

FW: CFGI -Gary Sands and The OEB RPP Pilots

From: "Donelson, Philip (OPO)" <philip.donelson@ontario.ca>
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Date: Thu, 11 May 2017 11:25:50 -0400
Attachments: RPP Pilot Update for Minister_for_distribution.pptx (897.38 kB)

Gillian – summary from Trevor below. RPP pilots are LDC-proposed, and launching in November for RPP customers.

I think what Gary really needs is support for his Class B members (i.e. those not receiving the 25% and wouldn't be eligible for RPP pilots, should one meet their needs). Jason Easton's team is working directly with Gary, potentially on a study of that particular class of grocer to assess their overall competitive pressures.

Copying Niloo, in case she has further insight from Jason.

From: Esdaile, Trevor (ENERGY)
Sent: May-11-17 10:31 AM
To: Donelson, Philip (OPO)
Subject: CFGI -Gary Sands and The OEB RPP Pilots

Hi Phil,

As discussed, here is a bit of a recap of where things are at with the RPP Pilots (deck attached) as well as where Gary seems to have gotten his interest. So back in September Gary was contacting me raising concerns with regards to his membership of the Canadian Federation of Independent Grocer's and their concerns with electricity costs in the Province. In an effort to help him and us introduce his membership to existing conservation programs we held a teleconference with the CFGI membership, where myself, the ministry and the IESO listened to the concerns of their members and explained the programs currently in the field and helped connect these grocers to their local distribution companies and natural gas companies who are delivering the conservation programs.

One of the items raised during this call was the fact that the OEB was looking to do some pilots to study the Regulated Price Plan (RPP). While it was described to Gary as the fact that this would be for RPP eligible customers only (ie mainly residential but the potential for rpp eligible businesses to be included). The pilots could only be accepted if brought forward by a willing LDC and approved by the OEB. At this time I believe Gary may have oversold the idea to his membership in an effort to show that he / we were looking to deliver some rate relief to these independent grocers.

He held discussions with Brian Hewson from the OEB who heard his concerns about the difficulty of grocer's ability to shift their consumption given the high degree of refrigeration and lighting needed during store hours. This is where things get slightly more complicated as Gary believes that he was promised by the OEB a study specific to the independent grocer's however this is not the way that the OEB described their conversation. The main issue is that the RPP pilots are going forward and as you can see in the attached deck there is not much in the way for business, as any businesses that are RPP eligible will be receiving the 25% off and it is really his class b grocery stores that are /will be complaining the most.

Really what Gary is looking for is a subsidy to lower rates for his class B grocery stores that we are unable to deliver without significantly large fiscal contribution as obviously it could not be just for the grocers. What I have been discussing with Julian from Minister Leal's Small Business Ministry is if we can do a study of a number of independent grocers outside of the RPP pilots as the RPP pilots

will not really deliver on what Gary is looking for.

Having just discussed this with ATel yesterday, I have reached out to Julian this morning to discuss this idea with him. Ideally, we will ask Gary to put together a proposal of what it is he is hoping to study and what parameters he thinks would be useful and once we have his proposal to try to find an appropriate avenue to fund this study.

Hope this context and the attached deck helps and please feel free to follow up should you have any questions.

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