

LDC Teleconference Script

Monday, September 15th, 2016 - 12:00 p.m. – 1:00 p.m.
DMO Boardroom

Ministry of Energy Participants:

Serge Imbrogno, Deputy Minister
Matt Whittington, Director of Policy, Minister's Office
Dan Moulton, Director of Communications, Minister's Office
Michael Reid, Assistant Deputy Minister, SNAP
Steen Hume, Assistant Deputy Minister, ESP
Carolyn Calwell, Director, Legal Services
John Whytock, Director of Communications

See appendix A for list of invited CEOs.

Opening Remarks - Deputy Minister

- Today, as part of the Speech from the Throne, the government is announcing a number of price mitigation measures that will help in managing the electricity rates for your customers.
- There are four components:

Rebate equivalent to the Ontario portion of the HST

- In particular I would like to highlight plans to introduce new legislation that, if passed, will provide all customers who are eligible for the Regulated Price Plan with an eight percent rebate, equivalent to the Ontario portion of the HST, starting on January 1, 2017.

Updates to the RRRP

- In addition to this rebate the government will also be updating the Rural or Remote Rate Protection program to increase the amount of available funding for eligible rural customers.

Expansion of the ICI

- In addition to initiatives aimed at low-volume and rural customers, the government is also intending to expand the Industrial Conservation initiative (ICI) to lower the threshold from 5 MW to 1 MW, as well as removing some of the sectoral restrictions.

Cap and Trade Proceeds Recycling

- The government is recycling proceeds from the Greenhouse Gas Reduction Account (GGRA) to offset the costs to industrial and commercial consumers of ongoing emissions reduction initiatives.

This meets the 2016 Budget commitment that business electricity costs would not be negatively affected by cap and trade.

- The purpose of today's call is to provide you with additional detail and next steps with respect to implementation.
- Steen Hume, Assistant Deputy Minister, Energy Supply Policy, will provide you with an update with respect to the rebate, changes to the ICI program and Cap and Trade proceeds recycling.
- Then Michael Reid, Assistant Deputy Minister, Strategic Network and Agency will provide additional details with respect to the changes to the RRRP program and discuss next steps with respect to implementation.
- There will be time for questions at the end of the call. If we don't get to everyone's questions today, there will be opportunity for further discussions in the coming weeks as we set up a working group to move forward with implementation.
- I look forward to ongoing engagement with you as we roll out these initiatives over the next few months.

Minister's Office Speaking Points

- As an organization that has daily interactions with Ontario's electricity customers, I know that you are aware of the increasing cost pressures faced by your customers.
- The government has heard concerns about electricity prices from all corners of the Province, particularly for households, and understands that Ontarians are looking for some relief from rising electricity costs.
- I know that you will recognize the benefits of these initiatives for your customers.
 - For the average urban residential household, we anticipate this will provide savings of about \$11 per month.
 - The proposed funding increase to RRRP and the eight percent rebate will result in electricity relief of approximately \$45 per month for eligible RRRP customers.
- You will be receiving a letter from the Minister later this week. The Minister is appreciative of the effort that will go into implementation and is counting on you to work with the Ministry on the timely implementation of these initiatives to ensure that customers receive relief on their electricity bills as of January 1, 2017.

ADM Steen Speaking Points

HST

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ICI

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ADM Reid Speaking Points

RRRP

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Implementation

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- We will be setting up a working group with representation from LDCs in the coming weeks.

Questions and Answers

Q. How will LDC costs be recovered?

A.

Q. How much time will LDCs have to implement the changes?

A.

Q. What are the government's plans with respect to bill presentment?

A.