

Ministry of Energy, Independent Electricity System Operator and Métis Nation of Ontario Follow-Up from February 22, 2018

Q. How much funding is dedicated to the Ministry of Energy for Indigenous issues? What percentage of this is used for Métis people/issues?

- A. The Ministry of Energy does not directly fund programming for Métis and First Nations, but develops policy to inform programs administered by the Independent Electricity System's Operator (IESO) and in some cases works with other ministries or agencies to inform program administration. The IESO budgets \$10 M per year for electricity support programs. Moving forward, this funding will be solely dedicated to Métis and First Nations applicants. The Ministry and the IESO always welcome feedback from Métis organizations and communities on programs and policies and we are keen to continue to evolve what we do to better suit Métis needs.

Q. What kind of programming exists for people who rent?

- A. There are opportunities for renters to participate in a number of Save on Energy programs including the Home Assistance Program, the Heating and Cooling Program and the Whole Home Pilot Program, provided there is consent from the owner/manager and all other eligibility criteria for the program is met. For more information, please visit the Save on Energy website here: <https://saveonenergy.ca/>.

In addition, the Ontario Electricity Support Program (OESP) provides an ongoing rate reduction directly on the bills of low-income electricity consumers who have applied and meet the eligibility requirements. The OESP credit amount for qualified customers is based on household income and household size. Enhanced supports are available through OESP to First Nation, Métis and Inuit consumers.

For more information or to apply, please visit the website here: <https://ontarioelectricitysupport.ca/>. OESP is available for all low- income electricity consumers, including enhanced supports for First Nation, Métis and Inuit consumers.

Q. Can energy managers visit MNO councils or community members to look for savings?

- A. To learn about energy efficiency or conservation savings, MNO Councils and community members can contact their local hydro company about energy efficiency opportunities. Local hydro company representatives will be able to support with providing information on the applicable programs available to identify energy savings.

Q. Can remote Métis communities be included under the Energy Partnership Program?

- A. Métis are eligible within the context of the IESO's Energy Partnership Program (EPP). The most recent EPP submission deadline was March 16th. The IESO is currently re-tooling the program to better align with community needs and interests, as per the Long-Term Energy Plan (LTEP), Chapter 7. If you have program feedback, the IESO would be happy to hear it. The appropriate contact at IESO is Michael Classens (Supervisor, Energy Support Programs) available at 1-416-969-6050 or at michael.classens@ieso.ca.

Q. Is Ontario considering how electric cars could work in Northern Ontario? (i.e. less infrastructure for charging etc.)

- A. The [Climate Change and Action Plan](#) (CCAP) commits the government to increase the use of electric vehicles (EVs). This includes making charging infrastructure widely available across the province. Ontario will encourage ONroute locations to equip themselves with high-speed chargers. It will further encourage the federal government to invest in high-speed, direct current fast-charging infrastructure on inter-provincial highways and highways that connect Ontario to the United States.

Furthermore, the Ministry of Transportation delivers a grant program through the Electric Vehicle Chargers Ontario (EVCO). For more information on EVCO, to learn more about what charging infrastructure projects the program has supported, or to receive updates on additional rounds of funding and projects please consult the EVCO webpage: <http://www.mto.gov.on.ca/english/vehicles/electric/electric-vehicle-chargers-ontario.shtml>

Finally, the Ministry of Energy remains committed to better understanding how EV uptake will impact electricity demand and the distribution system. The 2017 Long Term Energy Plan commits the government to explore opportunities to work with distributors and other stakeholders to collect and share data on EV usage in support of system planning initiatives. By building the province's collective knowledge on EVs, the Ministry will help distributors make more informed decisions related to system upgrades required to support EV uptake across Northern Ontario.

Q. Who/how can MNO reach out to Ontario Power Generation (OPG) about historical grievances?

- A. For any direct inquiries about historical grievances, please contact Ian Jacobson, Director of Indigenous Relations at OPG by email at ian.jacobson@opg.com or 416-231-4111 ext. 5611 by phone.

Please visit the OPG Indigenous Relations [website](#) for general information about the department as well as a direct link to their [policy](#).

Any questions or concerns can also be sent to Emma Sharkey (Manager of the Indigenous Energy Policy Unit at the Ministry of Energy) via email at emma.sharkey@ontario.ca or by phone at 416-314-2599 or to Chloe Lazakis (Senior Advisor, Indigenous Energy Policy Unit) via email at chloe.lazakis@ontario.ca or by phone at 416-327-2116.

