

FW: Draft CBN

From: "Hughes, Karen (TBS)" <karen.hughes@ontario.ca>
To: "Angus, Helen (TBS)" <helen.angus@ontario.ca>
Cc: "Veinot, Cindy (TBS)" <cindy.veinot@ontario.ca>, "MacIntyre, Kyle (TBS)" <kyle.macintyre@ontario.ca>, "Laughton, Patrick (TBS)" <patrick.laughton@ontario.ca>
Date: Mon, 20 Feb 2017 18:09:31 -0500
Attachments: CBN - Electricity Price Protection Feb 19 11am_CEFD_v2 + TBS-PEMD edits.docx (411.14 kB)

Please find attached the last version of the CO pink note we have with comments. This is probably too much but helps to make you aware of some of the questions that remain. CO has picked up most of our comments over the weekend.

Martha sent the latest minute earlier this afternoon. I haven't seen a final version of the TB note but the team is working on it.

Hope you enjoyed the great weather this weekend.

Karen

From: Laughton, Patrick (TBS)
Sent: February 20, 2017 4:12 PM
To: Hughes, Karen (TBS); Veinot, Cindy (TBS)
Subject: Fw: Draft CBN

FYI, Felix's comments on the Cabinet note can be found below.

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Fung, Felix (TBS) <Felix.Fung@ontario.ca>
Sent: Monday, February 20, 2017 4:07 PM
To: Chochla, Megan (CAB)
Cc: Laughton, Patrick (TBS); Strang, James (TBS); Morgenstern, Madeleine (TBS); Arbabzadeh, Nina (TBS)
Subject: RE: Draft CBN

Hi Megan,

Please see attached my edits to your pink note – I have added to the version that Ron Kwan shared earlier. My comments are in the comment boxes, highlighted in yellow. I think Karen and Cindy have shared their comments on the GA piece, so as you will see, most of my comments are around the risks with the various electricity support programs. Some key highlights – though not sure if Energy would be able to answer these questions.

- We don't have a good understanding of the models/assumptions embedded in them to really verify the estimated fiscal impacts of the electricity support programs. As such, there is a risk that the forecast / estimates could fluctuate as models are refined (e.g. OREC). We're going to flag this risk in our TB note, but wanted to flag this for you as well.
- For our TB note, we are also going to flag the risks associated with program uptake and how this

could impact the fiscal impact. For example for the OESP expansion, I'm not entirely sure how they forecasted the expansion cost – is it based on the current uptake rate (i.e., 30%?) or is it based on a higher rate?

- I have a number of questions related to the design of the programs as well – in particular, OESP expansion and the Affordability Fund (which I also flagged the fiscal risks associated with the program and how it may not be one-time). I think a risk from a program design perspective that CO could flag is that we don't really have the data to really evaluate whether these programs are effective and achieving their outcomes. For example for OESP, if the uptake rate is only 30%, why wouldn't we look at whether the program is working well first, before we up the credits? Similarly, I'm not entirely sure why we would create a new Affordability Fund, without understanding whether the existing HAP program could be expanded – or modified to work better.

Anyway, we will be highlighting these risks in our TB assessment note – but not sure if it's worthwhile to mention them as well in the CO pink note.

I've included Patrick and my ADMO in this email – so that they are aware of the comments that I've shared. We might have more comments as we continue to review/as materials continue to evolve.

Hope this is helpful and happy to chat further.

Thanks,
Felix

From: Chochla, Megan (CAB)
Sent: February-20-17 2:42 PM
To: Fung, Felix (TBS)
Subject: Re: Draft CBN

Hi again, I have some feedback from Ronald K, will flip that to you separately.

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Chochla, Megan (CAB)
Sent: Monday, February 20, 2017 1:53 PM
To: Fung, Felix (TBS)
Subject: Re: Draft CBN

Ok thx. I'll be in the office at 330 so if you've got comments by then I would greatly appreciate it!

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Fung, Felix (TBS)
Sent: Monday, February 20, 2017 11:32 AM
To: Chochla, Megan (CAB)
Cc: Strang, James (TBS)
Subject: Re: Draft CBN

Thanks Megan. I will take another look (I got some comments from Karen and Cindy), so will see if there comments overlap mine. Will send you something in the afternoon.

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Chochla, Megan (CAB)

Sent: Monday, February 20, 2017 7:55 AM
To: Fung, Felix (TBS)
Subject: Re: Draft CBN

Morning, hope you're feeling better! I'll be working on edits this aft. Martha got some edits from Cindy late yesterday. I'll check in with you before I finalize the CO products.

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Chochla, Megan (CAB)
Sent: Sunday, February 19, 2017 9:25 PM
To: Fung, Felix (TBS)
Subject: Fw: Draft CBN

Felix, see attached from energy. CO will have more edits on top of these. Do you plan to have tbs (or mof) edits by tomorrow afternoon?

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Katona, Keley (ENERGY)
Sent: February-19-17 7:39 PM
To: Greenberg, Martha (CAB); Imbrogno, Serge (ENERGY); Thompson, Scott (MOF); Angus, Helen (TBS); Orsini, Steve (CAB)
Cc: Davidson, Steven (CAB); Foster, Robert (CAB); Hughes, Karen (TBS); Bromm, William (CAB); Kwamena, Boafoa (CAB)
Subject: Re: Draft CBN

Hi Martha,
We have reviewed the CBN and minute. Our comments are tracked in the attached. I've also attached clean versions for ease of reference. Let us know if you have any questions.
Keley

From: Greenberg, Martha (CAB)
Sent: Sunday, February 19, 2017 10:48 AM
To: Imbrogno, Serge (ENERGY); Thompson, Scott (MOF); Angus, Helen (TBS); Orsini, Steve (CAB)
Cc: Davidson, Steven (CAB); Katona, Keley (ENERGY); Foster, Robert (CAB); Hughes, Karen (TBS); Bromm, William (CAB); Kwamena, Boafoa (CAB)
Subject: Draft CBN

Hi,

Attached please find a draft of the CBN for the price mitigation item. There are still placeholders in the note and some embedded comments that will need to be filled in based on final submission and there are some sections that would benefit from advice/proposed language from MOF/OFA and TBS/OPCD.

We have attempted to capture some of the risks flagged in emails last night and this version aligns to the minute sent around yesterday afternoon.

(Serge/Keley – we sent a draft note to you yesterday morning, this note is slightly updated to reflect the emails of yesterday as well as some feedback we received from Steven and TBS).

Same password.

Comments/questions/concerns – please share!

Thanks,
Martha

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