

Re: Confidential Advice: Rate mitig and GA

From: "Imbrogno, Serge (ENERGY)" <"o=govon/ou=ontario public sector - iserv
ems/cn=recipients/cn=imbrogno">
To: Rosemarie Leclair <rosemarie.leclair@ontarioenergyboard.ca>
Cc: "Teliszewsky, Andrew (ENERGY)" <andrew.teliszewsky@ontario.ca>
Date: Fri, 24 Feb 2017 16:22:14 -0500

Hi Rose,

Thanks for the note. There was a conference call with ENERGY, OEB, IESO and OPG staff and accountants to further discuss the appropriate role for the OEB in the GA smoothing option. Andrew and I will get a de-brief at 5:00. We can re-group after that and discuss next steps.

Serge

Sent from my iPad

On Feb 24, 2017, at 12:58 PM, Rosemarie Leclair <Rosemarie.Leclair@ontarioenergyboard.ca> wrote:

I understand that our staff will be meeting this afternoon on the design of GA smoothing options . I've been kept informed by the OEB team on concepts under discussion as well as timing to get this to Cabinet Of course, we recognize the urgency.

In looking over the approach, there appears to be ongoing discussion about what role if any the OEB should have with respect to GA smoothing .

What is unclear to me is whether the OEB should have any oversight role at all and what value the OEB would bring to it.

To help move things along this afternoon and provide be able to provide constructive input, I have asked staff to provide an overview of the OEB 's current oversight responsibilities and how those are discharged with respect to the various IESO functions and OPG.

I think the entire discussion of the OEB role would benefit from greater clarity on what the govt hopes to achieve by involving the OEB. What value does the OEB bring to the smoothing design? Are you looking for robust regulatory oversight of accounts and collection from ratepayers? Is OEB needed just to satisfy a technical requirement of the design? Or does govt just want to use the OEB as a means of providing assurance to ratepayers and others that somebody is watching over things?

To the degree that either of you can provide greater clarity on the objectives, staff will be able to better advise on how best to achieve that or whether OEB should be carved out entirely.

Secondly, I understand there has also been some discussion on timing of implementation of this mitigation measure such that ratepayers see the benefits as soon as possible. As you know there are many factors that go into setting the RPP. I have also asked Lynne to ensure that you are made aware of these as it may well be that these factors may have the effect of increasing the RPP when it is next set and the dampening effect of the GA smoothing exercise may be less than anticipated. We will not have any preliminary forecast info until mid March so cannot confirm anything directionally either way. But wanted to ensure you are aware.

In terms of timing of setting RPP and what we will need from govt to ensure that the GA smoothing is reflected in the next update, staff are working on that and should be able to speak to it this afternoon .

I'm back in the office in Toronto on Monday and on the office on Tuesday should you want to discuss following this afternoons staff meeting.

Sent from my iPhone

Begin forwarded message:

From: Neil Brodie <Neil.Brodie@ontarioenergyboard.ca>
Date: February 22, 2017 at 9:06:32 PM EST
To: Ceiran Bishop <Ceiran.Bishop@ontarioenergyboard.ca>, Mary Anne Aldred <MaryAnne.Aldred@ontarioenergyboard.ca>, Lynne Anderson <Lynne.Anderson@ontarioenergyboard.ca>
Cc: Rosemarie Leclair <Rosemarie.Leclair@ontarioenergyboard.ca>
Subject: Rate mitig

Revised slides for 830am call.

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<OEB Discussion Slides_Feb 22_600.pptx>