Q. When will Métis people be included in the First Nation Delivery Credit?

- A. The First Nation Delivery Credit (FNDC) was implemented on July 1, 2017 and provides a 100% credit of the delivery charge to on-reserve First Nation households that are customers of licensed electricity distributors. At this time there are no plans to expand the FNDC to off-reserve communities for Métis or First Nations.

Q. Why was Atikokan not included on the map on pg. 128 of the 2017 Long Term Energy Plan?

- A. The map on page 128 of the 2017 LTEP is a visual to highlight the possibilities to reduce diesel general in remote First Nation communities and to indicate which communities are uneconomic to connect vs. those which could be grid connected in the future. Atikokan's inclusion was not necessary on this map.

Atikokan is however featured on page 38 of the LTEP in a map that outlines major transmission projects under development across the province. On page 39 you can find information about the Northwest Bulk Transmission Line which will run from Thunder Bay to Atikokan no later than 2024 (Phase One) and from Atikokan to Dryden (Phase 2) by 2034 unless the IESO's outlook forecast suggests an earlier date.

More information is available in Chapter 2 of the 2017 LTEP here:
<https://www.ontario.ca/document/2017-long-term-energy-plan>

Q. How can MNO learn more about innovation opportunities? (i.e. storage)

- A. The IESO recently launched a new website section, [Powering What's Next](#), to shine a light on data, technology, research, and efficiency in the energy sector through the lens of innovation. This is a useful resource to learn more about energy innovation in Ontario.

Q. MNO is interested in Net Metering. Can the Ministry of Energy provide more information?

- A. Net Metering is a billing arrangement with a Local Distribution Company (LDC) that allows a customer to offset the electricity they buy from their LDC with electricity generated by their own renewable energy systems. Net-metered customers also receive credits on their electricity bill for the electricity they send to the grid, reducing their total bill charges.

To be eligible for net metering you need to generate your own renewable energy with a system you own or operate, meet your LDC's technical and safety requirements and get any required environmental approvals or municipal permits. The Ministry of Energy can help you determine what's required.

Contact your LDC to find out how to apply for a net metering agreement or to connect your renewable energy system to the grid.

More information about Net Metering is available in the Long Term Energy Plan on pages 56-59.

Q. What is the status of the Atikokan biomass facility?

- A. Ontario's 2017 LTEP affirmed that the province has a robust supply of clean electricity that will be sufficient to meet demand into the next decade. The province is well-positioned to focus on improving efficiency, increasing transparency, and enhancing opportunities for innovation and competition to put downward pressure on electricity bills moving forward.

Accordingly, the province is moving away from relying on long-term electricity contracts and is working to develop market-based approaches to procuring resources. For example, the IESO is working closely with stakeholders on the design of a capacity auction, a more flexible, cost-effective, and competitive procurement process that will better reflect and respond to system needs.

Q. Why do we sell excess power at a loss?

- A. Ontario must invest in enough generating capacity to maintain a reliable supply for Ontario homes and businesses at peak electricity demand throughout the day and seasons. Fluctuations in supply and demand can lead to excess generating capacity from time to time.

Ontario has the ability to export power when it is not needed in the province, when it is beneficial for both Ontario and the associated importing jurisdiction. Electricity exports reflect the market price; low and negative prices are a natural occurrence in electricity markets.

Electricity exports create revenue for Ontario's generators, which helps recoup some of the costs for maintaining their facilities. Entities that export electricity out of the province are also charged an export transmission tariff, which is paid to Ontario transmitters for using Ontario's transmission system. The transmission revenue recovered from exporters reduces the costs that would otherwise be paid for by Ontario ratepayers.

Q. Bills are too expensive. What is the Government doing about costs?

A. In March 2017, Premier Kathleen Wynne announced Ontario's Fair Hydro Plan, (OFHP) which lowered electricity bills by 25% on average for all residential customers beginning as of July 1st, 2017.

- As of May 1, 2017, the OFHP increased the OESP credit by 50%. The new OESP monthly credits range from \$35 to \$75, and for customers on the enhanced scale, the new credit amounts range from \$52 to \$113 per monthly bill. Enhanced supports are available through the OESP to First Nation, Métis and Inuit consumers.

You may be eligible for the higher level of assistance if you:

- Have electric heat as a primary source of heating; and/or
- Have the following three at-home medical devices – (i) Kidney Dialysis Machine; (ii) Mechanical Ventilators (invasive and non-invasive); or (iii) Oxygen Concentrator

In addition to households, many small businesses and farms also benefit from the Fair Hydro Plan.

Ontario's Fair Hydro Plan represents one of the single largest actions to reduce costs for electricity consumers in the province's history. These measures include the 8% rebate introduced in January 2017, and build on previously announced initiatives to deliver broad-based rate relief on all electricity bills. As part of this plan, rate increases will be held to the rate of inflation for four years.

