

RE: OFHP Bill Presentment- Updated Risk Language for CBN

From: "Hindmarch-Watson, Tim (CAB)" <tim.hindmarch-watson2@ontario.ca>
To: "Chatterjee, Jeet (ENERGY)" <jeet.chatterjee@ontario.ca>
Cc: "Moore, Karen (CAB)" <karen.moore4@ontario.ca>, "Schlaepfer, Martin (ENERGY)" <martin.schlaepfer@ontario.ca>
Date: Tue, 12 Dec 2017 16:46:20 -0500

Following up. Becoming more critical. Thanks

Tim Hindmarch-Watson
416-325-4618

From: Chatterjee, Jeet (ENERGY)
Sent: December-12-17 3:55 PM
To: Hindmarch-Watson, Tim (CAB)
Cc: Moore, Karen (CAB); Schlaepfer, Martin (ENERGY)
Subject: RE: OFHP Bill Presentment- Updated Risk Language for CBN

Thanks Tim – staff/LSB are reviewing and should have something shortly.

Jeet Chatterjee
Senior Policy Advisor, Deputy Minister's Office
Ontario Ministry of Energy
P: 416-327-7025

From: Hindmarch-Watson, Tim (CAB)
Sent: December-12-17 3:51 PM
To: Chatterjee, Jeet (ENERGY)
Cc: Moore, Karen (CAB); Schlaepfer, Martin (ENERGY)
Subject: RE: OFHP Bill Presentment- Updated Risk Language for CBN
Importance: High

Hi Jeet:

MAG on review of our revised version suggested the addition of the below highlighted sentence. Looking for Energy comments and fact check ASAP on this.

Thanks

Tim Hindmarch-Watson
416-325-4618

From: Hindmarch-Watson, Tim (CAB)
Sent: December-12-17 2:28 PM
To: Chatterjee, Jeet (ENERGY)
Cc: Moore, Karen (CAB); Schlaepfer, Martin (ENERGY)
Subject: RE: OFHP Bill Presentment- Updated Risk Language for CBN
Importance: High

Hi Jeet:

MAG provided it's fact check, which we have adapted somewhat to the below. Please provide additional feedback ASAP.

The proposal does not change the legal risks associated with the inclusion of OFHP messaging

on consumer's electricity bills in the existing regulation, but a constitutional law risk that was not previously outlined has been identified. The Ministry of the Attorney General has advised that there is a moderately-high risk that government requiring LDCs and USMPs (utilities) to convey this information in this way would be found to constitute an unjustified violation of the utilities' freedom of expression under the Charter. **The right to freedom of expression includes the right to say nothing or to not say certain things.** Therefore a law that requires persons to communicate certain things must be justified under the Charter analysis.

The risk arises because it is unclear whether the objective of advising consumers of the effect of government policy on their electricity bill when it does not directly relate to the calculation of the invoiced amount is pressing and substantial, and because there may be more neutral and specific means of communicating information to consumers regarding the impact of the Fair Hydro Plan. If more neutral and specific words were used to communicate the information in question, there would be a moderate risk that the proposed amendment would be an unjustified violation due to the uncertainty as to whether it serves a pressing and substantial purpose.

As noted, ENERGY has been working with utilities on the proposal through its formal Working Group and advises that the risk of a utility bringing a case of this nature forward is low and ENERGY advises it has LDC buy-in to provide this messaging. However, this fact does not mitigate against another person seeking public interest standing to bring a case forward. Hydro One has already been providing dynamic messaging to its customers since July 2017 and has received positive feedback to date. ENERGY advises that the regulation is not just to enforce compliance but also to establish a consistent methodology for calculating savings so that all Ontario consumers receive the same information.

Thanks,

Tim Hindmarch-Watson
416-325-4618

From: Hindmarch-Watson, Tim (CAB)
Sent: December-12-17 10:25 AM
To: Chatterjee, Jeet (ENERGY)
Cc: Moore, Karen (CAB); Schlaepfer, Martin (ENERGY)
Subject: RE: OFHP Bill Presentment- Updated Risk Language for CBN

Thanks, Jeet.

I have updated the language to the below:

"The current proposal does not change the legal risks associated with the inclusion of OFHP messaging on consumer's electricity bills, but a constitutional law risk that was not previously outlined has been identified. The Ministry of the Attorney General has advised that there is a moderately-high risk that government requiring LDCs and USMPs (utilities) to convey this information in this way could be successfully argued to constitute an infringement on the utilities' freedom of expression under the Canadian Charter of Rights and Freedoms. As noted, ENERGY has been working with utilities on the proposal through its formal Working Group and advises that the risk of a utility bringing a case of this nature forward is low and ENERGY advises it has LDC buy-in to provide this messaging. Hydro One has already been providing dynamic messaging to its customers since July 2017 and has received positive feedback to date. The ministry advises that the regulation is not just to enforce compliance but also to establish a consistent methodology for calculating savings so that all Ontario consumers receive the same information."

