

RE: Draft LTEP Cabinet Submission

From: "Schlaepfer, Martin (ENERGY)" <martin.schlaepfer@ontario.ca>
To: "Hindmarch-Watson, Tim (CAB)" <tim.hindmarch-watson2@ontario.ca>
Cc: "Armstrong, Hillary (ENERGY)" <hillary.armstrong@ontario.ca>, "Moore, Karen (CAB)" <karen.moore4@ontario.ca>
Date: Mon, 28 Aug 2017 16:22:19 -0400
Attachments: CBN- LTEP2- v14- DRAFT-no minute Aug28.docx (716.8 kB)

Hi Tim,

Attached are our edits to the minute. Most of these reflect direction we received from PO on the cabinet submission. The changes are with our MO now, we'll let you know as soon as we can if they have further edits.

Thanks,

Martin

From: Hindmarch-Watson, Tim (CAB)
Sent: August-28-17 9:31 AM
To: Schlaepfer, Martin (ENERGY); Armstrong, Hillary (ENERGY)
Cc: Moore, Karen (CAB)
Subject: RE: Draft LTEP Cabinet Submission

Hillary, as discussed, attached is the version of the note that will be walked into the P's briefing this morning. I understand that review of the version from yesterday is ongoing, so I am happy to integrate any additional feedback into this version if you think sharing with staff will create a version control issue.

One thing to note that I would like to get a read on along with the rest of the note, is that we have been asked to make reference to the Quebec-Ontario discussions in the supply section of the note. This is not captured in the attached version but I am proposing that the reference be added to the third paragraph in this section. My proposal is below for review:

"Assumptions for the supply forecast include the most recent nuclear refurbishment and operations timelines, the suspension of the Large Renewable Procurement II, (LRP II) and Energy From Waste Standard Offer Program (EFWSOP), and the December 2016 Ontario-Québec electricity trade agreement (See Appendix B- Key Modelling Assumptions). **Ontario is currently engaged in discussions with Québec on the possibility of an extended electricity trade agreement. If an agreement is reached, it would impact the electricity supply and related GHG emissions modelling.**"

Thanks!

Tim Hindmarch-Watson

416-325-4618

From: Hindmarch-Watson, Tim (CAB)
Sent: August-27-17 4:13 PM
To: Schlaepfer, Martin (ENERGY); Moore, Karen (CAB)
Cc: Armstrong, Hillary (ENERGY)
Subject: RE: Draft LTEP Cabinet Submission

Got it to work! Please see attached. Let me know if there are further comments and when you have an updated sense of the timing of the next tranche of modeling. Thanks.

From: Hindmarch-Watson, Tim (CAB)
Sent: August 27, 2017 4:04 PM
To: Schlaepfer, Martin (ENERGY); Moore, Karen (CAB)
Cc: Armstrong, Hillary (ENERGY)
Subject: RE: Draft LTEP Cabinet Submission

Thanks, Martin. FYI I have a updated version of the note but am currently being thwarted by a uncooperative VPN and webmail. Will keep trying to get it out but I will send around first thing tomorrow failing that. Cheers

From: Schlaepfer, Martin (ENERGY)
Sent: August 27, 2017 3:04 PM
To: Hindmarch-Watson, Tim (CAB); Moore, Karen (CAB)
Cc: Armstrong, Hillary (ENERGY)
Subject: Re: Draft LTEP Cabinet Submission

Thanks, Tim.

We'll look into these questions and get back to you.

Martin

From: Hindmarch-Watson, Tim (CAB)
Sent: Sunday, August 27, 2017 2:31 PM
To: Schlaepfer, Martin (ENERGY); Moore, Karen (CAB)
Cc: Armstrong, Hillary (ENERGY)
Subject: RE: Draft LTEP Cabinet Submission

Hi Martin:

I'm working on turning the note around and should have something to you in the next few hours. However, I wanted to send you some questions that we received from MEDG, so that you could begin working on them sooner than later:

" As many as half a million small businesses and farms are also benefiting" [\[MG1\]](#) .

[\[MG1\]](#) Please have Energy do a fact check on this figure – Ontario has 407,000 small businesses and 8000 medium sized businesses. Not all of these small businesses (e.g., manufacturers) will qualify for the Fair Hydro Plan as they are not on RPP. Source: https://www.ic.gc.ca/eic/site/061.nsf/eng/h_03018.html
https://www.ic.gc.ca/eic/site/061.nsf/eng/h_03018.html

Is this just because the number of farms takes the number closer to 500,000? or are you using different estimates. I know this statement has been used in many other materials so it is a bit late in the day, but I want to be able to respond to the concern if possible.

Other MEDG comments for your consideration below. I have incorporated the changes to stakeholder section that your last version included that is in line with MEDG concerns as well as some of their feedback in the note on SME manufacturers not being eligible or having capacity for the expanded ICI:

- LTEP will have impacts on key OIO stakeholders, including manufacturing and cleantech.
- The stakeholder outlook might be a bit too positive.
- Increasing energy costs, including electricity and heating, has a negative effect on the ability of Ontario to retain and attract manufacturing industries. The LTEP should consider mechanisms to provide support to large users of electricity and natural gas. For example, it is proposed that EV users can access free overnight charging. There could be a similar program created for manufacturers to use excess electricity during non-peak hours, potentially tied to job creation.
- There is increased market adoption of energy storage power management systems that help manufacturers avoid peak electricity rates, and ultimately manage potential Global Adjustment impacts. As more businesses shift their consumption to off-peak hours, “peak” hours may change. We suggest ENERGY to be mindful of the potential impacts on the grid, system revenue generation and electricity pricing.

From: Schlaepfer, Martin (ENERGY)
Sent: August 26, 2017 2:06 PM
To: Moore, Karen (CAB); Hindmarch-Watson, Tim (CAB)
Cc: Armstrong, Hillary (ENERGY)
Subject: Re: Draft LTEP Cabinet Submission

Modelling results are expected to come in on Monday and I would imagine we would have a final submission on Tuesday (dependent on the results of the modelling).

From: Moore, Karen (CAB)

Sent: Saturday, August 26, 2017 2:04 PM

To: Hindmarch-Watson, Tim (CAB); Schlaepfer, Martin (ENERGY)

Cc: Armstrong, Hillary (ENERGY)

Subject: Re: Draft LTEP Cabinet Submission

Thanks Martin. What is the ETA on the revised modeling and your Minister's approval?

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Hindmarch-Watson, Tim (CAB)

Sent: Saturday, August 26, 2017 1:39 PM

To: Schlaepfer, Martin (ENERGY)

Cc: Moore, Karen (CAB); Armstrong, Hillary (ENERGY)

Subject: Re: Draft LTEP Cabinet Submission

Thanks, Martin. Will work on a new version of the note and hopefully turn around to you today. Cheers.

Sent from my mobile.

From: Schlaepfer, Martin (ENERGY)

Sent: Saturday, August 26, 2017 1:38 PM

To: Hindmarch-Watson, Tim (CAB)

Cc: Moore, Karen (CAB); Armstrong, Hillary (ENERGY)

Subject: Draft LTEP Cabinet Submission

Hi Tim,

Attached is a draft of the LTEP Cabinet submission. We will be revising early next week to reflect updated modelling.

Thanks,

Martin