In addition to the reduced electricity prices for Regulated Price Plan (RPP) eligible customers (residential, many small businesses and farms) and the 8% rebate and the reduced regulatory charge, which applies to all Ontario electricity customers, the Fair Hydro Plan introduced distribution rate protection for residential customers who face some of the highest distribution rates in the province. Residential customers

who are served by Algoma Power Inc., Atikokan Hydro, Chapleau Public Utilities, Hydro One Networks R1 (medium density) and R2 (low-density), InnPower Corporation, Lakeland Power (Parry Sound Area), Northern Ontario Wires and Sioux Lookout Hydro, receive distribution rate protection which caps base distribution rates and reduces the delivery cost and the total bill.

Q. Why are delivery charges so high?

- A. Delivery charges include costs associated with transmission (delivery at high voltages) and distribution (delivery at low voltages). Transmission charges cover the costs of transporting electricity over long distances from generating stations to local distribution facilities. These charges vary based on your consumption during a billing period. Distribution charges cover the costs of transporting electricity from a local utility to a consumer's home or business. These charges include a fixed component that covers such things as meter reading, billing and account maintenance, and general utility operations, as well as a variable component that is determined by the amount of electricity consumed. The fixed portion of this charge applies even if no electricity is used.

The electricity delivery system needs to maintain a large network of transmission and distribution lines so that electricity is always available on demand. The cost of serving customers who are in more rural or remote locations can be more expensive, due to lower densities and higher maintenance costs, and may result in higher distribution rates for those customers.

Q. The Northwest is ready for more/better transmission. When are we getting the transmission infrastructure we need?

- A. The Government's priority is to continue to ensure a stable, reliable and cost-effective supply of electricity in all regions of the province. There are a number of planned transmission expansion projects that will reinforce our system so that the power is there to support forecasted economic development. Development work is underway for an enhanced East–West Tie and the Northwest Bulk transmission line. These projects will increase transmission capability in the northwest, improving system reliability and ensuring future electricity demand can be met. More information about these projects is available below and in Chapter 2 of the LTEP.

- The Northwest Bulk line is needed to support growth and maintain a reliable electricity supply to areas west of Atikokan and north of Dryden. The project will proceed in phases: Phase One, a line from Thunder Bay to Atikokan, should come into service as soon as is practical, and no later than 2024. Phase Two, a line from Atikokan to Dryden, should come into service by 2034

unless the IESO's outlook on the demand forecast suggests an earlier date. Phase Three, a line from Dryden to the Manitoba border, could be needed after 2035 (or earlier if recommended by the IESO) to enable the better integration of provincial electricity grids. Development work for Phases One and Two will proceed at the same time.

- The East-West Tie Line will provide a long-term, reliable supply of electricity to meet the growth in demand and changes to the supply mix in Northwest Ontario.
- The connection of 16 remote First Nation communities by Wataynikaneyap Power will involve a significant upgrade to the transmission system north of Dryden through a new 230kV line to Pickle Lake. The line to Pickle Lake is currently expected to be in service in 2020.

Q. There are concerns that mines will leave the region. What is happening in response to this?

- A. Ontario has prioritized a number of major transmission projects in northern Ontario which will provide more capacity for mines to connect to the grid (see above). With respect to connecting mines, Ontario is similar to other jurisdictions in allocating the grid connection costs according to "beneficiary pay" principles. This approach requires customers to pay for connection facilities that serve their operations and protects Ontario residents and businesses that do not benefit from connecting lines from having these costs applied to their electricity rates. For mining development, connection costs are only one element of business decisions. Other considerations, such as the quality of the local mineral resource and current/projected global commodity prices, may have a stronger impact on investment. Ontario has a number of programs aimed at reducing electricity costs for industry and to support economic development.

Q. How can MNO get more information about forestry/vegetation management practices? (i.e. transmitters (H1) and distributors) Communities want to know when H1 will spray, when corridors will be cleared etc.

- A. Similar to most jurisdictions in North America, Ontario's existing regulatory framework provides transmitters with broad powers to manage vegetation as necessary to maintain the safe and reliable operation of its transmission system. Hydro One and distributors, like Thunder Bay Hydro, often post their vegetation management practices online (see links below). It may be possible to arrange for notification of pesticide use by working directly with Hydro One and other local distributors.

- Hydro One Community Relations Team 1-877-345-6799 or Community.Relations@HydroOne.com
<https://www.hydroone.com/about/corporate-information/vegetation-management>
- Thunder Bay Hydro General Inquiry 807-343-1111
<https://www.tbhydro.on.ca/support/safety/tree-trimming/>