

ENERGY Policy Tracking

As of: November 23, 2017

For: December 1, 2017

ENERGY SUPPLY POLICY DIVISIONAL UPDATE	
STATUS	TIMING OF NEXT STEPS
1. Ontario's Fair Hydro Plan (OFHP)	
<u>June 2017</u>: Fair Hydro Act, 2017 received Royal Assent. <u>June 2017</u>: ENERGY met with LDC working group to discuss Global Adjustment (GA) Refinancing and expected impact on electricity consumers. <u>June 2017</u>: OEB released updated RPP rates and GA Modifier applicable to eligible non-RPP consumers. <u>July 2017</u>: OEB's updated RPP rates and GA Modifier reflecting the full impact of OFHP came into effect. <u>September 2017</u>: Minister's letter sent to OPG regarding the Fair Allocation Amount (FAA). <u>September 2017</u>: Treasury Board approval of term sheet for the Provincial Protection Agreement and Provincial Process Agreement. <u>October 30, 2017</u>: Amendments to Ontario Regulation 206/17 (General), made under the <i>Ontario Fair Hydro Plan Act, 2017</i> approved by LRC/Cabinet. <u>November 20, 2017</u>: Further amendments to O. Reg. 206/17 and additional amendments to O. Reg. 429/04 approved by LRC/Cabinet.	<u>Ongoing</u>: The Ministry, Ontario Financing Authority (OFA), IESO, OEB, OPG and others (e.g., LDCs, H1, etc.) are working on the implementation of OFHP. <u>November/December 2017</u>: Finalization of the Provincial Protection Agreement and Process Agreement; OPG Financing Plan; and transaction documentation required to enable financing. <u>October 30, 2017</u>: Amendments to Ontario Regulation 206/17 (General), made under the <i>Ontario Fair Hydro Plan Act, 2017</i> scheduled to proceed to LRC. Amendments will enable Ontario Power Generation (OPG), as Financial Services Manager (FSM), to establish and charge fees, will define the role of the OEB in reviewing and approving FSM fees, and will enable the financing entity to recover fees and interest costs from IESO during the moratorium period. <u>November/December 2017</u>: OPG expected to purchase regulatory asset from IESO and warehouse. go to market to fund debt obligations. <u>January 2018</u>: OPG to issue debt in capital markets.
2. IESO's Market Renewal Initiatives	
<u>April 2017</u>: IESO published its final benefits case after extensive consultation with stakeholders.	<u>Ongoing</u>: ENERGY staff are monitoring the work of the Market Renewal Working Group. <u>Ongoing</u>: ENERGY staff to continue to attend and observe stakeholder engagement process through the High Level Design phase. High Level

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<u>May 2017</u>: IESO kicked off Phase 1 (Fundamentals) of the High Level Design process. This phase will include identification of the design elements, provide education and define scope. <u>July 2017</u>: Stakeholder engagement workshops ongoing as part of High Level Design Phase 1 (Fundamentals). <u>November 23, 2017</u>: Minister's update briefing on Market Renewal initiatives. <u>Fall 2017</u>: The Incremental Capacity Auction and Single-Schedule Market engagements have entered Phase II – Options and Preliminary Decisions. The Day-Ahead Market and Enhance Real-Time Unit Commitment engagements are finishing Design Elements Fundamentals phase, and will start enter the Options and Preliminary Decisions phase in early 2018. <u>Second half of 2018</u>: The NER-SC will deliver a report on its findings and next steps. The IESO's non-emitting resources RFI will inform the work of the NER-SC.	Design phase expected to run through to mid-2018 with Detailed Design phase running concurrently from Q1 2018. A Non-Emitting Resource Sub-committee (NER-SC) has been set up to address stakeholder concerns and to ensure that Market Renewal addresses the unique characteristics of non-emitting resources and considers the potential for additional incentive mechanisms to meet low carbon policy objectives. <u>Ongoing (TBD)</u>: IESO plans to issue a Request for Information (RFI) to understand the technical, operational and commercial considerations of non-emitting resources. Initial details of the RFI will be shared with the NER-SC at its December 7 meeting. The RFI process will be announced in late 2017 and conclude in the second half of 2018. <u>Ongoing</u>: IESO to provide regular briefings on various elements of Market Renewal for DM/CoS and Minister.
3. Industrial Conservation Initiative (ICI)	
<u>April 2017</u>: Agreement reached with the Ontario Chamber of Commerce (OCC) to provide business consumer outreach/education regarding energy programs such as ICI, energy efficiency, etc. <u>May 2017</u>: OCC provided initial modelling results and detail on its outreach campaign. <u>June/July 2017</u>: ENERGY briefed OCC on ICI and SaveonEnergy programs.	<u>Ongoing</u>: OCC proceeding with outreach/education program <i>Know Your Power</i> regarding energy programs such as ICI, energy efficiency. A proposal has been provided to the Ministry on ICI outreach to their membership. Communications Branch worked with OCC to plan 10 ICI chamber events province-wide, including Windsor, Sudbury, London, Guelph, Burlington, Niagara, Richmond Hill, Ottawa, Thunder Bay and Cobourg. <u>Ongoing</u>: Ministry to work with CME on Energy Management Assistance Program (EMAP) implementation.

