

Ministry of Energy

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MC-2017-1543

Mr. David Mayberry
Warden
County of Oxford
21 Reeve Street
PO Box 1614
Woodstock ON N4S 7Y3

Dear Warden Mayberry:

It was a pleasure meeting with you and your delegation at this year's Association of Municipalities of Ontario (AMO) Annual Conference in Ottawa. I have given Minister Thibeault a full report of our meeting, which he was pleased to receive.

Every year, the AMO conference provides an important opportunity to meet with municipal leaders and learn about the issues in their communities. I valued the opportunity to learn more about the progress toward the ambitious goals in your sustainability and renewable energy plans and your proposed virtual net metering project. We recognize the actions set out in those plans will support a number of the Province's energy and climate change policies. Not only are you pursuing a vision that makes you a leader in Ontario, it makes you a global leader in progressive municipal planning.

Potential Net Metering Updates

We appreciate the input Oxford County provided to the Ministry of Energy's stakeholder consultation process in support of our examination of potential updates to Ontario's net metering framework. The Ministry has been considering potential additional net metering updates related to third-party ownership of net-metered generation and inclusion of virtual net metering models in Ontario's net metering framework. The Ministry anticipates communicating policy decisions when the updated Long-term Energy Plan is released this fall. .

We look forward to further discussions about how innovative ideas can be supported while balancing the interests of Ontarians.

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Ontario's Climate Change Action Plan

As you are aware, Ontario's Climate Change Action Plan has proposed incentives for the use of low-carbon technology in homes and businesses. Green Ontario Fund activities will focus on reducing market barriers to deployment of low-carbon technologies, including through improved access to information, incentives, and strategic use of financial de-risking tools to encourage greater private sector investment, emphasizing absolute greenhouse gas reductions through activities such as fuel-switching, energy storage, use of renewable energy and deep energy retrofits.

Ontario's Fair Hydro Plan

Our government has heard from Ontarians across the province that the price of electricity has risen too quickly, which is why we have taken action to provide significant and immediate rate relief. As you are aware, electricity customers in Ontario are now seeing reduced bills as part of Ontario's Fair Hydro Plan, which lowers electricity bills by 25 per cent on average for residential consumers and will hold increases to the rate of inflation for four years. Ontario's Fair Hydro Plan also includes cost reductions for businesses.

The plan reflects a number of initiatives, including the refinancing of a portion of the Global Adjustment, the shifting of cost recovery for electricity support programs from electricity bills to provincial revenues and the eight per cent rebate introduced in January.

To learn more about Ontario's Fair Hydro Plan, please visit www.ontario.ca/fairhydroplan.

Municipal Energy Plan Program

The Ministry of Energy supports municipalities' efforts to better understand their local energy needs, identify energy conservation and green energy opportunities, support economic development strategies, and develop plans to meet their goals through the Municipal Energy Plan (MEP) program. The program is available to all municipalities across Ontario.

The MEP program has two streams of funding. Stream 1 provides successful applicants with 50 per cent of eligible costs, up to a maximum of \$90,000 to develop a municipal energy plan. Stream 2 provides successful applicants with 50 per cent of eligible costs, up to a maximum of \$25,000 to update or enhance an existing energy plan.

I would also like to highlight Ontario's recently announced \$100 million Municipal Greenhouse Gas (GHG) Challenge Fund. All Ontario municipalities with community-wide GHG emissions reduction plans, or equivalent, and community-wide GHG inventories and targets are invited to apply. This new competitive, application-based program will fund up to 100 per cent of eligible costs for GHG emissions reduction projects proposed by municipalities. MEP program participation is a path to eligibility for the province's Municipal GHG Challenge Fund.

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More information on the MEP program can be found at www.ontario.ca/page/municipal-energy-plan-program, or by contacting Michael Brophy, Manager of the Conservation Programs and Partnerships Branch at Michael.Brophy@ontario.ca.

Long-Term Energy Plan

The Ministry of Energy is preparing to release the 2017 Long-Term Energy Plan (LTEP) later this year. The 2017 LTEP will balance the objectives of cost-effectiveness, reliability, clean energy, community and Indigenous participation and engagement, and an emphasis on conservation and demand management. Ontario is committed to keeping electricity rates affordable while maintaining a clean, modern and reliable electricity system that reduces greenhouse gas emissions and provides cleaner air for this and future generations of Ontarians.

Once again, thank you for meeting with me at AMO 2017. Minister Thibeault and I look forward to continuing to work with you to build a clean, reliable and fair energy system for Ontarians. Please accept my best wishes.

Sincerely,

Bob Delaney
Parliamentary Assistant

c: Hon. Glenn Thibeault, Minister of Energy