
2018-19 Printed Estimates

April 2018

Purpose of Presentation

1. To provide an overview of the Ministry's 2018-19 allocation;
2. Present the 2018-19 Printed Estimates; and
3. To outline next steps.

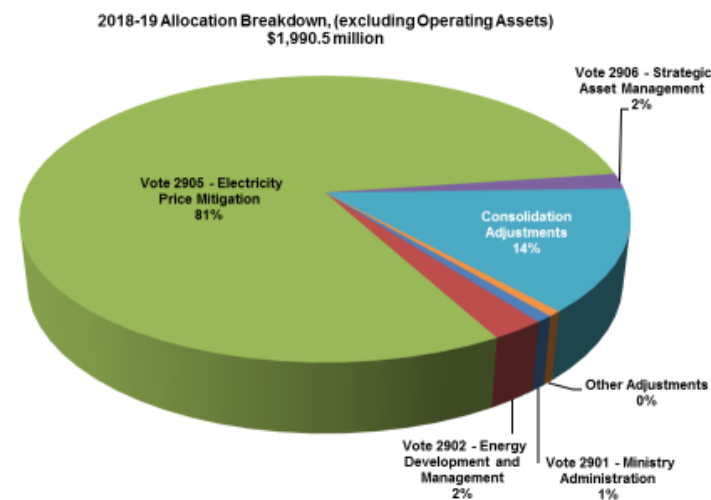
Changes in Ministry's Allocation

- The Ministry's 2018-19 expense allocation, inclusive of consolidation adjustments, is \$1,990.5 million. This is a decrease of \$59.4 million (3%) from the 2017-18 allocation of \$2,049.9 million, which is due to:
 - \$245 million decrease in Strategic Asset Management as the broadening of Hydro One is now complete. Additionally, funding to support Chiefs of Ontario engagement in the sale of Hydro was a one-time transaction in 2017-18 and will not be repeated in 2018-19.
 - \$142.8 million increase for Electricity Rate Mitigation Initiatives introduced through the Ontario Fair Hydro Plan;
 - \$20 million increase for the updated Smart Grid Fund; a \$60 million program over 5 years;
 - \$10.03 million increase for initiatives from the Greenhouse Gas Reduction Account:
 - \$10 million for the Microgrids Technology for Diesel Reduction Program; and
 - \$0.03 million for the Electric Vehicle Overnight Charging Rebate Program;
 - \$3.4 million increase for 14 temporary FTEs to support the Ontario Fair Hydro Plan programs;
 - An increase of \$8.8 million and \$0.6 million in consolidated adjustments for the Independent Electricity System Operator and the Ontario Energy Board, respectively;
 - \$9,600 decrease for the IT-Rationalization – Vendor Optimization Initiative, an enterprise-wide expense reduction initiative reflecting price reduction for Fee-For-Service vendors.

2018-19 Detailed Allocation by Votes (\$ millions)

- Refer to the Appendix for the Ministry's multi-year allocation from 2015-16 to 2020-21.

Total Ministry Allocation - Breakdown by Votes			
Program/Year (\$ million)	2016-17 Actuals	2017-18 Budget	2018-19 Budget
Operating and Capital Expense			
Vote 2901 - Ministry Administration	14.0925	15.1392	15.1296
Vote 2902 - Energy Development and Management	257.2338	24.4625	47.8851
Vote 2905 - Electricity Price Mitigation	346.3437	1,464.0000	1,606.8264
Vote 2906 - Strategic Asset Management	42.9468	280.0000	35.0000
Operating and Capital Expense (excluding Consolidation)	660.6167	1,783.6017	1,704.8411
Consolidation Adjustments and Other Adjustments			
Consolidation Adjustment - Independent Electricity System Operator	220.7136	218.3617	227.1425
Consolidation Adjustment - Ontario Energy Board	38.4623	45.7378	46.3657
Other Adjustments - Greenhouse Gas Reduction Account	-	2.1500	12.1800
Total Consolidation Adjustments	259.1759	266.2495	285.6882
Total Ministry Expense (including Consolidation Adjustments and Other Adjustments)	919.7926	2,049.8512	1,990.5293
Operating Asset			
Vote 2901 - Ministry Administration	-	-	0.0010
Vote 2905 - Electricity Price Mitigation (OPG Share Sales)	-	1,100.0000	1,100.0000



Next Steps

- Deputy Minister and Minister signed Pro Forma due Tuesday, April 10.
 - French and English Pro Forma.
- TBS to table Expenditure Estimates within 12 sessional days of the tabling of the 2018 Budget.
 - Date TBD. Latest the Expenditure Estimates can be tabled is April 25.
- Estimates Briefing Book due 10 working days after the Expenditure Estimates are tabled.
 - Date TBD.

Appendix: Multi-Year Changes (2015-16 to 2020-21)

Ministry of Energy Multi-Year Allocation (\$ Millions)							
	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Interim Actual	2018-19 Budget	2019-20 Budget	2020-21 Budget
Ministry Operating Expense Allocation							
Vote 2901 - Ministry Administration	15.053	14.092	15.139	17.785	15.130	15.130	15.130
Vote 2902 - Energy Development and Management	43.476	257.234	24.461	41.460	47.883	45.883	42.883
Vote 2905 - Electricity Price Mitigation	886.000	346.344	1,464.000	1,273.200	1,606.827	1,655.000	1,702.000
Vote 2906 - Strategic Asset Management	44.170	42.947	280.000	187.920	35.000	-	-
Total Ministry Operating Expense Allocation	988.700	660.617	1,783.600	1,520.365	1704.840	1716.013	1760.013
Consolidation and Other Adjustments Operating Expense							
Independent Electricity System Operator	187.457	197.215	196.348	200.134	204.518	198.486	198.486
Ontario Energy Board	33.397	37.682	44.514	43.685	43.728	43.665	45.717
Greenhouse Gas Reduction Account	-	-	2.150	2.150	12.180	12.500	12.510
Total Consolidation Adjustments Operating Expense	220.854	234.897	243.012	245.969	260.427	254.651	256.713
Total Operating Expense Allocation Limit	1,209.554	895.514	2,026.612	1,766.334	1,965.266	1,970.664	2,016.726
Ministry Capital Expense Allocation	0.000	0.000	0.002	0.002	0.002	0.002	0.002
Consolidation and Other Adjustments Capital Expense							
Independent Electricity System Operator	21.972	23.499	22.014	22.757	22.624	23.097	23.097
Ontario Energy Board	0.795	0.780	1.224	1.172	2.637	2.884	1.510
Total Consolidation Capital Expense	22.767	24.279	23.238	23.929	25.262	25.981	24.607
Total Capital Expense Allocation Limit	22.767	24.279	23.240	23.931	25.264	25.983	24.609
Total Ministry Expense Limit	1232.321	919.793	2049.851	1,790.266	1990.529	1996.647	2041.335
Operating Asset – Ministry Base/OPG Share Sales	-	-	1,100.000	1,100.000	1,100.001	-	-

Notes: 1. Budget information from 2018-19 to 2020-21 is not publicly disclosed

2. Numbers have been rounded for presentation