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<u>September 20, 2017</u>: Ministry staff met with CME to provide updates on programs. <u>October 3, 2017</u>: <i>Know Your Power</i> website launched. Events ran from October 18 – November 15 2017. <u>Fall 2017</u>: IESO shared responses from the LDCs with respect to ICI participation in various formats; Ministry staff have interpreted the data and compiled the list of 1,100 ICI participants. <u>In Development</u>: Canadian Manufacturers and Exporters (CME) have provided a proposal to the Ministry on outreach to its membership on ICI and other energy programs available to businesses. Ministry staff working with CME on the TPA, for up to \$240,000. <u>In Development</u>: OCC “Know Your Power” website, logo and event program in collaboration with Communications and Ministry staff. <u>In Development</u>: OCC has submitted proposal to Ministry of Energy to expand <i>Know Your Power</i> program. Following Minister’s letter to OCC of November 9, 2017 regarding the expansion proposal, staff are working with OCC on an amended TPA for an additional (approx.) \$250,000.	<u>Ongoing</u>: Ministry to work with OCC on expanded outreach/education program.
4. Ontario – Newfoundland and Labrador	
<u>August 2017</u>: Ontario and NL Energy Ministers held a bilateral meeting at EMMC 2017 to discuss energy matters, including ongoing electricity trade agreement discussions and the Working Group report. <u>August 17, 2017</u>: ENERGY provided NL a draft report for final review prior to posting.	<u>November 7, 2017</u>: The final working group report was posted.

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<u>October 10, 2017</u> : ENERGY received final comments from NL.	
5. Ontario – Quebec	
<u>June 2017</u>: Hydro Quebec (HQ) provided a formal proposal for an enhanced 8 TWh, 20-year electricity import agreement commencing in 2018. <u>July 2017</u>: Following analysis by IESO, Infrastructure Ontario (IO) and Deloitte, Minister Thibeault sent a letter to Minister Arcand setting out Ontario's response to the HQ proposal, which was found to be misaligned with Ontario's electricity system needs. <u>August 2017</u>: A term sheet prepared by IESO and IO was provided to HQ to guide the next stage of discussions. A response was requested by September 29, 2017. <u>August 2017</u>: Ontario and QC Energy Ministers held a bilateral meeting at EMMC 2017. <u>September 7, 2017</u>: IESO and HQ met. <u>September 8, 2017</u>: Minister Arcand of QC wrote to Minister Thibeault indicating that HQ is working to provide an offer that it mutually beneficial. <u>September 21-22, 2017</u>: Joint ON-QC Cabinet meeting in Quebec City. <u>November 16, 2017</u>: Letter to Minister Morneau stating that any future trade agreement should be a result of a competitive process, and encouraging HQ to participate in IESO's Market Renewal process. Energy East:	<u>Ongoing</u>: ENERGY continues to monitor. Welcome letter sent to new Quebec Energy and Natural Resources Minister. Letter drafted stating that discussions have come to an end as parties have been unable to come to mutually agreeable terms.

