

EDA Weekly - Volume 17, Issue 21 - May 24, 2017

From: Electricity Distributors Association <edanews@eda-on.ca>
To: "Whittington, Matt (ENERGY)" <matt.whittington@ontario.ca>
Date: Wed, 24 May 2017 16:00:54 -0400



May 24

Volume 17, Issue 21

Contact Information

*Electricity Distributors
Association, 3700 Steeles Ave.
West, Suite 1100, Vaughan,
ON L4L 8K8*

*Tel. 905-265-5300
Toll Free 1-800-668-9979
Fax 905-265-5301
www.eda-on.ca*

To download a pdf version of
the EDA Weekly [click here](#).

Upcoming Councils

[Human Resources Council](#)
May 26

[Communicators Council](#)
May 30

[Regulatory Council](#)
May 30

Upcoming Events

In This Issue:

EDA NEWS

[Changing Workplaces Review Issues Final Report; Government to Respond Next Week](#)

[The Financial Accountability Office of Ontario's assessment of the Province's Fair Hydro Plan](#)

[OEB Issues Accounting Guidance to all LDCs](#)

[Changes to Regulatory Registry Posting Regarding Bill Presentment](#)

[Federal Government Releases Technical Paper on Federal Carbon Pricing Option](#)

[REMINDER: Register for the HR Council meeting to discuss strategies for developing the next generation of skilled workers](#)

[REMINDER: Register for the Communicators Council meeting to discuss Ontario's Fair Hydro Plan and customer engagement](#)

[Regulatory Council to address customer service rules, Fair Hydro Plan, market renewal and regulatory streamlining](#)

[Friends of the EDA Luncheon](#)

EDA EVENTS

[Register today for the EDA's 2017 Directors Summit – Featured Topic: Understanding Enterprise Risk](#)

[Save the date for A Practical Review of EVs in Ontario – a member-exclusive forum](#)

[Mark your calendars – the first EBIC conference is on October 25 and 26](#)

MEMBER HIGHLIGHTS

INDUSTRY NEWS

EDA NEWS

[Directors Summit](#)

June 1

[Energy Business Innovation Conference](#)

October 25-26

EDA NEWS

[Changing Workplaces Review Issues Final Report; Government to Respond Next Week](#)

On May 23, the Minister of Labour released the final report and recommendations of the government's Changing Workplaces Review, a panel tasked to consider the broader issues affecting the workplace and assess how the current labour and employment law framework can be updated. Although designed to address issues such as precarious work conditions, the report has the potential to impact all workplaces, including LDCs, by its recommendations to change substantial elements of the *Labour Relations Act* and *Employment Standards Act*.

The Minister noted that a response from the government to the report can be expected next week. The government has not yet said which of the 173 recommendations it will act on, but some of the report's notable suggestions are as follows:

- A rule that lets students under 18 to be paid less than minimum wage should be phased out over three years.
- Part-time, casual, contract, temporary and seasonal employees should be paid the same rate as a full-time employee doing comparable work.
- Extend basic health benefits such as drug, dental, vision and mental health services to part-time, temporary, contract, casual and seasonal employees.
- Interns and trainees should be defined as employees and afforded the same rights.
- Give all employees personal emergency leave: all employees should get seven days, plus three days of bereavement leave.
- Increase family medical leave from eight weeks in half a year to 26 weeks in a full year.
- Strengthen enforcement for employees owed vacation pay, wages, severance or termination pay.
- Extend collective bargaining rights to domestic workers, hunters and trappers, architects, dentists, land surveyors, legal and medical professionals, and farm workers.
- If an employer interferes unionization discussions, the certification of the union should go ahead without a vote and the first contract should be decided through arbitration.
- Once 20 per cent of the prospective members of a bargaining unit are in favour of unionizing, employers should be required to give the union contact information for all employees.

The EDA plans to do substantial work on the legislative response by government to the report's recommendations. Work on the association's efforts will be done at its HR Council and a preliminary overview of this project will be discussed at the May 26 meeting. See meeting details below. LDC members can also expect a more fulsome analysis of the LDC implications for the government's plan once any legislation is tabled.

