

**Ministry of Energy  
Key Decisions for PRRT**

| Requested Decision |                                                                                                                                                                                                                                                          | Financial Request                                                                                                                                                                                                                             | TBS Recommendation                                                                                                                                                                                                                     | Ministry Concerns                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1                  | Request 19 FTEs + 3 GGRA FTEs to support the implementation of the Ontario Fair Hydro Plan initiatives                                                                                                                                                   | <ul style="list-style-type: none"> <li>2018-19: \$4.8 million</li> <li>2019-20: \$4.8 million</li> <li>2020-21: \$4.8 million</li> </ul>                                                                                                      | <p>Defer to Wrap Up</p> <p>On page 16, TBS notes, “<i>it seems reasonable there should be some resources for administering \$1.6 billion in transfer payments.</i>”</p> <p>TBS is also requesting information on scalable options.</p> | Without dedicated resources to support the Fair Hydro Plan Initiatives, the Ministry would be unable to provide on the appropriate level of due diligence needed for these programs. The delivery of these programs requires a high level of oversight, administration, financial analysis and risk management that is not possible within the current FTE cap.                                                                                                                     |
| 2                  | <p>Funding for International Energy Demonstration Fund</p> <p>Total program request is \$10.5 million over 5 years</p>                                                                                                                                   | <ul style="list-style-type: none"> <li>2018-19: \$1.5 million</li> <li>2019-20: \$3.0 million</li> <li>2020-21: \$4.0 million</li> </ul>                                                                                                      | Defer to New Initiatives Request                                                                                                                                                                                                       | <p>Deferring the funding for the IEDF to the Document process prolongs the uncertainty of securing funding which would in turn cause uncertainty with respect to stakeholder communications and preclude a potential launch of the program in April 2018.</p> <p>A later launch may result in a risk that the full 2018-19 allocation (\$1.5 million) may not be used.</p>                                                                                                          |
| 3                  | <p>Updated Forecasts for Ontario Fair Hydro Plan</p> <ul style="list-style-type: none"> <li>Pressure: Rural or Remote Rate Protection and Distribution Rate Protection</li> <li>Savings and Pressure: On-Reserve First Nation Delivery Credit</li> </ul> | <ul style="list-style-type: none"> <li>2018-19: \$26.8 million</li> <li>2019-20: \$47.6 million</li> <li>2020-21: \$53.2 million</li> <li>2018-19: (\$0.4 million)</li> <li>2019-20: \$0.9 million</li> <li>2020-21: \$1.9 million</li> </ul> | <p>Do Not Approve, corporately managed</p> <p>Do Not Approve, corporately managed</p>                                                                                                                                                  | <p>TBS has proposed locking in the savings, but having the Ministry risk manage the pressures.</p> <p>These are legislated entitlement programs which require the Ministry to have appropriate funding in advance.</p> <p>Given the magnitude of the funding required, the Ministry does not have the internal offsets available to meet these requests. As per the IESO Market Rules, the Ministry has two business days to make bill payments for these transfer payments and</p> |

| Requested Decision |                                                                                                                                                           | Financial Request                                                                                                                                                                                                                                | TBS Recommendation                                                                                                                                            | Ministry Concerns                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                    | <ul style="list-style-type: none"> <li>Savings: Ontario Rebate for Electricity Consumers</li> <li>Savings: Ontario Electricity Support Program</li> </ul> | <ul style="list-style-type: none"> <li>2018-19: (\$22 million)</li> <li>2019-20: (\$21 million)</li> <li>2020-21: (\$24 million)</li> <li>2018-19: (\$29.4 million)</li> <li>2019-20: (\$61 million)</li> <li>2020-21: (\$87 million)</li> </ul> | <p>Approve-In-Principle</p> <p>Approve-In-Principle</p>                                                                                                       | does not have the time to wait for funds to be approved in-year.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 4                  | Affordability Fund                                                                                                                                        | <p>\$200 million commitment; \$100 million has been flowed.</p> <p>There is no official request for Affordability Fund; the item is a report back on the status of program implementation.</p>                                                   | On page 15, TBS notes “ <i>The Board could decide to forego the remaining \$100 million.</i> ” Note: this is not an official recommendation for this program. | <p>On March 1, 2017, TB/MBC approved a commitment to provide up to \$200M on a multi-year basis and on March 6, 2017, TB/MBC approved \$100 million to establish the Affordability Fund.</p> <p>The March 6 TB minute indicated that ENERGY could request additional funding, if needed, based on results achieved and a value for money assessment.</p> <p>The independent Trust administering the Affordability Fund consulted widely over Summer 2017 to inform its initial program design, and the launch of the Fund was publicly announced in October 2017. ENERGY requests that the Board’s decision to approve or forego the additional \$100 million be based on performance and results of the Fund, after sufficient time in market, and continued identified needs among electricity customers. ENERGY requests this qualification be added to the ENERGY PRRT Assessment note, such as:</p> <p><i>“Decisions regarding the remaining \$100M will be based on the Fund performance and needs of electricity customers.”</i></p> |