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<u>October 5, 2017</u>: With TransCanada's withdrawal of its Energy East applications, the activities of the ON-QC Energy East technical working group have concluded.	
6. Darlington Refurbishment Project	
Project Status and Approvals: <u>December 2015</u>: Cabinet approved OPG to proceed with refurbishing the first unit at Darlington. <u>May 2016</u>: OPG filed a five-year nuclear rate application with the OEB including recovery of Darlington refurbishment costs and smoothed nuclear rates. Ministry is monitoring OEB review process. Oversight: <u>December 2015</u>: IO procurement for new oversight advisor closed. MZ Consulting selected as successful proponent. <u>October 2016</u>: First unit refurbishment began on Darlington unit 2 (i.e., "breaker-open"). <u>March 2017</u>: OPG and Oversight Advisor provided quarterly refurbishment update for Minister. <u>April 2017</u>: OPG successfully completed the first of four major work segments for Unit 2 refurbishment; project remains on-budget and on-schedule. <u>April 2017</u>: OPG paused construction of its D2O (Heavy Water) Storage facility in order to determine the best approach to complete the facility while optimizing costs and schedule. No impact is expected to the overall Darlington refurbishment cost or schedule.	<u>December 2017 / January 2018 (TBC)</u>: Report back to Treasury Board/MBC with Darlington refurbishment update on Unit 2 performance, Unit 3 planning and oversight activities, and analysis of Darlington Off-ramps. <u>Late-2017</u>: Expected OEB decision on OPG's rate application. Ministry to work with OPG to assess ratepayer and financial impacts of the decision in relation to Darlington. <u>Ongoing</u>: OPG and Government Oversight Advisor to update Ministry on any issues as they arise through the process, including status of the D2O Storage project.

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<u>May 2017</u>: OPG and Oversight Advisor provided quarterly refurbishment update for Minister. <u>August 28, 2017</u>: OPG indicated to Ministry staff that D2O Storage facility construction is expected to resume in January 2018 and completed over a period of about 14 months. No impact is expected to the overall Darlington refurbishment cost or schedule. <u>September 11, 2017</u>: OPG and Oversight Advisor provided quarterly refurbishment update for Minister. <u>November 15, 2017</u>: Minister's briefing on Darlington Cabinet submission, including OPG and Oversight Advisor. <u>November 20, 2017</u>: Multi-corners briefing with PO/CO on Darlington Cabinet submission, including OPG and Government Oversight Advisor.	
7. Bruce Power Refurbishment Project (i.e., Agreement Amended and Restated Bruce Power Refurbishment Implementation Agreement (ARBPRIA))	
<u>December 2015</u>: ARBPRIA and amended Bruce site lease were executed. On December 3, 2015, ARBPRIA announcement made. <u>November 2016</u>: OPG/BP publicly released their first collaboration report. <u>May 2017</u>: IESO provided an update to DM/CoS on oversight of the Bruce Power contract.	<u>2017 and Ongoing</u>: IESO to provide periodic updates to the Minister on BP's progress towards first refurbishment, contract price adjustments and emerging risks in accordance with IESO's governance framework for the ARBPRIA. <u>December 2017</u>: BP to provide IESO with the next "Basis of Estimate" (BoE) for the first Bruce unit refurbishment (i.e., Unit 6 refurbishment budget estimate).

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<u>June 30, 2017</u>: BP submitted to the CNSC an application for the renewal of their operating license for a period of 10 years from September 1, 2018 to August 31, 2028. <u>October 23, 2017</u>: IESO provided an update to DM/CoS on oversight of the Bruce Power contract. Note: Ministry staff meet monthly with IESO and Bruce Power to discuss emerging issues in implementing the ARBPRIA.	<u>March 14 and May 30-31, 2018 (TBC)</u>: CNSC to hold two public hearings to consider an application from BP to renew its operating license. <u>October 2018 (TBC)</u>: BP to provide the final BoE for Unit 6 refurbishment for IESO review and decision. <u>Ongoing</u>: BP/OPG to provide annual briefing for the Minister to update on refurbishment collaboration activities.
8. Ongoing Pickering Operation	
<u>December 2015</u>: Cabinet approved OPG's plan to seek the necessary regulatory approvals from the Ontario Energy Board (OEB) and Canadian Nuclear Safety Commission (CNSC) to enable ongoing operation of the Pickering Generating Station up to 2024. <u>May 2016</u>: OPG filed a five-year nuclear rate application with the OEB including recovery of costs to enable ongoing Pickering operation. <u>January 2017</u>: OPG provided an update briefing for the Minister on the status of ongoing Pickering operation confirmatory work. <u>May 2017</u>: International Atomic Energy Agency (IAEA) team of experts released a report which confirmed Pickering's strong commitment to safety. The report was prepared by IAEA's Operational Safety Review Team (OSART) and was based on a site visit in October 2016. <u>June 2017</u>: OPG letter to CNSC with shutdown dates for Pickering (i.e., all units at the end of 2024).	<u>Late-2017</u>: Expected OEB decision on OPG's rate application. Ministry to work with OPG to assess ratepayer and financial impacts of the decision in relation to Pickering. <u>April 8, 2018 and June 26-28, 2018</u>: CNSC to hold two public hearings to consider OPG's Pickering licence renewal application. <u>August 2018</u>: Pickering licence expected to be renewed by CNSC. <u>Late-2018 (TBD)</u>: Report back to Cabinet for final approval once OPG has received licence renewal from CNSC. <u>Fall 2018 (TBD)</u>: Follow-up visit by OSART to Pickering.

