

Questions from Alan H.

From: "Imbrogno, Serge (ENERGY)" </o=govon/ou=ontario public sector - iserv
ems/cn=recipients/cn=imbrogno">
To: HIBBEN <alan.hibben@rogers.com>
Date: Tue, 24 Jan 2017 16:16:01 -0500
Attachments: cost estimates wind solar PV natural gas nuclear - OPO and External Jan 2017.docx
(23.1 kB)

Hi. See below.

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Katona, Keley (ENERGY) <Keley.Katona@ontario.ca>
Sent: Tuesday, January 24, 2017 3:39 PM
To: Imbrogno, Serge (ENERGY)
Subject: FW: Questions from Alan H.

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Alan Hibben <alan.hibben@rogers.com>
Sent: Monday, January 23, 2017 2:18 PM
To: Imbrogno, Serge (ENERGY)
Subject: Thanks for the meeting

A couple of questions and comments:

1. Does anyone in your group have a view on the marginal cost of solar and wind in the 2030's? Similarly it might be useful to see what the next best replacement alternative is for wind and solar in the 2030's – gas or nuclear or new wind and solar
See attached table for cost estimates; sources include IESO (table includes a link to OPO and modules), Bloomberg and National Renewable Energy Laboratory.
2. I am still perplexed with why the conservation program costs are being spent and charged to the consumer. Wouldn't it be much better to drastically reduce these.
Conservation costs are covered through the Global Adjustment portion of the bill, therefore costs are spread over all customers. The average cost of conservation on the customer bill is approximately \$3/month.

Conservation is charged to the electricity customer because customers are the ones who benefit from it. Customers benefit from electricity conservation programs that provide guidance and incentives to help them become more energy efficient. Conservation also helps avoid future investments in the energy system (transmission, distribution infrastructure and generation assets) which are ultimately paid for by customers.

Furthermore, conservation is a core component of system planning. Before deciding on the supply needs for the province, the overall demand forecast is determined. The demand forecast is then adjusted to account for future conservation. Based on this, supply needs are forecast and procured as required. Given this role, conservation will continue to be part of the planning process going forward.

3. You threw out a concept of dedicating cap and trade net proceeds to rate reduction. Not sure why that isn't a much better use of funds than to invest in stuff.

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Please note that I have a new assistant
who should be copied on all meeting requests:

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