We are sending to MAG for fact check, but can you also advise if this has been reviewed by your LSB?

Thanks

Tim Hindmarch-Watson
416-325-4618

From: Chatterjee, Jeet (ENERGY)
Sent: December-12-17 10:12 AM
To: Hindmarch-Watson, Tim (CAB)
Cc: Moore, Karen (CAB); Schlaepfer, Martin (ENERGY)

Subject: RE: OFHP Bill Presentment- Updated Risk Language for CBN

Tim,

Hydro One implemented dynamic messaging in July this year, putting it on their old bill (they were granted an exemption). In November, they released their redesigned bill which had other changes apart from dynamic messaging.

If you need more details, I'll have to chat with staff and get back to you.

Thanks,

Jeet

Jeet Chatterjee
Senior Policy Advisor, Deputy Minister's Office
Ontario Ministry of Energy
P: 416-327-7025

From: Hindmarch-Watson, Tim (CAB)
Sent: December-12-17 10:03 AM
To: Chatterjee, Jeet (ENERGY)
Cc: Moore, Karen (CAB); Schlaepfer, Martin (ENERGY)
Subject: RE: OFHP Bill Presentment- Updated Risk Language for CBN

Thanks, Jeet. Can you confirm that the Hydro One Dynamic messaging went onto bills on November 29?

Thanks!

Tim Hindmarch-Watson
416-325-4618

From: Chatterjee, Jeet (ENERGY)
Sent: December-12-17 9:29 AM
To: Hindmarch-Watson, Tim (CAB)
Cc: Moore, Karen (CAB); Schlaepfer, Martin (ENERGY)
Subject: RE: OFHP Bill Presentment- Updated Risk Language for CBN

Tim,

Staff edits to your legal risk language below.

“Legal Risk

The current proposal does not change the legal risks associated with the inclusion of OFHP messaging on consumer's electricity bills, but a constitutional law risk that was not previously outlined has been identified. The Ministry of the Attorney General has advised that there is a moderately-high risk that government requiring LDCs and USMPs (utilities) to convey this information in this way could be successfully argued to constitute an infringement on the utilities' freedom of expression under the Canadian Charter of Rights and Freedoms. As noted, ENERGY has been working with utilities on the proposal through its formal Working Group and advises that the risk of a utility bringing a case of this nature forward is low. ~~Hydro One has already been providing this language to its customers and has received positive feedback to date; as such the Ministry has LDC buy-in to provide this messaging. The use of Regulation is not just to enforce compliance but also to establish a consistent methodology for calculating savings so that all Ontario consumers receive the same information.- [ENERGY will work with MAG to explore possible language options that could mitigate this risk through future regulatory amendment, as appropriate].”~~

From: Hindmarch-Watson, Tim (CAB)
Sent: December-12-17 8:28 AM
To: Schlaepfer, Martin (ENERGY)
Cc: Chatterjee, Jeet (ENERGY); Moore, Karen (CAB)
Subject: RE: OFHP Bill Presentment- Updated Risk Language for CBN

Hi Martin:

Following up on this. Do you have a sense of timing for the ministry's fact check and comments?

Thanks

Tim Hindmarch-Watson
416-325-4618

From: Hindmarch-Watson, Tim (CAB)
Sent: December-11-17 5:03 PM
To: Schlaepfer, Martin (ENERGY)
Cc: Chatterjee, Jeet (ENERGY); Moore, Karen (CAB)
Subject: OFHP Bill Presentment- Updated Risk Language for CBN
Importance: High

Hi Martin:

I have drafted the below paragraph to address the new risk that has been flagged for inclusion of an updated CBN for Cabinet on Wed. Please review and provide any edits or suggestions ASAP. I have added a final sentence about possible work to mitigate the risk in the future, so please advise if this is part of the plan or if some other approach is proposed or recommended.

“Legal Risk

The current proposal does not change the legal risks associated with the inclusion of OFHP messaging on consumer's electricity bills, but a constitutional law risk that was not previously outlined has been identified. The Ministry of the Attorney General has advised that there is a moderately-high risk that government requiring LDCs and USMPs (utilities) to convey this information in this way could be successfully argued to constitute an infringement on the utilities' freedom of expression under the Canadian Charter of Rights and Freedoms. As noted, ENERGY has been working with utilities on the proposal through its formal Working Group and advises that the risk of a utility bringing a case of this nature forward is low. **[ENERGY will work with MAG to explore possible language options that could mitigate this risk through future regulatory amendment, as appropriate].”**

Thanks,

Tim Hindmarch-Watson
Policy Advisor
Justice, Resource and Environmental Policy
Policy and Delivery Division
Cabinet Office
416-325-4618