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<u>July 2017</u>: Ongoing Pickering operation to 2022/2024 included in 2017 LTEP submission to Cabinet. <u>August 28, 2017</u>: OPG submitted Pickering licence renewal application to CNSC.	
9. OPG – Deep Geological Repository (DBR) for Low and Intermediate Level Waste (LILW)	
<u>February 2016</u>: The federal minister requested that OPG provide additional information on the environmental assessment. <u>December 2016</u>: OPG submitted their additional studies on the DGR to the Canadian Environmental Assessment Agency (CEAA). The CEAA launched a public comment period from January 18 to March 6, 2017. <u>February 2017</u>: 23 members of congress wrote to federal Minister of Foreign Affairs, Chrystia Freeland, voicing their opposition to the proximity of OPG's proposed DGR to the Great Lakes Basin. <u>April 2017</u>: CEAA asked for more information on OPG's additional studies – 23 additional requests related to consideration of alternate locations, analysis of cumulative effects and mitigation commitments. <u>April 2017</u>: OPG briefing for Minister to update on project timeline and next steps after federal minister's decision. <u>May 2017</u>: OPG submitted its response to the CEAA's additional information as requested on April 5. <u>June 2017</u>: OPG briefed Secretary of Cabinet. <u>July 2017</u>: Saugeen Ojibway Nation (SON) wrote to CEAA reiterating OPG's commitment that it would not move forward with the DGR	<u>TBD</u>: OPG is drafting its response to CEAA regarding their request for additional information made on August 21, 2017. <u>TBD</u>: Following OPG's submission, CEAA will make their draft report, including any recommended conditions, available for comment by the public and Indigenous groups. <u>TBD</u>: CEAA expected to provide a final decision package to the federal minister. <u>Ongoing</u>: ENERGY monitoring and developing a strategic approach for Ontario's review and decision-making on DGR project milestones. <u>Ongoing</u>: OPG will continue to engage with U.S. counterparts at both state and federal levels regarding the proposed DGR. ENERGY continues to monitor U.S. interests in OPG's proposed DGR.

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project until SON communities are supportive of it. SON specifically requested that the Federal Minister's decision on the EA should also reflect the outcomes of this commitment before a final decision is made. <u>August 2017</u>: Following SON's request, the Federal Minister requested OPG to provide additional information on the potential cumulative effects of the DGR on SON's cultural heritage as well as potential effects on SON's spiritual and cultural connection to the land before a decision is made. <u>November 2, 2017</u>: OPG briefed DM and CoS regarding project timelines and their understanding of the Federal Minister's request for additional information.	
10. Nuclear Waste Management Organization (NWMO) – DGR for High Level Nuclear Waste	
Seven Ontario sites remain in the NWMO DGR site selection process. MNRF indicates that provincial permits/licenses are inapplicable to NWMO's site assessment work (e.g., borehole drilling). MNRF will instead impose conditions as the owner of Crown land and provide guidance on typical requirements on private land (southern parcels). MNRF will delegate the procedural aspects of any Duty to Consult that arises from borehole drilling to the NWMO. <u>November 2016</u>: Minister's meeting with NWMO. <u>March 2017</u>: MNRF and NWMO established a framework (i.e., MOU) setting out the process for permission for borehole drilling on Crown land and related Duty to Consult responsibilities. <u>May 2017</u>: MNRF received NWMO's application to initiate a single borehole within the Ignace area (Crown Land).	<u>Late 2017</u>: NWMO plans to narrow its site selection process to specific regions in Ontario with the best potential based on safety, transportation and strength of partnerships with Indigenous and other communities in the region. <u>2018</u>: NWMO expects to continue preliminary geological testing with additional boreholes at sites in or near Ignace. NWMO also expects to access private land at sites in southern Ontario for borehole drilling (i.e., Huron-Kinloss and South Bruce). <u>Ongoing</u>: Ministry continues to monitor NWMO process including MNRF arrangements with NWMO related to borehole drilling

