

FW: Proceeds Recycling

From: serge.imbrogno@ontario.ca
To: "Monahan, Patrick (MAG)" <patrick.monahan@ontario.ca>
Date: Thu, 10 Nov 2016 17:12:14 -0500
Attachments: November 9 - Cap and Trade Proceeds to Electricity -MO - clean.pptx (412.24 kB);
November 9 - Cap and Trade Proceeds to Electricity -MO - tracked.pptx (413.34 kB)

Hi Patrick,

I understand MOECC has asked MAG to provide a legal opinion on the various options contained in the attached ENERGY deck related to recycling cap and trade proceeds. I would caution that MAG lawyers should meet with ENERGY policy staff to fully understand how the various options work and how each option links to the operations of the electricity market. My concern is that MAG provides an opinion without fully understanding the mechanics of each option.

Serge

From: Imbrogno, Serge (ENERGY)
Sent: November-10-16 8:11 AM
To: Gherson, Giles (MEDG/MRIS); Davidson, Steven (CAB); Evans, Paul (MOECC); Thornton, Bill (MNRF); de Launay, David (MNDM); Thompson, Scott (MOF)
Subject: Proceeds Recycling

Hi ,
Attached is the revised proceeds recycling deck (clean and track changes versions). One of the things we've tried to clarify is that the bulk of the GHG savings, for all options, come from offsetting costs in the global adjustment related to GHG-savings investments such as conservation and Pickering life extension. The mechanics of how we rebate the proceeds back have only a marginal impact on GHG savings. However, the rebate mechanics have a significant differential impact on rates across the industrial sectors.

Serge