For more information, please contact the EDA's [Derek Nardone](#) , Government & Stakeholder Affairs Analyst at (905) 265-5348.

[The Financial Accountability Office of Ontario's assessment of the Province's Fair Hydro Plan](#)

The Financial Accountability Office (FAO) Spring 2017 report assesses the Province's Fair Hydro Plan (FHP) and estimates that in combination the HST rebate, electricity cost refinancing and changes to electricity relief programs will:

- Cost \$45B over 29 years;
- Provide \$29B of savings to eligible electricity rate payers; and
- Result in a net cost to Ontarians of \$21B.

As of 2022, bills to customers are expected to increase by 6.8 per cent annually, on average. In the period from 2028-2045 the bills remitted to the eligible customers will be 4 per cent higher than they would have been, despite the HST rebate.

According to the FAO's report, the debt load arising from the FHP is projected to peak at \$26.2B in 2027. Commencing in 2028, this amount is to be amortized and repaid by eligible ratepayers in the amount of \$2.2B annually (note: assuming a 5 per cent interest rate). The Province is assumed to finance 45 per cent of the debt at an interest rate of 4.5 per cent and OPG Trust is assumed to finance the remainder at an interest rate of 5.4 per cent. As the FAO's report points out, the \$45B cost estimate assumes that the province balances its budget over 29 years. If the FHP is funded through debt the costs could range from \$69B to \$93B.

The FAO reviewed the financing structure of the FHP and analyzed the proposed accounting treatment of \$2.5B of electricity cost refinancing. Under the proposed accounting, the IESO records this amount as a regulatory asset in order to account for the future repayment of the electricity cost refinanced from eligible rate payers. The FAO's report points out that the electricity cost refinancing initiative is not directly related to the actual cost of generating electricity because contracts between generators and the IESO do not change. The FAO's report states that "In this sense the costs of the Province's proposal are more like direct financing costs for electricity ratepayers." (FAO Spring 2017, An Assessment of the Fiscal Impact of the Province's Fair Hydro Plan, p. 14) and recommends that assurance be obtained from the Office of the Auditor General of Ontario that the proposed accounting treatment meets Canadian public sector accounting standards.

Access more information at: [FAO Website](#)

For more information, please contact the EDA's [Kathi Farmer](#), Senior Regulatory Affairs Advisor, at 905-265-5333.

OEB Issues Accounting Guidance to all LDCs

The Ontario Energy Board (OEB) wrote all LDCs on May 23 to provide guidance on RPP settlement true up and on associated controls, processes and systems relating to RPP settlement claims.

Effective immediately the OEB requires that distributors complete RPP settlement true up and reflect the true up amounts in the RSVA Power Account (1588) and Global Adjustment Account (1589) prior to filing for disposition of these accounts. The true up will capture the difference between the forecast billing and actual billing. The OEB expects that the true ups will be conducted monthly (or, at a minimum, quarterly) and that at yearend it will be completed no later than the date of the settlement claim of the final month of the first quarter of the following fiscal year.

Furthermore, the OEB expects that the balances to be disposed of through rates, are to reflect both the RPP settlement and the true up amounts for the period. Any RPP settlement claims that have not been reflected in a distributor's audited financial statements are to be identified separately in the DVA continuity schedule, as adjustments to the balance requested for disposition. In the following year, these adjustments are expected to be reversed.

The OEB's letter also sets out the expectation that distributors have controls, processes and systems capable of calculating RPP transactions accurately and on a timely basis with an assurance of validity and accuracy, of determining the settlement claim pertaining to RPP true up for the previous fiscal year, and, that these processes can be described.

The OEB's letter is available at: [OEB Website](#)

For more information, please contact the EDA's [Kathi Farmer](#), Senior Regulatory Affairs Advisor, at (905) 265-5333.

Changes to Regulatory Registry Posting Regarding Bill Presentment

In an EDA [May 12 RapidSource](#) the EDA advised LDCs that the Ministry of Energy has posted regulations to support the Fair Hydro Plan legislation related to social programs and bill presentment requirements.

