

[OEB's Suggested Changes]

Minister's Directive

TO: THE ONTARIO ENERGY BOARD

I, Glenn Thibeault, Minister of Energy, hereby direct the Ontario Energy Board (the "Board"), pursuant to my authority under sections 25.30 (2) of the *Electricity Act, 1998* to issue a directive setting out the Government of Ontario's requirement respecting the implementation of the long-term energy plan in respect of matters falling within the Board's jurisdiction, and the date by which the Board must submit an implementation plan to the Minister.

The Board shall, in accordance with the requirements of this Directive, prepare with input from such stakeholders as the Board considers appropriate, and submit an implementation plan by xxx. The implementation plan shall outline the steps the Board intends to take to facilitate the implementation of the objectives of the Government of Ontario set out in the long-term energy plan issued on XX, 2017, as identified below and in each case as may be with the scope of the Board's jurisdiction and in keeping with its statutory objectives.

1. Delivering Efficiency and Value

With respect to the Government of Ontario's objective of delivering efficiency and value to consumers:

- 1.1. Having regard to the Board's performance-based approach to regulating electricity transmitters and distributors ("Utilities"), examine and, as the Board considers appropriate, identify steps for pursuing cost-effective opportunities to strengthen Utility accountability in relation to service quality issues, such as reliability or power quality, identified by their customers.
- 1.2. Examine and, as the Board considers appropriate, identify steps for pursuing opportunities to advance the cost-effective modernization of Ontario's electricity sector. Opportunities to be examined include, but are not limited to:
 - cost-effective smart grid and non-wires solutions that can enable active system management and customer participation; and
 - energy efficiency measures on distribution systems.

Steps for pursuing such opportunities as the Board considers appropriate shall include consideration of, where applicable, the identification of any legislative

barriers, and the appropriate treatment of diffused benefits, cost allocation, and/or a cost-benefit framework where applicable.

- 1.3. Identify barriers to the development of energy storage and other distributed energy resources at scales and locations that provide value to customers and steps for facilitating such development on a cost-effective basis.
- 1.4. On receipt of input from the Independent Electricity System Operator (IESO) regarding its integrated regional resource planning process provided further to the Minister's Directive to the IESO dated XXXX XX, 2017, identify steps to support such changes to Utility regional planning processes as the Board considers appropriate.

2. Ensuring Affordable and Accessible Energy

With respect to the Government of Ontario's objective of ensuring affordable and accessible energy:

- 2.1 In its regulation of the electricity sector, consider further opportunities for mitigating costs for electricity customers.
- 2.2 Examine and, as the Board considers appropriate, identify steps for pursuing opportunities to strengthen consumer protection in relation to the activities of unit sub-meter providers.

3. Enhancing Commitment to Energy Conservation and Efficiency

With respect to the Government of Ontario's objective of enhancing energy conservation and efficiency:

- 3.1 Move forward with the implementation of the vision embedded in the OEB's Regulated Price Plan Roadmap.

4. Responding to Climate Change Challenge

With respect to the Government of Ontario's objective of responding to the climate change challenge:

- 4.1 In concert with the examination conducted under section 1, examine and, as the Board considers appropriate, identify steps for pursuing cost-effective opportunities to further integrate the consideration of climate change adaption into Utilities' regional, distribution and/or asset management plans.

- 4.2 Examine and, as the Board considers appropriate, identify steps for pursuing cost-effective opportunities for electricity distributors to facilitate access to smart charging for electric vehicles.

5. Encouraging an Innovative Sector

With respect to the Government of Ontario's objective of encouraging an innovative sector:

- 5.1 In taking the steps referred to in sections 1 to 4, consider further opportunities for encouraging a culture of innovation in the electricity distribution sector.