Comments on Energy's deck

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Date: Wed, 07 Dec 2016 10:38:02 -0500
Attachments: Price Mitigation Proposals_Dec5-16_v11.pptx (335.32 kB)

Hi All,

We will be passing along some comments to Energy on the deck they shared on Monday. At a highlevel, here are our key comments:

- There is a need for g reater understanding/information of the cost, objectives and outcomes of the proposals on additional electricity price relief is required. Some of the proposals, such as transitioning rate-based programs to tax-based, have significant fiscal impacts which need to be better outlined/understood in the deck. Clarity is also needed to understand the objectives and outcomes of moving these programs to the tax-base, including the impacts this would have for electricity consumers.
- Timing is a key consideration that should be addressed – should these proposals be for immediate and near-term implementation, it would create significant fiscal impacts in 2017-18 and 2018-19. Scalable options should be considered for all initiatives (i.e., options for the implementation of initiatives to be spread over the long-term, or through a staged-approach to help minimize the fiscal impact).
- Some of the proposals from Energy would require accounting changes (e.g. amortizing conversation program costs). Energy should work with OPCD in developing these proposals. The Auditor General may also need to be consulted.