

RE: Affordability Fund TB Submission

From: "Katona, Keley (ENERGY)" <keley.katona@ontario.ca>
To: "Teliszewsky, Andrew (ENERGY)" <andrew.teliszewsky@ontario.ca>
Cc: "Imbrogno, Serge (ENERGY)" <serge.imbrogno@ontario.ca>, "Whittington, Matt (ENERGY)" <matt.whittington@ontario.ca>, "Tresise, Landon (ENERGY)" <landon.tresise@ontario.ca>, "Esdaile, Trevor (ENERGY)" <trevor.esdaile@ontario.ca>, "Pagel, Alexa (ENERGY)" <alexa.pagel@ontario.ca>, "Baker, Carys (ENERGY)" <carys.baker@ontario.ca>
Date: Tue, 28 Feb 2017 14:24:22 -0500
Attachments: Affordability Fund TB sub - 20170228 - to DMO (clean).docx (239.96 kB); Affordability Fund TB sub - 20170228 - to DMO (tracked).docx (241.81 kB)

Hi Andrew,
Attached is the final for review / approval. Please confirm comfort and we will submit to TBS.
Thanks,
Keley

From: Katona, Keley (ENERGY)
Sent: February-27-17 12:59 PM
To: Teliszewsky, Andrew (ENERGY)
Cc: Imbrogno, Serge (ENERGY); Whittington, Matt (ENERGY); Tresise, Landon (ENERGY); Esdaile, Trevor (ENERGY); Pagel, Alexa (ENERGY); Baker, Carys (ENERGY)
Subject: Affordability Fund TB Submission

Hi Andrew,

Attached is the latest draft of the TB submission.

Also just to confirm the delivery model (in response to your question below)- the Trust will be responsible for administering the Affordability Fund province wide. We would sign a TPA with Hydro One and flow funds. Hydro One would then flow funds to the Trust. All LDCs (including Hydro One) would apply to the Trust for program funding. Rationale for this includes:

1. TPA feasibility - With approximately 70 LDCs in the province, entering into TPAs with each LDC is not feasible. The Trust structure establishes an independent entity with expertise from Hydro One and others in the LDC sector.
2. Independence - It is expected that the Board of Trustees will represent a geographical cross section of the Province (including LDCs) and thereby avoid any perception of favouritism.
3. Effective oversight - A Trust based centralized delivery model will ensure effective oversight of funds and will ensure funds get used in the most efficient manner.
4. Ensures Trust Model is Robust - If we were to sign TPAs with Alectra and Toronto hydro, it would dilute the Trust model. The intent is that the Trust will decide on how funding will be distributed based on Principles set out by the Province.

Let us know if you have any comments / questions.
Keley

From: Teliszewsky, Andrew (ENERGY) <Andrew.Teliszewsky@ontario.ca>
Sent: Sunday, February 26, 2017 10:43 AM
To: Imbrogno, Serge (ENERGY)
Cc: Katona, Keley (ENERGY); Whittington, Matt (ENERGY); Tresise, Landon (ENERGY); Esdaile, Trevor (ENERGY); Coker, Meaghan (ENERGY); Ruttan, Craig (ENERGY); Martin, Eric (ENERGY); Pagel, Alexa

(ENERGY); Chatterjee, Jeet (ENERGY); Armstrong, Hillary (ENERGY); Berg, Denna (ENERGY); Baker, Carys (ENERGY)

Subject: Re: Rate Mitigation - Draft CAB / TB Sub and Minute

Good Morning:

Regarding the Cabinet Minute - I have no additional edits at this time.

Regarding the TB/MBC Submission for the A-Fund:

Page 4: remove the line about fund "not being used to pay back arrears"

Page 6 & 8 : 10% feels like a lot for administration especially given that elsewhere in the product we are highlighting the fact that we are leveraging the expertise and structures (call centre, etc.) of H1 and the LDCs. I worry this could become a flash point. Any chance we could be more prescriptive, first of all - the text right now speaks to it being "About 10%" I want us to find a way to say "no more than X%". Also, want to be lower than 10% - without binding ourselves (and transfer payment partner) too much - would we be able to say "no more than 7%" or (better still) "no more than 5%" on administration. Thoughts?

Finally, not an unwelcome evolution - but reading this is first I recall that we are only providing funds to H1 and that this trust will now be for the full province? All LDC's? So, for greater clarity - we are now anticipating the need to operationalize only one TPA (i.e. With Hydro One?) and no longer considering Alectra or Toronto Hydro?