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<u>June 2017</u>: NWMO briefing for the Minister. <u>June 2017</u>: NWMO announces that two potential host communities (i.e., Central Huron and White River) are no longer under consideration in the site selection process. <u>September 2017</u>: NWMO briefed the Secretary of Cabinet on siting process, timelines for decisions and next steps for identifying a willing host for its used fuel DGR. <u>October 10, 2017</u>: MNRF entered into an agreement with the NWMO granting them permission to commence borehole testing near Ignace. Applications for two more boreholes near Ignace are under review by MNRF. <u>October 30, 2017</u>: NWMO commenced borehole drilling near Ignace. Drilling activities are expected to continue for about three months. <u>November 23, 2017</u>: NWMO hosted an Ontario ADM forum to provide an update on the siting process, transportation plan, geological testing activities and engagement plan.	
NRCan GoCo Model/CNEA Engagement	
In 2013, the federal government announced its intention to transition the Canadian Nuclear Laboratories (CNL) to a government-owned contractor-operated entity ("GoCo"). <u>June 2015</u>: The federal government announced that the Canadian National Energy Alliance (CNEA) is the preferred bidder. <u>September 2015</u>: GoCo model was implemented through a long-term contract with CNEA to manage and operate CNL.	<u>Fall 2017 (TBC)</u>: Ministry to consider further engagement with CNEA on SMRs and other areas of strategic interest to Ontario's nuclear sector.

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<u>May 2016</u>: The Ministry met with SNC-Lavalin, one of the CNEA Consortium members, to discuss CNEA's 10-year strategy for CNL and the potential for replacing the National Research Universal (NRU). <u>September 2016</u>: Ministry staff met with AECL to discuss the GoCo model from a contract oversight perspective. <u>February 2017</u>: CNL announced its intention to launch a Request for Expressions of Interest (RFEOI) to collect information from SMR vendors and stakeholders on opportunities to deploy an SMR prototype at one of CNL's sites. <u>April 2017</u>: CNL releases its 10-Year Integrated Plan outlining a strategic vision for research activities (e.g., SMRs, hydrogen, fuel fabrication, medical isotopes) and \$1.2 billion in investments over 10 years in the facilities and infrastructure at Chalk River. <u>June 2017</u>: CNL issued the RFEOI (June 1 – July 31) on SMRs. <u>October 17, 2017</u>: CNL released a summary report to its RFEOI on SMRs which summarizes responses from a broad range of stakeholders, including SMR technology developers, potential end users, host communities, supply chain companies and academic institutions. This initiative yielded responses from 80 organizations around the world, including 19 expressions of interest in siting a prototype or demonstration reactor at a CNL campus.	
Proposed Environment Canada Regulation	
December 2016: ECCC posted the Notice of Intent to amend the Reduction of Carbon Dioxide Emissions from Coal-fired Generation of	The federal government indicated a desire to undertake further consultations in 2017 and finalize the regulation by the end of 2018. A formal consultation period will be held upon publication of the

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Electricity Regulations and to develop regulatory requirements for natural gas-fired electricity generation. Under the proposal, performance standards would be applied to new and newly converted natural gas-fired generating stations starting in 2020. Facilities that began operation prior to 2020 will be effectively exempt. <u>February 2017</u>: Minister's letter sent to federal environment minister acknowledging the updated proposal. <u>November 2017</u>: ECCC concluded preliminary targeted consultations.	regulations in Canada Gazette. ECCC is targeting publication for the end of 2017 in order to finalize the regulation by the end of 2018. <u>Ongoing</u>: Ministry continues to monitor.
Energy East and the Eastern Mainline Pipeline Projects (collectively EE)	
<u>October 5, 2017</u>: TransCanada announced it formally withdrew the Energy East and East Mainline Pipeline Project from the National Energy Board review process. The rationale provided by TransCanada to withdrawal these projects included "...the potential for existing and likely future delays resulting from the regulatory process, the associated cost implications and the increasingly challenging issues and obstacles facing the Projects..."	N/A
11. Energy and Mines Ministers Conference (EMMC) and Inter-Provincial Update	
<u>August 2017</u>: Minister Thibeault attended EMMC in St. Andrews, New Brunswick. Energy Ministers endorsed working group deliverables for 2018 EMMC and an approach to delivering a PCF Energy Ministers' Progress Report to First Ministers in fall 2017. <u>October 11-12, 2017</u>: NRCan hosted Generation Energy in Winnipeg, Manitoba.	<u>Ongoing</u>: EMMC Energy Working Group planning for 2018 EMMC. <u>December 9, 2017 (TBC)</u>: It is expected that First Ministers will receive the Synthesis Report on PCF implementation, including the FPT Energy Ministers PCF Progress Report, on December 9, which is the one-year anniversary of the 2016 FMM on climate change.

