Ministry of Energy
ISSUES FORECAST: September 05, 2017 to October 16, 2017

Date	Risk	Issue	Tactics	Key Messages
Tue Sep 5	Medium	**UPDATED - EDA Northeast AGM Event** Minister to attend EDA AGM in Sudbury. The Electricity Distributors Association is having their Annual General Meeting in Sudbury. Minister Thibeault will be in attendance, and will be giving a speech followed by a question and answer session. There will be a special focus on distributors in the Northeast and the issues they face.	Q&As	• Ontario's Fair Hydro Plan (OFHP) brings in new initiatives that cut costs directly on your electricity bill and is ensuring costs are shared more fairly over the years ahead. • We are taking decisive action by lowering electricity bills for all residential consumers by 25 per cent on average. As many as half a million small businesses and farms will also benefit. The Plan includes the eight per cent rebate introduced in January and builds on previously announced initiatives to deliver broad-based rate relief on all electricity bills. Taken

				together, these measures are the single largest reduction in Ontario's history. • People with low incomes and those living in eligible rural or remote communities will receive even greater savings - as much as 40-50 per cent • These are significant bill savings that will make a real difference.
Fri Sep 15 TBD	FYI	UPDATED - **OEB to issue decision on Hydro One's transmission rate application** The Ontario Energy Board expects to issue a decision for Hydro One's 2017-18 Transmission Cost of Service Application later this month. Hydro One Networks Inc. has applied to the Ontario Energy Board to increase the cost of using its transmission system. If its application is approved, Hydro One has calculated that this will increase a typical residential customer's monthly bill by $0.41 in 2017 and $0.48 in 2018. The Ontario Energy Board's decision on this application will have an effect on all electricity consumers in Ontario. The cost of transmission is reflected in the delivery charges included on bills. https://www.oeb.ca/participate/applications/current-major-applications/eb-2016-0160	Housebook/Issue note, Q&As, Agency response	• On May 31, 2016, Hydro One filed an application with the Ontario Energy Board requesting its transmission revenue requirement for the two-year period 2017-18. As a result of the request, Hydro One estimates transmission rates will increase 4.6% in 2017 and 5.2% in 2018. o If approved as filed, Hydro

					One estimates that these increases would result in a typical Hydro One R1 (medium density) residential customer using 750 kWh per month seeing a total bill increase of about 0.2% in 2017 and 0.3% in 2018. • These rates enable Hydro One to maintain a reliable, cost effective transmission system and make investments to renew aging infrastructure and address longer-term transmission system needs. • The OEB has a thorough and transparent process to assess cost-of-service applications, such as Hydro One's Transmission Application. The OEB process allows for interested parties, such

				as groups representing consumers and industry, to participate. The OEB is the independent regulator of electricity and natural gas utilities in Ontario, with a mandate to protect the interests of consumers, among other things.
Fri Sep 15 TBD	FYI	**UPDATED** - **OEB to release final Cap and Trade natural gas rates** The OEB will be releasing the final costs per cubic metre of natural gas for the recovery of costs related to cap and trade. • Under the Climate Change legislation, natural gas distributors are required to comply with the cap and trade program. • Distributors recover cap and trade costs from users connected to their systems. • Since natural gas distributors are regulated entities, any charges associated with gas distributors purchasing emission credits on behalf of customers will need to be reviewed and approved by the Ontario Energy Board (OEB). • OEB undertook a consultation process with natural gas distributors and key stakeholders prior to developing its regulatory framework to assess natural gas distributors' cap and trade compliance plans including the recovery of costs in rates. • On November 24, 2016, the OEB set interim rates of about 3.35 ¢ per cubic metre of natural gas for the recovery of costs related to cap and trade. The actual rate impacts were determined through an OEB hearing process. https://www.oeb.ca/industry/policy-initiatives-and-consultations/consultation-develop-regulatory-framework-natural-gas	Q&As	(*Holding messaging) • The Ontario Energy Board (OEB) regulates the natural gas sector in Ontario with a strong mandate to protect the public interest and ensure that consumers receive reliable, cost-effective natural gas service. • Under Ontario's Climate Change legislation, natural gas utilities will be required to comply with the cap and trade program. •

				Natural gas utilities will recover cap and trade costs from users connected to their systems. As natural gas distributors are regulated entities, any charges associated with gas utilities purchasing emission allowances on behalf of customers will need to be reviewed and approved by the OEB. • The OEB undertook a consultation process with natural gas utilities and key stakeholders to develop a regulatory framework to assess natural gas distributors' cap and trade compliance plans including the recovery of costs in rates.
Wed Sep 20 TBD	Low	**UPDATED - IESO FIT 5 contract offers** The Independent Electricity System Operator (IESO)will be announcing the successful applicants for the Feed-in Tariff (FIT) 5 renewable energy project procurement. FIT 5 has a target of up to	Issues management plan, Q&As	(Holding messaging) • Ontario's clean energy initiatives have

		150 MW. The FIT 5 application window was open from November 7, 2016 to November 25, 2016. IESO received 1,127 applications, which represent a total of 397 MW. The FIT and microFIT programs began accepting applications for both procurements on October 1, 2009. The FIT program is for renewable energy projects greater than 10 kilowatts (kW) and generally up to 500 kW. FIT provides standardized prices, contract terms and program rules that apply to all participants, which may include municipalities, public sector entities, co-operatives, Indigenous communities and companies. FIT contract recipients generate renewable energy and sell it to the province at a guaranteed price for a fixed contract term (20 years for solar, wind, bioenergy and 40 years for hydroelectric).		attracted billions of dollars of new investment, supported thousands of jobs, and increased the share of clean energy in our supply mix. In 2016, Ontario's electricity generation was over 90 per cent emissions-free. • Launched in 2009, the Feed-In Tariff (FIT) program allows a variety of eligible participants, including homeowners, farmers, municipalities, schools, public sector entities, co-operatives, Indigenous communities, business owners and private developers, to generate renewable energy. • Small FIT projects typically supply electricity to local distribution systems, helping to

				reduce demand on the transmission grid and supporting some of the needs of local communities.