A change in the regulatory registry posting regarding bill presentment was made on Friday, May 19. Specifically, the language regarding the mandated bill insert has been changed to reflect that the Fair Hydro Plan "will" provide savings, as opposed to "would". This change was made to reflect that should all legislative and regulatory approvals be obtained for July 1st, the consumer savings levels would no longer be proposed – programs would be operational.

The below represents the updated language required on bill inserts issued on or after July 1, 2017 (please note change from previous wording "would" to revised wording "will". The new wording is bolded for reference).

Ontario's Fair Hydro Plan

- Electricity bills **will** be lowered by 25 per cent on average for residential consumers
- Rate increases **will** be held to inflation for four years
- As many as half a million small businesses and farms **will** also benefit from this reduction
- Lower-income Ontarians and those living in eligible rural communities **will** receive even greater reductions, as much as a 40 to 50 per cent cut

The posting can be found [here](#).

The EDA reminds members that comments on regulatory postings related to the Fair Hydro Plan are due on June 10, 2017. The EDA will review proposed amendments and will engage its Regulatory Council for LDC feedback. The EDA will continue to participate, along with LDCs, on the Ministry of Energy's Fair Hydro Plan Working Group to address any implementation issues, along with the communications rollout of the Fair Hydro Plan.

For more information, please contact the EDA's [Joyce Mankarios](#), Policy Advisor at (905) 265-5334.

Federal Government Releases Technical Paper on Federal Carbon Pricing Option

On May 18, 2017, the Government of Canada released a technical paper outlining a proposed federal carbon pricing option for provinces that choose not to have their own system in place by the end of 2018.

The federal plan, announced by the Minister of Environment and Climate Change, the Honourable Catherine McKenna, is composed of two elements:

- A levy on fossil fuels that will increase annually.
- Measures to price pollution from industry. This sets limits on pollution and will ensure that the more an industrial facility pollutes above its limit, the more it will pay. The more a facility reduces its emissions below the limit, the more it can earn by selling credits to less efficient competitors.

The cost to households and business will differ based on their energy sources and energy consumption. The paper outlines a starting price of \$10 a tonne on carbon dioxide emissions by the end 2018, increasing to \$50 a tonne by 2022.

The technical paper lacked detail around how revenues will be spent but government has suggested that it will be evaluating how best to return revenues to provinces that take part in the system. As LDCs know, Ontario currently has a cap and trade system in place and it will not be required to be a part of the federal proposed pricing option.

The government plans to table legislation in the fall. The full technical paper can be found [here](#).

The EDA will review the technical paper and its potential implications on the energy sector.

For more information about the federal carbon pricing option, please contact the EDA's [Joyce Mankarios](#), Policy Advisor at (905) 265-5334.

REMINDER: Register for the HR Council meeting to discuss strategies for developing the next generation of skilled workers

Strategies and initiatives to develop the next generation of skilled workers will be the focus of a meeting of the EDA's Human Resources (HR) Council on **May 26 from 10 a.m. to 2 p.m.**

The agenda will also include the latest developments on the Changing Workplaces Review and EDA advocacy related to legalized recreational marijuana in the LDC workplace. Members will also discuss other HR and labour issues in the sector, as well as relevant policy and advocacy updates during the Chair's Roundtable.

As always, all council meetings are open to the entire LDC membership. To participate in-person, please register online through the [EDA website](#).

For call-in details or any other information, please contact the EDA's [Derek Nardone](#), Government and Stakeholder Affairs Analyst, at (905) 265-5348.

REMINDER: Register for the Communicators Council meeting to discuss Ontario's Fair Hydro Plan and customer engagement

The council will now meet from 9 a.m. to 12 p.m., with lunch to follow.

LDC communicators from across the province will address the province's communications strategy for the Fair Hydro Plan as well as best practices in customer engagement at a meeting of the EDA's Communicators Council on **Tuesday, May 30 from 9 a.m. to 12:00 p.m. (with lunch to follow)**.

