Re: Energy item

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>, "Moulton, Dan (ENERGY)" <dan.moulton@ontario.ca>, "Martin, Eric (ENERGY)" <eric.martin@ontario.ca>, "Dier, Kirby (ENERGY)" <kirby.dier@ontario.ca>, "Baker, Carys (ENERGY)" <carys.baker@ontario.ca>
Date: Sun, 11 Sep 2016 12:56:18 -0400

Will do. Thanks.

Sent from my iPad

On Sep 11, 2016, at 12:52 PM, Teliszewsky, Andrew (ENERGY) <Andrew.Teliszewsky@ontario.ca> wrote:

> Yes. This is the circle back on that minute debate I've been having with them all. This looks good if it would be accepted. For the answer to cost shift, do you also want to tell Cabinet Office that was on slide #4 of the submission?

From: Katona, Keley (ENERGY)
Sent: September-11-16 12:49 PM
To: Teliszewsky, Andrew (ENERGY)
Cc: Imbrogno, Serge (ENERGY); Whittington, Matt (ENERGY); Moulton, Dan (ENERGY); Martin, Eric (ENERGY); Dier, Kirby (ENERGY); Baker, Carys (ENERGY)
Subject: Fwd: Energy item

Hi Andrew,

We received the below questions this morning. Our proposed response is below. Ok to share with CO?

Keley

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> 1) ICI:
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> In 2015, the "cost shift" from Class A to Class B consumers was about $890 million (i.e., a bill impact of approximately $4.90/month for a typical residential consumer).

2) The change is to indicate that all consumers not on the RPP would get recycling – trying to eliminate RPP-eligible consumers would be very complex/difficult for LDCs as once a consumer opt out an LDC would just see them as any other Class B (making it more difficult for them to be tracked/excluded). Similarly, as written it appears to exclude institutional consumers (we had omitted them before but given the specificity in this version of the minute, we think it would best to just leave it at non-RPP.

Minute:

The Ministry of Energy to work with the Ministry of the Environment and Climate Change **(and TBS??)** to invest an estimated amount of up to $1,080,000,000, from 2017-18 to 2020-21, of Cap and Trade auction proceeds for non- Regulated Price Plan ~~eligible commercial and industrial~~ electricity consumers over the first compliance period (2017-2020) through a volumetric rebate mechanism **with a linkage to GHG emission reductions AND the government's Climate Change Action Plan [i think we need to link it to CCAP still at this stage]. Cap and trade auction proceeds would be used to promote fuel switching to make electricity more competitive with traditionally cheaper fossil fuels, supporting the Government's *Climate Change Action Plan***

From: Greenberg, Martha (CAB) <Martha.Greenberg@ontario.ca>

Sent: Sunday, September 11, 2016 9:35 AM

To: Imbrogno, Serge (ENERGY); Katona, Keley (ENERGY)

Cc: Foster, Robert (CAB); Moore, Karen (CAB); Davidson, Steven (CAB)

Subject: Re: Energy item

Here is the minute wording for use of proceeds:

The Ministry of Energy to work with the Ministry of the Environment and Climate Change (and TBS??) to invest an estimated amount of up to $1,080,000,000, from 2017-18 to 2020-21, of Cap and Trade auction proceeds for non- Regulated Price Plan eligible commercial and industrial electricity consumers over the first compliance period (2017-2020) through a volumetric rebate mechanism **with a linkage to GHG emission reductions AND the government's Climate Change Action Plan [i think we need to link it to CCAP still at this stage] . Cap and trade auction proceeds would be used to promote fuel switching to make electricity more competitive with traditionally cheaper fossil fuels, supporting the Government's *Climate Change Action Plan***

From: Greenberg, Martha (CAB)

Sent: Sunday, September 11, 2016 9:32 AM

To: Imbrogno, Serge (ENERGY); Katona, Keley (ENERGY)

Cc: Foster, Robert (CAB); Moore, Karen (CAB); Davidson, Steven (CAB)

Subject: Fw: Energy item

Hi,

Below is an update on latest we have from PO with respect to direction. As you'll see, regs are still under discussion, you may already be aware and helping your MO as sounds like they continue to discuss.

On minute wording, I can share the email from yesterday which speaks to how to capture the proceeds that would be used. On proceeds that would not be used, although energy isn't as implicated in that, we are working on how to balance the priority of fiscal plan with the required Minister evaluation.

Do you have the cost in total and on rate base of the existing ICI program? I know expansion is included in the deck at 82M and also the cost to rate base but for the existing 300 consumers, do you know what that is costing?

Thanks!

Martha