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<u>October 23, 2017</u>: NRCan circulated the final version of the Energy Ministers' PCF Progress Report to PTs for their Ministers' approval. <u>November 8, 2017</u>: Minister of Energy endorsed the Energy Ministers' PCF Progress Report on behalf of Ontario. <u>November 17, 2017</u>: The Privy Council Office sent the Energy Ministers' PCF Progress Report to PT Deputy Ministers of Intergovernmental Affairs along with the draft Synthesis Progress Report that will incorporate progress reports from all nine Ministerial tables involved in the PCF process. <u>November 17, 2017</u>: FPT Deputy Ministers of Intergovernmental Affairs were asked to provide comments on the draft Synthesis Report. <u>November 29, 2017</u>: FPT Energy ADMs met in person in Montreal as part of the Energy Steering Group (ESG) to discuss the PCF and Canadian Energy Strategy, EMMC Energy Working Groups and planning for 2018 EMMC.	<u>December 2017 (TBC)</u>: It is unclear whether First Ministers will hold an in-person meeting to discuss PCF implementation. MIA-CO advises that Ontario's preference is to have a paper sign-off only. <u>December 2017 (TBC)</u>: The PCF Synthesis report is expected to be made public in early December.
12. Canadian Energy Strategy (CES)	
<u>July 2015</u>: Premiers approved and released CES at the 2015 Council of the Federation (COF) meeting. <u>June 2017</u>: PT Energy Ministers met by teleconference and approved the 2017 CES Progress Report for delivery to the COF Secretariat. <u>July 2017</u>: At the Summer COF meeting in Edmonton, Premiers received and accepted the CES Report. The COF Secretariat did not provide a formal mandate letter to Energy Ministers regarding next	<u>Ongoing 2017</u>: ENERGY continues to participate in CES working groups. Discussions will continue with MIA-CO regarding expectations with respect to linkages between the CES work/deliverables and the Pan Canadian Framework for Clean Growth and Climate Change (PCF) process.

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steps for CES. There has been no follow-up communication from the CES Secretariat since 2017 COF.	
13. National Energy Board (NEB) Modernization	
<u>November 2016</u>: The federal Minister of Natural Resources appointed NEB Modernization Expert Panel. <u>February 2017</u>: EMMC DMs' face-to-face in Toronto included engagement with Panel members. <u>February 2017</u>: Ontario presentation to the Panel supports modernization and interim NEB rules, consideration of Ontario's "Pipeline Principles", and early, meaningful and ongoing engagement with Indigenous communities, provinces and territories. <u>March 2017</u>: Ministry submitted written comments to the Panel. <u>April 2017</u>: Teleconference between ENERGY, MNDM, NRCan and the Panel to discuss Ontario's written comments. <u>April 2017</u>: Minister's briefing on NEB Modernization (and Energy East). <u>May 2017</u>: Panel delivered a report and recommendations to the Minister of Natural Resources. <u>May 2017</u>: Ontario and Quebec met and discussed the two jurisdictions collaborating on a joint letter to NRCan on the recommendations of the Panel report. <u>June 2017</u>: Ontario-Quebec filed joint-letter to NRCan Minister, focusing on:	<u>Ongoing</u>: ENERGY will continue to monitor NRCan's response to the NEB modernization report and Environmental and Regulatory Reviews discussion paper. The federal government will review public comments on the discussion paper, followed by expected draft legislation for introduction by the end of 2017 or early 2018.