Representatives from the Ministry of Energy will speak to the Fair Hydro Plan, vehicles for disseminating information and the LDCs' role within the communications strategy.

BEworks, a consulting firm specializing in applying behavioural science to business strategy, will highlight some best practices in customer engagement within this discipline.

LDC members can also look forward to a presentation from Alectra Utilities on the complexities of merger communications, based on lessons learned from the recent merger among PowerStream, Horizon Utilities and Enersource.

LDC members can attend the meeting in person or via webinar. To register for in-person participation, please visit the [Communicators Council page](#) on the EDA website.

For webinar access, or for more information, please contact the EDA's [Andrea Coelho](#), Coordinator, Corporate Affairs and Communications at (905) 265-5323.

Regulatory Council to address customer service rules, Fair Hydro Plan, market renewal and regulatory streamlining

The EDA's Regulatory Council will meet to discuss four significant policy priorities on **Tuesday, May 30, 2017 from 12:30 p.m. - 5 p.m. (lunch included).**

1. *Customer Service Rules*

The OEB is scheduled to present on its Customer Service Rules review. LDCs will help identify opportunities to strengthen customer protection rules, share their experiences during the moratorium on disconnections and ask questions of OEB staff.

2. *Fair Hydro Plan*

Several proposed regulatory amendments have been posted to support the Ontario Fair Hydro Plan. These include the refinancing of the Global Adjustment and other program changes.

3. *Market Renewal*

Staff from the IESO are scheduled to present on the Market Renewal initiative and will highlight opportunities for LDC engagement.

4. *Regulatory Streamlining*

Council members will review specific recommendations for regulatory streamlining that build on the EDA's Long-Term Energy Plan submission.

All LDCs are welcome to participate in the meeting and are encouraged to attend in person.

To register for the meeting, or for more information, please contact the EDA's [Jesse Kulendran](#), Policy Analyst at (905) 265-5364.

Friends of the EDA Luncheon

The annual Friends of the EDA (formerly known as the "Reunion of the Ex Execs") luncheon was held on Thursday May 17 at the Lambton Golf and Country Club in Toronto. Over 30 friends of the EDA were in attendance to catch up with old friends and former colleagues, to reminisce and share many laughs.

This annual event is open to:

- retired commissioners and board members,
- retired utility management team members,
- retired commercial associates,
- past chairs, presidents and board members of the EDA, and
- past leadership team members of the EDA and its legacy organizations.

The luncheon was capped with some memorable speeches and a photo session of the group. Next year's event will be held in the spring.

For more information, please contact the EDA's [Natasha Galati](#), Executive and Administrative Assistant, at 905-265-5343.

EDA EVENTS

Register today for the EDA's 2017 Directors Summit – Featured Topic: Understanding Enterprise Risk

Did you know? Attending the EDA Directors Summit counts towards your professional development.

Join your colleagues, board members and industry leaders for one of the most valued events of the year. As part of the EDA's continuous education program, the Directors Summit, themed "Evolving Trends in Governance" will focus on some of the most important topics you need to

Evolving Trends in Governance , will focus on some of the most important topics you need to know in order to stay ahead in this evolving industry. Attendance at the EDA Directors Summit can be applied towards the Law Society of Upper Canada's annual continuing professional development requirements for lawyers in Ontario.

On Thursday, June 1st at the Holiday Inn Toronto International Airport, the EDA will be hosting an event dedicated to equipping you with the tools and resources needed to stay on top of the changing trends and practices in governance and will provide attendees with the necessary strategies to improve board performance.

Today, even the most sophisticated organizations are finding it difficult to balance their obligation to drive growth with the requirement to adhere to heightened regulatory expectations and manage increasingly complex business risks.

The reality today is that risk management is not solely the responsibility of one individual - everyone in the organization has some degree of responsibility for identifying and helping to formulate appropriate responses to the risks facing the company.

Bill Murphy, a Senior Partner at KPMG, will be joining us to delve into what exactly enterprise risk is and what we can do in order to ensure that your businesses are prepared. Space is limited so register now - this is one event that you can't afford to miss.