| Requested Decision     |                                                                                                 | Financial Request                                                                                                                          | TBS Recommendation                                                                     | Ministry Concerns |
|------------------------|-------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|-------------------|
| 5                      | Ministry program savings identified through Strategic Asset Management returning to fiscal plan | <ul style="list-style-type: none"> <li>2018-19: (\$35 million)</li> </ul>                                                                  | Approve-In-Principle                                                                   |                   |
| 6                      | Funding for Métis Nation of Ontario Negotiations, Strategic Asset Management                    | <ul style="list-style-type: none"> <li>2018-19: \$35 million</li> </ul>                                                                    | Approve-In-Principle                                                                   |                   |
| 7                      | Funding for Smart Grid Fund<br><br>Total program request is \$60 million over 5 years           | <ul style="list-style-type: none"> <li>2018-19: \$20 million</li> <li>2019-20: \$18 million</li> <li>2020-21: \$15 million</li> </ul>      | Approve-In-Principle                                                                   |                   |
| 8                      | Funding for Microgrids<br><br>Total program request is \$50 million over 3 years                | <ul style="list-style-type: none"> <li>2018-19: \$9.8 million</li> <li>2019-20: \$19.8 million</li> <li>2020-21: \$19.8 million</li> </ul> | Defer to Wrap-up<br><br>Note: All GGRA requests are deferred to wrap-up through MOECC. |                   |
| <b>Other Decisions</b> |                                                                                                 |                                                                                                                                            |                                                                                        |                   |
| 9                      | Funding for refinancing Global Adjustment under the Fair Hydro Plan (OPG Share Purchase)        | <ul style="list-style-type: none"> <li>2018-19: \$1,100 million</li> </ul>                                                                 | Approve-In-Principle                                                                   |                   |
| 10                     | Internal realignment between Salaries and Wages and Services                                    | <ul style="list-style-type: none"> <li>No fiscal impact</li> </ul>                                                                         | Approve-In-Principle                                                                   |                   |

| Requested Decision                    |                                                                                                                                         | Financial Request                                                                                                                            | TBS Recommendation   | Ministry Concerns |
|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-------------------|
| 11                                    | Temporary FTE transfers to MAG and MGCS                                                                                                 | <ul style="list-style-type: none"> <li>2018-19: 2 FTEs</li> </ul>                                                                            | Approve-In-Principle |                   |
| <b>Existing Base Funding Approved</b> |                                                                                                                                         |                                                                                                                                              |                      |                   |
| 12                                    | Ministry Admin                                                                                                                          | <ul style="list-style-type: none"> <li>No change</li> </ul>                                                                                  | Approve-In-Principle |                   |
| 13                                    | Energy Policy Development and Implementation                                                                                            | <ul style="list-style-type: none"> <li>No change</li> </ul>                                                                                  | Approve-In-Principle |                   |
| 14                                    | Long-Term Energy Plan Program Initiatives<br>(Green Energy Initiatives, Conservation Initiatives,<br>Indigenous Engagement Initiatives) | <ul style="list-style-type: none"> <li>No change</li> </ul>                                                                                  | Approve-In-Principle |                   |
| 15                                    | Northern Ontario Energy Credit                                                                                                          | <ul style="list-style-type: none"> <li>No change</li> </ul>                                                                                  | Approve-In-Principle |                   |
| 16                                    | Consolidated expenses of Independent Electricity<br>System Operator<br><br>Note: Expenses are rate recovered                            | <ul style="list-style-type: none"> <li>2018-19: \$4.2 million</li> <li>2019-20: (\$4.2 million)</li> <li>2020-21: (\$4.2 million)</li> </ul> | Approve-In-Principle |                   |
| 17                                    | Consolidated expenses of Ontario Energy Board<br><br>Note: Expenses are rate recovered                                                  | <ul style="list-style-type: none"> <li>2018-19: \$0.3 million</li> <li>2019-20: \$0.6 million</li> <li>2020-21: \$1.8 million</li> </ul>     | Approve-In-Principle |                   |