MNRF

- MNRF's PRRT is a consensus item tracking to December 7.
- With our recommendations, they are marginally above their allocation in 18-19 (0.8M) and below it in 19-20 (-3.6M) and 20-21 (-5.1M)
- They identify a few key risks, most notably the associated impacts of Bill 148 and wage settlements with respect to collective bargaining. We are directing them to manage the increased costs from within their existing allocation and are inquiring about the decisions with regards to the hiring of summer students.
- Of their key decisions, we are approving 3 temporary FTEs for resource revenue sharing capacity within the ministry. This is in additional to funding some capacity within the affected FN communities. We are also approving 5 temporary FTEs for negotiations on Pic River. Please note, these FTEs are for one year.
- We are also approving a negotiation mandate for discussions with the Government of Quebec on the revision of rent for the water-powers of the Ottawa River. The current arrangement expires in 2017. We are seeking additional information about this item, including upside and downside risks, a potential ceiling, and the intersection within the broader conversation on energy exchanges with Quebec.
- I will also note that they are seeking increases in NTR beyond their current approvals, largely in 19-20 and 20-21, most notably in parks and hunting and fishing licenses. This is to move these items to cost-recovery.

ENERGY

- ENE's PRRT submission is tracking for December 7th for 30 minutes as a discussion item.
- With our recommendation, and as a result of updated forecasts largely concerning the OFHP, the ministry is significantly below their allocation in all three years.
- In the areas seeking key decisions, we are approving a placeholder amount and regulatory costs for pending agreement with the Metis nation of Ontario; approving the program savings of $35M; and not approving ENE's request to seek this as an offset for the International Energy Demonstration Fund, as the 2016-2017 PRRT minute on MNO directed that all savings would be returned to TB and not reallocated within the ministry.
- On electricity rate mitigation, we are approving their forecast update on the OFHP; deferring their FTE request, and not allowing them to use their forecasted savings on the OFHP to offset pressures in their TP lines. This policy would be counter to the standards to which we hold all forecasting. We instead will manage the risk centrally at TB and offset from the CRF if the ministry cannot find internal offsets.

- Finally, with the LTEP initiatives (the international energy demonstration fund and the Smart Grid fund), we are approving in principle.
- The IEDF is a targeted support program covering up to 50% of total costs, between $250,000 and $2M per project, for projects led by companies in Ontario.
- The Smart Grid Fund is a program to allocate a percentage of funding to projects that modernize the grid, help commercialize ideas and generate economic growth. Past SGF programs include work with data, smart metering and monitoring of home energy usage, electric vehicle usage, energy storage and microgrid developments.
- Some other questions that may be worth asking, on ENE's PRRT, include:
- Affordability fund (This program helps people who do not qualify for low-income conservation programs and who are unable to undertake energy efficiency improvements without support) – where are we on spending the initial $100M? Why benchmark a second 100M?
- The forecasting keeps changing on OFHP, OREC, etc – are we being prudent in accepting their new forecast? Will further revision show additional downward momentum?
- 19 FTEs are being asked for to implement OFHP, with the ministry suggesting they are risk-managing the vacancies right now. Do we agree with the breakdown?