RE: Delivery charges question

From:	"Orsini, Steve (CAB)" <"/o=govon/ou=exchange administrative group (fydibohf23spdlt)/cn=recipients/cn=orsini, steve (cab)306">
To:	"McEachern, Gillian (OPO)" <gillian.mceachern@ontario.ca>
Cc:	"Bevan, Andrew (OPO)" <andrew.bevan@ontario.ca>, "Rowe, Mary (OPO)" <mary.rowe@ontario.ca>, "Bromm, William (CAB)" <william.bromm2@ontario.ca>, "Kwamena, Boafoa (CAB)" <boafoa.kwamena@ontario.ca>
Date:	Fri, 03 Feb 2017 18:21:44 -0500
Attachments:	Delivery charge one pager.docx (18.41 kB)

Gillian,

Good questions. The option I raised with the Premier is a $55 cap for delivery charges (which includes distribution charges) for households.

Here is a preliminary note. Energy is including it in their package of options, which they will share with us on Monday. There are still kicking the tires.

In addition, Energy is also looking at other GA options such as OEB oversight and creating a regulatory asset held by the IESO. The idea is to create a regulatory asset (debt is not book until the higher rates kick many years later) similar to OPG rate smoothing. This has a lot of accounting issues, but addresses some of the other concerns we had. They will need more time to think this through.

Steve

From: McEachern, Gillian (OPO)
Sent: February-03-17 5:22 PM
To: Orsini, Steve (CAB)
Cc: Bevan, Andrew (OPO); Rowe, Mary (OPO)
Subject: Delivery charges question

Hi Steve,

The Premier mentioned today that you'd presented an option to cap delivery charges that would cost $790 million, but there's some confusion about what that cap would be. Was the for delivery or distribution charge, and for all customers at $50? Would it mean halting the work OEB doing on fixed rates?

Does it build on what we were presented with by Energy on Wednesday?

Trying to respond to some questions on it but wasn't sure what it included.

Thanks,
Gillian