

Ministry of Energy

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MC-2017-XXXX

July XX, 2017

Ms. Kim Marshall
Vice President, Corporate Services and CFO
Independent Electricity System Operator (IESO)
1600-120 Adelaide Street West
Toronto, ON M5H 1T1

Re: Billing requirements under Ontario Regulation 196/17

Dear Ms. Marshall:

I am writing in response to your letter dated July 14, 2017, requesting my approval for the Independent Electricity System Operator (IESO) to follow a different invoicing process, and include alternative wording, than what is required by Ontario Regulation 196/17 (Invoicing Requirements) (the "Regulation") made under the *Ontario Fair Hydro Plan Act, 2017* (OFHPA).

In your letter, you advise that, for technical or operational reasons, the requirements in sections 1 and 2 of the Regulation to include on-bill messaging and provide a quarterly bill insert about Ontario's Fair Hydro Plan (OFHP) would be impractical or unreasonably difficult for the IESO to implement. You explain that the IESO's current billing system would have to be changed to satisfy these invoicing requirements, that it would cost approximately \$40,000 and close to 400 person-hours to do so, and that it would be done only to accommodate two IESO customers.

In addition, you indicate that the IESO's current invoicing processes generate the same on-bill messaging for all IESO market participants, including consumers, generators, importers, exporters and program participants. As a result, introducing OFHP on-bill messaging would cause it to appear on the invoices of many unintended accounts.

Based on your letter, I am satisfied that, for technical and operational reasons, the invoicing requirements imposed under sections 1 and 2 of the Regulation would be impractical for the IESO to implement. I am also satisfied that the proposed alternative to email the specified consumers with the following OFHP message would continue to promote the purposes of the Regulation.

For greater clarity, this email would be sent to specified consumers at the same time invoices are issued, and continue for the 12-month period identified in section 2 of the Regulation.

Proposed email message:

You have received your monthly IESO invoice inclusive of Ontario's Fair Hydro Plan. Ontario's Fair Hydro Plan substantially lowers electricity bills for typical residential consumers. This includes the eight per cent rebate introduced in January 2017, and builds on previous initiatives to deliver broad-based relief on all electricity bills.

This letter is issued pursuant to subsection 3(1) of O. Reg. 196/17.

Sincerely,

Glenn Thibeault
Minister