	2,000	-
Total	**2,000**	**-**	**-**	**2,000**	**2,000**	**-**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

Explanation for Estimates Changes from 2017-18

No change

By Standard Account



3.3 Item Summary Information – Policy and Programs

VOTE/ITEM: **2902 - 05**

VOTE: **Energy Development and Management**

ITEM: **Policy and Programs**

TYPE: **Capital Assets**

ITEM DESCRIPTION

Placeholder amount for Capital Assets.

Table 20: Comparative Details – Policy and Programs

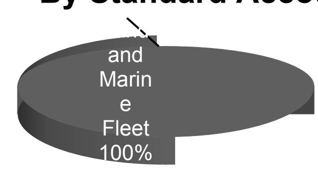
Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
Land and Marine Fleet	1,000	-	-	1,000	1,000	-
Total	**1,000**	-	**-**	**1,000**	**1,000**	-

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

Explanation for Estimates Changes from 2017-18

No change

By Standard Account



2905
Electricity Price Mitigation

4. VOTE SUMMARY INFORMATION – ELECTRICITY PRICE MITIGATION

The Electricity Price Mitigation program helps Ontarians manage electricity costs.

Table 21: Vote 2905 – Electricity Price Mitigation (Operating Expense and Operating Assets)

MINISTRY OF ENERGY
Vote 2905 – Electricity Price Mitigation

Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
OPERATING EXPENSE						
Electricity Price Mitigation Programs	1,606,826,400	142,826,400	9.8	1,464,000,000	364,200,000	20,800,000
Northern Ontario Energy Benefit	-	-	-	-	26,000,000	25,543,666
Ontario Rebate for Electricity Consumers	-	-	-	-	883,000,000	300,000,000
Total Operating Expense to be Voted	**1,606,826,400**	**142,826,400**	**9.8**	**1,464,000,000**	**1,273,200,000**	**346,343,666**
Total Operating Expense	**1,606,826,400**	**142,826,400**	**9.8**	**1,464,000,000**	**1,273,200,000**	**346,343,666**
OPERATING ASSETS						
Electricity Price Mitigation	1,100,000,000	-	-	1,100,000,000	1,100,000,000	-
Total Operating Assets to be Voted	**1,100,000,000**	**-**	-	**1,100,000,000**	**1,100,000,000**	**-**
Total Operating Assets	**1,100,000,000**	**-**	-	**1,100,000,000**	**1,100,000,000**	**-**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

4.1 Item Summary Information – Electricity Price Mitigation

VOTE/ITEM: **2905 - 01**

VOTE: **Electricity Price Mitigation**

ITEM: **Electricity Price Mitigation Programs**

TYPE: **Operating Expense**

SUB-ITEM DESCRIPTION

The Electricity Price Mitigation program helps Ontarians manage electricity costs.

Table 22: Comparative Details – Electricity Price Mitigation Programs

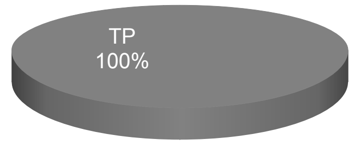
Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
Transfer Payments						
Ontario Clean Energy Benefit	-	-	-	-	-	20,800,000
Ontario Electricity Support Program	229,226,400	89,226,400	63.7	140,000,000	25,200,000	-
Distribution Rate Protection	233,300,000	-	-	-	-	-
Rural or Remote Rate Protection Program	238,700,000	(105,300,000)	(30.6)	344,000,000	324,000,000	-
Northern Ontario Energy Credit	26,000,000	-	-	26,000,000	26,000,000	25,543,666
Ontario Rebate for Electricity Consumers	860,000,000	(79,000,000)	(8.4)	939,000,000	883,000,000	300,000,000
On-Reserve First Nations Delivery Credit	19,600,000	4,600,000	30.7	15,000,000	15,000,000	-
Total	**1,606,826,400**	**142,826,400**	**9.8**	**1,464,000,000**	**1,273,200,000**	**346,343,666**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

Explanation for Estimates Changes from 2017-18

Ontario Fair Hydro Plan Initiatives	142,826,400
	142,826,400

By Standard Account



4.2 Item Summary Information – Electricity Price Mitigation

VOTE/ITEM: **2905 - 05**

VOTE: **Electricity Price Mitigation**

ITEM: **Loans and Investments**

TYPE: **Operating Asset**

SUB-ITEM DESCRIPTION

This program facilitates share sales related to Ontario Power Generation.

Table 23: Comparative Details – Loans and Investments

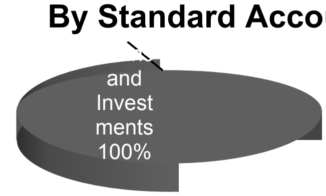
Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
Loans and Investments						
OPG Share Purchase	1,100,000,000	-	-	1,100,000,000	1,100,000,000	-
Total	**1,100,000,000**	**-**	**-**	**1,100,000,000**	**1,100,000,000**	**-**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

Explanation for Estimates Changes from 2017-18

No change

By Standard Account



Ontario

2906
Strategic Asset Management

5. VOTE SUMMARY INFORMATION – STRATEGIC ASSET MANAGEMENT

This program supports the Province as shareholder of Hydro One in regards to managing its investment and governance relationship.

Table 24: Vote 2906 – Strategic Asset Management (Operating Expense)

MINISTRY OF ENERGY
Vote 2906 – Strategic Asset Management

Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
OPERATING EXPENSE						
Strategic Asset Management and Transformation	35,000,000	(245,000,000)	(87.5)	280,000,000	187,919,900	42,946,786
Total Operating Expense to be Voted	**35,000,000**	**(245,000,000)**	**(87.5)**	**280,000,000**	**187,919,900**	**42,946,786**
Total Operating Expense	**35,000,000**	**(245,000,000)**	**(87.5)**	**280,000,000**	**187,919,900**	**42,946,786**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

5.1 Item Summary Information – Strategic Asset Management and Transformation

VOTE/ITEM: 2906 - 01

VOTE: Strategic Asset Management

ITEM: Strategic Asset Management and Transformation

TYPE: Operating Expense

ITEM DESCRIPTION

Strategic Asset Management and Transformation supports the Province as shareholder of Hydro One.

Table 25: Comparative Details – Strategic Asset Management and Transformation

Vote/Program	Estimates 2018-19	Change from 2017-18 Estimates	%	Estimates 2017-18 *	Interim Actuals 2017-18 *	Actuals 2016-17 *
	$	$		$	$	$
Services	5,000,000	(94,999,000)	(95.0)	99,999,000	94,999,000	42,161,744
Transfer payments						
Conferred Benefit Amount	-	(135,000,000)	(100.0)	135,000,000	63,896,000	-
Strategic Asset Management Indigenous Engagement	30,000,000	29,999,000	2,999,900.0	1,000	1,000	785,042
Cash Contribution for First Nations	-	(45,000,000)	(100.0)	45,000,000	29,023,900	-
Total	**35,000,000**	**(245,000,000)**	**(87.5)**	**280,000,000**	**187,919,900**	**42,946,786**

* Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2018 Ontario Budget.

Explanation for Estimates Changes from 2017-18

Support for partial divestment of Hydro One	(65,000,000)
Support for First Nations participation	(180,000,000)
	(245,000,000)

By Standard Account