Flash Report

TITLE:	**2017-18 Expenditure Estimates – Stage 2**
DEPUTY DECISION/APPROVAL:	N/A
MINISTER DECISION/APPROVAL:	N/A
DEPUTY INFORMATION ONLY:	FYI
MINISTER INFORMATION ONLY:	FYI
DECISION DEADLINE:	N/A

I. HIGH-LEVEL SUMMARY / KEY COMMENTS / RATIONALE FOR DECISION

Ministries have been asked to confirm the financial allocations on their 2017-18 Expenditure Estimates in preparation for final sign-off. Right now, only a confirmation of the numbers is required, TBS will communicate timelines for the final sign-off at a later date.

A copy of the Ministry of Energy's 2017-18 Expenditure Estimates is attached. CSD has reviewed and the numbers align with what was approved during Budget sign-off.

The Ministry's 2017-18 budget, inclusive of consolidation adjustments, has increased by $1,249.8 million (156%) to $2,049.9 million, from the 2016-17 budget of $800.0 million. This is due to:

- $1,138 million increase for Electricity Rate Mitigation Initiatives introduced through Ontario's Fair Hydro Plan, including the following allocation increases:
    - $639 million for the Ontario Rebate for Electricity Consumers;
    - $344 million for the Rural and Remote Rate Protection Program;
    - $140 million for the Ontario Electricity Support Program; and
    - $15 million for the On-Reserve First Nations Delivery Credit.

- $210 million increase to support the Province's asset transformation strategy to continue Secondary Share Offerings of Hydro One, including the following allocation increases:
    - $135 million to provide a Conferred Benefit Amount to First Nations;
    - $45 million to provide a Cash Contribution to First Nations; and
    - An additional $30 million in services to support various legal, financial and underwriting costs.

- $108 million decrease in the Green Energy Initiatives due to the one-time allocation for the Green Investment Fund in 2016-17.

- An increase of $9.65 million in consolidated adjustments – an increase of $7.79 million and $1.86 million for the Ontario Energy Board and the Independent Electricity System Operator, respectively.

- $2.15 million increase to support the Electric Vehicle Overnight Charging Rebate Program introduced through MOECC's Greenhouse Gas Reduction Initiatives.

- $1.9 million decrease for the Ministry's 2017-18 and on-going Savings Target.

- Reduction in Ministry allocation due to inter-Ministry transfers as a result of the following enterprise-wide initiatives:
    - $50,000 for the Grants Ontario Savings Target;
    - $15,000 for the Bulk Media Buy Transfer; and
    - $9,700 for the IT-Rationalization Initiative.

Note: due to transfer of EIGS from ENERGY to MOF, the Ministry allocation for 2016-17 and 2017-18 was restated to reflect a decrease of $930,000 in staffing costs.

This version of Printed Estimates does not include the operating asset related to the equity injections into OPG. TBS is currently working on that presentation and will share with ENERGY once available.

II. DECISION(S) BEING SOUGHT (if applicable)

FYI only to DMO and MO. Due date for Stage 2 is April 24, 2017.
Formal sign-off on Expenditure Estimates occurs during Stage 3 – due date TBD.