

**Office of
Legislative Counsel**

Suite 3600, Whitney Block
99 Wellesley Street West
Queen's Park
Toronto Ontario M7A 1A2

Tel (416) 326-2841
Fax (416) 326-2806

**Bureau des
conseillers législatifs**

Bureau 3600, Édifice Whitney
99, rue Wellesley ouest
Queen's Park
Toronto (Ontario) M7A 1A2

Tél. (416) 326-2841
Télécopieur (416) 326-2806



Date : November 9, 2017

Re : ENE

Proposed regulation under the Ontario Fair Hydro Plan Act, 2017

Amending - O. Reg. 206/17

GENERAL

reg2017.0628.e05

This proposed regulation has been sealed under the authority of the Registrar of Regulations.





Executive Council
Conseil exécutif

Order in Council Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation de la personne soussignée, la lieutenant-gouverneure, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

the appended Regulation be made under the
Ontario Fair Hydro Plan Act, 2017.

Recommended _____
Minister of Energy

Concurred _____
Chair of Cabinet

Approved and Ordered _____
Date

Lieutenant Governor

R.O.C./Décret (R)

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Authority Verified
Compétence vérifiée _____

Please print name
Nom en lettres
moulées s.v.p. _____

Telephone
Téléphone _____

Recommended by the
Management Board of Cabinet on
Recommandé par le Conseil de
gestion du gouvernement le _____

Secretary
Secrétaire _____

CONFIDENTIAL
Until filed with the
Registrar of Regulations

REG2017.0628.e
5-TP

ONTARIO REGULATION

made under the

ONTARIO FAIR HYDRO PLAN ACT, 2017

Amending O. Reg. 206/17

(GENERAL)

1. (1) Subsection 1 (1) of Ontario Regulation 206/17 is amended by adding the following definition:

“acceleration of a funding obligation” means,

- (a) a portion of the principal amount owing in respect of the funding obligation has become due and payable by a financing entity before the scheduled payment date, maturity date or redemption date, or
- (b) a party to a derivative agreement in respect of the funding obligation has elected to close-out or terminate the agreement, resulting in an obligation on a financing entity to pay a termination amount, close-out amount or similar amount;

(2) Paragraph 2 of the definition of “readjustment amount” in subsection 1 (2) of the Regulation is amended by striking out “exceeds the fair allocation amount” and substituting “exceeds the absolute value of the fair allocation amount”.

2. (1) Subsection 5 (1) of the Regulation is amended by adding “and section 6.1” after “subsection (2)” in the portion before paragraph 1.

(2) Subparagraph 2 ii of subsection 5 (1) of the Regulation is revoked and the following substituted:

- ii. For any period before May 1, 2021, amounts received during the period in respect of funding rebates and carrying costs.

- ii.1 For any period on and after May 1, 2021, amounts received during the period in respect of funding rebates.

3. Subsection 6 (3) of the Regulation is amended by adding “Subject to section 6.1” at the beginning.

4. The Regulation is amended by adding the following section:

Acceleration

6.1 (1) Despite the acceleration of a funding obligation at any time, the Financial Services Manager shall, for the purposes of determining the clean energy adjustment and the true up amount under section 15 of the Act, determine the estimated finance amount and the true up amount as if no acceleration had occurred.

(2) If the application of subsection (1) results in the estimated finance amount being less than what it would have otherwise been, the Financial Services Manager shall add an additional amount to the estimated finance amount determined under subsection (1), which additional amount shall be calculated as follows:

1. Estimate the sum of amounts that constitute the clean energy adjustment for each month during the reference period, determined in accordance with subsection (1).
2. Estimate the sum of amounts that would have, in the absence of subsection (1), constituted the clean energy adjustment for each month during the reference period.
3. Determine the lesser amount of the following:
 - i. The sum estimated under paragraph 2.
 - ii. The fair allocation amount for the reference period.
4. Determine the amount, if any, by which the amount determined under paragraph 3 exceeds the sum estimated under paragraph 1.

5. (1) Subsection 14 (2) of the Regulation is amended by adding the following paragraph:

3. Subject to subsection (2.1), if the fair allocation amount in respect of the reference period is either a negative amount or an amount that is less than the carrying costs of financing entities during the reference period, the Financial Services Manager may include all or a portion of the carrying costs in clean energy adjustments to be collected from specified consumers for the reference period.

(2) Section 14 of the Regulation is amended by adding the following subsection:

(2.1) Paragraph 3 of subsection (2) does not apply in respect of the carrying costs of financing entities that are paid by the IESO under section 9.1.

Commencement

6. This Regulation comes into force on the day it is filed.