Regarding the Cabinet Submission and earlier edits sent along :

I think those CoS edits (especially referencing the RRRP slides 46-49) are going to be necessary to be turned around prior to us sharing up the line to CO/PO in advance of tomorrow's FPC / Major Projects. Sorry to be a pest about this, but those would ideally be completed before end of day today for sharing up the line, please?

Many thanks, in advance.

Atel/

Andrew Teliszewsky

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On Feb 26, 2017, at 9:26 AM, Imbrogno, Serge (ENERGY) <Serge.Imbrogno@ontario.ca> wrote:

Hi Andrew. There are a lot of moving pieces including changes to the cab sub, edits to the minute (we have a call with CO/MOF/TBS @2:00), comms material etc. I'm happy to share for concurrent review but I don't think we'll have a draft for today.

Serge

Sent from my iPad

On Feb 26, 2017, at 9:12 AM, Teliszewsky, Andrew (ENERGY)
<Andrew.Teliszewsky@ontario.ca> wrote:

Good Morning:

Do we anticipate having a draft technical briefing deck for CoS review later today, by chance, please?

Andrew Teliszewsky
416-327-3550

From: Imbrogno, Serge (ENERGY)
Sent: Sunday, February 26, 2017 8:38 AM
To: Teliszewsky, Andrew (ENERGY)
Cc: Katona, Keley (ENERGY); Whittington, Matt (ENERGY); Tresise, Landon (ENERGY); Esdaile, Trevor (ENERGY); Coker, Meaghan (ENERGY); Ruttan, Craig (ENERGY); Martin, Eric (ENERGY); Pagel, Alexa (ENERGY); Chatterjee, Jeet (ENERGY); Armstrong, Hillary (ENERGY); Berg, Denna (ENERGY); Baker, Carys (ENERGY)
Subject: Re: Rate Mitigation - Draft CAB / TB Sub and Minute

Not sure how quickly we can turn things around but the comments look good to me.

Sent from my iPad

On Feb 26, 2017, at 8:05 AM, Teliszewsky, Andrew (ENERGY)
<Andrew.Teliszewsky@ontario.ca> wrote:

Good Morning:

Here are my edits to the Deck / Cab Sub. Review of other products ongoing, will share further comments later today.

Slide 5 - missing cost savings for #5 - December 2016 small FIT program rationalization

Slide 6 - remove the bottom two bullets

After Slide 9, before current slide 10 = we used to have a slide that showed the GA over time. \$12 B this year, lowering to \$6-billion in out years. Can we find that slide and insert here, please?

Slide 14 : remove first bullet

Slide 20 : in first bullet spell out SPV (Special Purpose Vehicle)

Slide 23 : confusing since this references DRC and options for Class B but we had pulled this as an option. Needs to redraft a few of these bullets to be more definitive about our Class B approach. Also remind them here of the cost savings from removal of social programs from their bottom line.

Slide 24 : confusing re: 50 kW vs 500 kW. Pick one and re-write this slide to be definitive about a recommended approach.

Slide 46 / 47 = Ugh. Cut this as an option.

Slide 49 = re-do the math / bottom line regarding removal of the IPA/RRRP approach from slides 46/47.

Slide 66 = need help making sure this slide / math is up to date based on all of the above, and previous slides.

Slide 68 = missing cost savings of small FIT rationalization. Same edit as Slide #5 above, please.

Slide 72 : rename as "Support for Tenants"

In that section, be more definitive about asking Housing, Energy and MAG to report back in Spring 2017 with options for renters, please. Might require a slight tweaking of the subsequent slides and an additional text to the minute.

Many thanks, in advance.

Andrew

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On Feb 25, 2017, at 5:04 PM, Katona, Keley (ENERGY) <Keley.Katona@ontario.ca> wrote:

Hi Andrew,

Attached are clean and track changes versions of the Cab Sub and Minute.

Also attached is the draft Affordability Fund TB sub. Let us know if you have any comments. We would like to share with CO / others as soon as possible.

Thanks,

Keley

<2017-02-25 Cabinet Submission - Electricity Price Mitigation_Feb 25_Clean_430.pptx>

<2017-02-25 Cabinet Submission - Electricity Price Mitigation_Feb 25_Tracked_430.pptx>

<Consolidated -price mitigation minute draft Feb 24_clean_730.docx>

<Consolidated -price mitigation minute draft Feb 24_tracked_730.docx>

<2017-02-24 Draft Affordability Fund TB sub_forDMO v8 CLEAN.docx>