Re: For review: Response to MPP Brown's open letter re: H1 rate application

From: "Jancik, Mike (OPO)" <"/o=govon/ou=exchange administrative group (fydibohf23spdlt)/cn=recipients/cn=jancik, mike (opo)7d1">
To: "Forgione, Andrew (OPO)" <andrew.forgione@ontario.ca>, "Bevan, Andrew (OPO)" <andrew.bevan@ontario.ca>, "MacKenzie, Rebecca (OPO)" <rebecca.mackenzie@ontario.ca>, "McEachern, Gillian (OPO)" <gillian.mceachern@ontario.ca>
Cc: "McPhail, Blane (OPO)" <blane.mcphail@ontario.ca>, "Killorn, Bill (OPO)" <bill.killorn@ontario.ca>, "Beaudry, Jennifer (OPO)" <jennifer.beaudry2@ontario.ca>
Date: Wed, 07 Jun 2017 13:36:24 -0400

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Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Forgione, Andrew (OPO)
Sent: Wednesday, June 7, 2017 1:34 PM
To: Bevan, Andrew (OPO); MacKenzie, Rebecca (OPO); Jancik, Mike (OPO); McEachern, Gillian (OPO)
Cc: McPhail, Blane (OPO); Killorn, Bill (OPO); Beaudry, Jennifer (OPO)
Subject: For review: Response to MPP Brown's open letter re: H1 rate application

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Hi – below is the draft letter from Min Thibeault that we also think should also go to media (or at least be put on social media). Could you let me know any feedback?

Dear MPP Brown,

I am writing in response to your letter to Premier Wynne regarding Hydro One's rate application currently before the Ontario Energy Board (OEB). Your letter is just another distraction that reveals your willingness to misinform the public about the rate application process.

When it comes to rate applications, neither the Minister of Energy nor the government of Ontario have the authority to direct the Ontario Energy Board (OEB) on decisions under its jurisdiction. The OEB is the energy sector's independent regulator with a mandate to protect Ontario energy consumers. The OEB's job is to review the application to make sure the utility's costs are justified and appropriate. The Board works hard to keep rates as low as possible while ensuring the system can run properly and be financially viable. Utilities rarely get all they ask for, and sometimes the Board rejects the application outright. In the last eight years, the Board reviewed over 100 major rate applications and reduced requested rate increases by an average of about 40 per cent.

Regardless of the outcome of the OEB's process, Hydro One customers will not see an increase to their bills. We've been abundantly clear that Ontarians across the province will see a significant *decrease* in their overall bills this summer through Ontario's Fair Hydro Plan. This is the largest electricity rate reduction in Ontario's history, and will reduce electricity bills for residential consumers and as many as half a million small businesses and farms by 25 per cent, on average, starting this summer. Lower-income

Ontarians and those living in eligible rural and Northern communities, such as families in your riding Simcoe—North, will receive even greater reductions – as much as 40 to 50 per cent. Rates are then held to inflation for four years, managing affordability in the medium-term.

Rather than tear up energy contracts, which would lead to expensive penalties and legal fees, we have been consistently removing costs from the system through the province's Long-Term Energy Planning Process. These actions have reduced overall system costs for the benefit of ratepayers, including:

- Renegotiating the Green Energy Investment Agreement in 2013, reducing contract costs by $3.7 billion.

- Reducing Feed-in Tariff (FIT) and microFIT prices through annual price reviews, saving ratepayers at least $1.9 billion.

- Introducing strong competition between developers of large renewable projects through the Large Renewable Procurement (LRP) process to drive down prices and secure clean, reliable generation for the province. As a result of lower prices and revised procurement schedules, LRP I costs were approximately $1.5 billion lower than the 2013 Long-Term Energy Plan (2013 LTEP) forecast.

- Suspending the second round of the Large Renewable Procurement (LRP II) process and the Energy-from-Waste Standard Offer Program, which is expected to save up to $3.8 billion in electricity system costs relative to the LTEP 2013 forecast.

- Limiting the Feed-In Tariff (FIT) 5 procurement target to 150 MW and suspending future FIT procurements - resulting in savings of up to $129 million.

Our 2017 Long-Term Energy Plan will show Ontario families and businesses a snapshot of our future energy system, including supply, demand, and affordability, over the longer term. Ontario is committed to investing in a clean, modern and reliable electricity system that reduces greenhouse gas emissions and provides cleaner air for this and future generations of Ontarians.

Despite claiming to support lowering electricity bills for Ontario families, you and your party all voted against the Fair Hydro Plan. It has been nearly 100 days since you promised to release an energy plan - but Ontarians are still waiting.

Premier Wynne and the Ontario government are lowering electricity bills by 25 per cent on average for all residential households and as many as half a million small businesses and farms, while you and your Party are grasping at straws to distract from the fact you have no plan.

Sincerely,

Glenn Thibeault
Minister

From: Berry, James (ENERGY)

Sent: June-07-17 12:01 PM
To: Forgione, Andrew (OPO); @OPO-Media Relations and Issues Management
Cc: Nekolaichuk, Colin (ENERGY); Teliszewsky, Andrew (ENERGY)
Subject: For review: Response to MPP Brown's open letter re: H1 rate application

Here's the revised letter for your review/feedback in response to Brown's correspondence re: Hydro One's rate application.

Let us know if you have any changes.

Thanks,
James

From: Teliszewsky, Andrew (ENERGY)
Sent: June-06-17 9:35 PM
To: Forgione, Andrew (OPO); Killorn, Bill (OPO); Berry, James (ENERGY); Nekolaichuk, Colin (ENERGY)
Subject: Fw: As discussed...

Hi.

Here is content from policy / fact check.

Needs to have tone sharpened and elbows up / get into the corners a bit more; but the substance is there - just needs the sizzle.

Wondering if folks on this chain could take a run at jazzing this up (Bill / Andrew want to take first crack; or should we?) then can I give it another once-over before we send to Minister, please?

That is, unless you want it to be "from Premier"?

Many thanks, in advance.

Andrew Teliszewsky
416-327-3550