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1. Recognition of PT jurisdiction over energy matters; 2. Need for timely decision-making; 3. Ongoing consultation and engagement with PTs; 4. Principle based decision-making; and 5. A predictable framework for reviewing energy projects. <u>June 2017</u>: Federal Government released Discussion Paper on Environmental and Regulatory Reviews. <u>August 28, 2017</u>: ENERGY provided input to an MOECC letter to Minister McKenna on the key environmental and regulatory recommendations of the Discussion Paper.	
14. Cap and Trade / Climate Change	
<u>January 2017</u>: Cap and trade program began. <u>March 2017</u>: First allowances auction – results were announced on April 3, 2017. All available current (2017) allowances sold at \$18.08/tonne. <u>June 2017</u>: Second allowances auction – results were announced on June 13, 2017. All available current (2017) allowances sold at \$18.72/tonne. <u>September 6, 2017</u>: Third allowances auction – results were announced on September 13, 2017. All available current (2017) allowances sold at \$18.03/tonne. <u>September 21, 2017</u>: OEB issued its decision approving the natural gas utilities' 2017 Cap and Trade Compliance Plans, as filed. Note: Final cap and trade rates do not differ from interim rates.	<u>Cap and Trade – Ongoing</u>: MOECC continues to work with Ministry, IESO and OEB on CCAP, electricity sector analysis, electricity imports, the treatment of CHP and engaging with stakeholders as needed. <u>Fall/Winter 2017</u>: MOECC is proposing to release a Discussion Paper re post 2020 design (timing TDB). MOECC and developed amendments to provide clarity for certain customers who hold bilateral agreements for behind the meter cogeneration and posting is expected soon (timing TBD). <u>Q1-2018</u>: First joint California, Quebec and Ontario auction. <u>December 2017/January 2018 (TBC)</u>: ENERGY to work with MOECC to develop GGRA funding options, subject to TB approval, to support the natural gas utilities' proposed procurement of RNG. <u>April 2018 (TBC)</u>: Potential awarding of RNG supply contracts by natural gas utilities, subject to OEB approval and GGRA funding.

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<u>November 6, 2017</u>: The public consultation period ended for MOECC's EBR posting to amend the existing cap and trade program regulations to provide for linking, setting 2021-2030 caps and other administrative amendments. <u>November 9, 2017</u>: Enbridge Gas Distribution and Union Gas filed their 2018 Cap and Trade Compliance Plans. The plan included a proposed RFP to procure long-term contracts for Renewable Natural Gas (RNG) supply, with funding support from the GGRA to mitigate the incremental cost impact to consumers.	<u>Climate Change Action Plan – Ongoing</u>: ENERGY has regular meetings with MOECC on CCAP items.
15. Financial Accountability Officer (FAO) Requests	
<u>June 2016</u>: The Ministry received a request from the Financial Accountability Officer (FAO) for information to evaluate the “market risks” associated with anticipated revenues from Darlington and Bruce refurbishments. <u>September 2016</u>: IESO and OPG provided information to FAO for a follow-up request seeking additional analysis on alternatives to refurbishment and price sensitivities for performance and off-ramps. <u>February/March 2017</u>: FAO updates for Ministry staff to provide timeline for review and release of the final refurbishment report. <u>March 2017</u>: FAO provided draft report on nuclear refurbishment to Ministry for review and comments related to accuracy and completeness of the various aspects of the report. Ministry staff reviewed and provided comments. <u>March 2017</u>: ENERGY provided comments to the FAO on its nuclear refurbishment draft report. <u>May 24, 2017</u>: FAO report on Ontario's Fair Hydro Plan was released.	<u>November 21, 2017</u>: FAO released final report on nuclear refurbishments. <u>Winter 2018</u>: Target date for FAO final report on Ontario-Quebec Electricity Trade Agreement.

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<u>August 2017</u>: The Ministry received a request from the FAO for analysis on the electricity trade agreement between IESO and Hydro Quebec effective from 2017 to 2023. The IESO has received a similar request from the FAO. <u>September 2017</u>: The FAO requested that documents on the impact of the partial sale of Hydro One on Ontario's fiscal position and electricity prices be shared by September 26. <u>September 2017</u>: The FAO provided a revised draft nuclear refurbishment report to Ministry for comment. Ministry response sent to the FAO regarding the electricity trade request indicating that the Ministry relied on the analysis provided by IESO who is the counterparty to the agreement. <u>October 6, 2017</u>: Ministry provided comments to FAO on revised draft. <u>November 21, 2017</u>: FAO released report on nuclear refurbishments confirming refurbished nuclear as the most cost-effective source of low-emissions electricity for Ontario's ratepayers over the long-term.	