

RE: Draft GA Leg

From: "Fenton, Shannon (TBS)" <shannon.fenton@ontario.ca>
To: "Veinot, Cindy (TBS)" <cindy.veinot@ontario.ca>, "Graham, Helen (TBS)" <helen.graham@ontario.ca>
Cc: "Hellings, Chelsea (TBS)" <chelsea.hellings@ontario.ca>, "Proulx, Didem (TBS)" <didem.proulx@ontario.ca>, "Ng, Sandy (TBS)" <sandy.ng@ontario.ca>, "Hosick, Sarah (TBS)" <sarah.hosick@ontario.ca>, "Shannon, Ben (TBS)" <ben.shannon@ontario.ca>
Date: Tue, 25 Apr 2017 17:25:29 -0400
Attachments: Scanned from a Xerox multifunction device.pdf (227.21 kB)

Hi Cindy and Helen (and Sarah),

We've been trying to bend our minds around a way to map out the "logic" of the proposed legislation, and wondered if we should use the structure that is proposed in the policy documents as the framework to do that.

There's a diagram on p14 of the March 1 Cabinet deck that is also on p10 of the CAB assessment note for March 1. I don't have it electronically, but have scanned that page and attached it for your reference.

If you think that this structure still holds true, our thought is to layer the sections of the proposed legislation and any assumptions we can derive from it onto a version of this diagram. If there are boxes or arrows that you're particularly concerned about, we can focus on those. This may help you identify gaps or test the strength of the different sections.

Assuming this makes sense, we'll continue working on this approach to the logic model, as well as reconciling the proposed legislation with the funding model, operational risks, etc.

We're also hoping to confirm some of the terminology from the legislation proposal that doesn't match earlier policy documents, just to make sure we're speaking the right language:

- **Clean Energy Adjustment:** Amount payable as a result of the financing plan
- **Fair Allocation:** Calculated discount allocation amount to customers, based on the Toronto Hydro customer 750 kWh base case
- **Fair Adjustment:** Relates to the "mitigation" and "rate increase" phase of the model, allowing room in regulations to prescribe the necessary rate to ensure that borrowing does not exceed \$28B
- **Clean Energy Benefits:** Benefits (discount) given to customers as a result of GA smoothing
- **Clean Energy Costs:** Deferred costs that needs to be paid in the repayment period as a result of GA smoothing
- **True Up Amount:** References regulation to reconcile the differences in amount billed vs. amount collected
- **Financial Services Manager:** OPG
- **IESO Funding Shortfall:** Aggregate discount given across Ontario through this plan. Regulatory asset will be established – a variance account will be created to address the

funding shortfall (financial instrument)

Thanks!
Shannon

From: Veinot, Cindy (TBS)
Sent: April-25-17 11:25 AM
To: Proulx, Didem (TBS)
Cc: Hellings, Chelsea (TBS); Fenton, Shannon (TBS)
Subject: RE: Draft GA Leg

Probably makes sense to meet with me first – I have time at 1 today if we could make that work?

Thanks,

From: Proulx, Didem (TBS)
Sent: April-25-17 11:17 AM
To: Veinot, Cindy (TBS)
Cc: Hellings, Chelsea (TBS); Fenton, Shannon (TBS)
Subject: RE: Draft GA Leg

Cindy – Chelsea is the analyst in charge of the Energy file. Given it has been largely Sophie's team working on the model, I am not sure if Chelsea has been engaged in the discussions to date. Having said that, we are more than happy to bring her up to speed.

Is there someone in your team Chelsea should be touching base with re this? Please let us know and we will get the ball rolling.

Cheers,
Didem

From: Veinot, Cindy (TBS)
Sent: April-25-17 10:11 AM
To: Proulx, Didem (TBS)
Subject: Draft GA Leg

Didem. I'm looking for resources to take the draft leg and create a logic model from it. Do you have resources on your team who could do that in a day or so and probably tomorrow? I'm worried that as so many changes get made an unintended change is made and missed.

Cindy

Sent from my BlackBerry 10 smartphone on the Rogers network.