[Click here](#) to register for the EDA Directors Summit.

Please [click here](#) to review the agenda for this year's Directors Summit.

Event Pricing

\$399 for non-members

\$499 for non-members

* Prices do not include HST

Accommodations

For hotel accommodations, the EDA offers a special rate* at the Holiday Inn Toronto International Airport, located at 970 Dixon Rd, Etobicoke, ON. Please call 416-674-4343 or email reservations@yyzia.com and mention the Electricity Distributors Association.

For hotel accommodations, the EDA offers a special rate* at the Sheraton Toronto Airport and Conference Centre, located at 801 Dixon Road, Toronto, ON M9W 1J5. [Click here](#) to book your hotel now.

For hotel accommodations, the EDA offers a special rate* at the Crowne Plaza Toronto Airport, located at 33 Carlson Court, Toronto, ON M9W 6H5. [Click here](#) to book your hotel now.

*All Hotel Special Rates are subject to availability.

For more information on the EDA CON::NECT event series, contact [Marica Macura](#), Director, Member Relations and Events at (905) 265-5346.

[Save the date for A Practical Review of EVs in Ontario – a member-exclusive forum](#)

Join the EDA on June 15th at the Sheraton Toronto Airport Hotel & Conference Centre as we explore the future of electric vehicle stations.

Last year the Ontario government announced that it would build 500 electric vehicle (EV) charging stations at 250 locations across the province. This initiative is part and parcel of the Climate Change Action Plan which sets out to reduce greenhouse gas emissions.

Government rules around EV stations present LDCs with the opportunity to play an integral part in the deployment of EV charging locations across the province. The new changes also mean that LDCs can now take a leadership role in promoting electricity conservation and load management.

As the province prepares for this shift towards more sustainable transportation options, the EDA is hosting a member-only forum that will explore the implications and opportunities for the electricity sector to champion this initiative.

The forum will provide attendees with practical information and the latest updates on Electric Vehicle Deployment and will equip you with the tools needed to prepare your business.

Discussion topics include:

- Ministry of Transportation next steps and the impact on LDCs
- Planning and impact perspectives of EVs on distribution systems from the IESO
- The emerging business model of EV charging stations in multi-residential buildings
- EV installations
- Challenges and opportunities for LDCs with EVs

To see the full agenda, please [click here](#).

What: Forum - A Practical Review of EVs in Ontario

When: Thursday, June 15, 2017

Time: 7:30AM - 2:30PM

Location: [Sheraton Toronto Airport Hotel & Conference Centre](#)

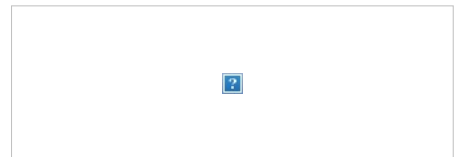
How Much: Early-Bird (before June 1, 2017) - \$399; Regular (after June 1, 2017) - \$425

To register for the Forum, please [click here](#).

Don't miss out on this incredible opportunity to gain insight into the future of sustainable vehicle options and be a part of the conversation.

Mark your calendars – the first EBIC conference is on October 25 and 26

Building on our commitment to advance innovation in the business and operations of the LDC sector, we launched the new Energy Business Innovation Conference (EBIC) under the umbrella of the EDA [CON:NECT Event Series](#). This will be your one-stop shop for updates on information sessions, speakers, planned activities, hotel information and much more.



The EBIC Conference will be held on October 25 and 26 at the Hilton Meadowvale Hotel in Mississauga. EBIC will pave the way for new technology and other advances in the sector, helping you to stay ahead of the curve and gain a competitive advantage. This event is relevant to everyone in your company as it will address the latest in management, communications, human resources, customer service, finance and regulation.

Make sure to check the website often to stay up-to-date as we gear up for this exciting new event.

You can also join our EBIC email list by [clicking here](#).

We look forward to seeing everyone there in October!

MEMBER HIGHLIGHTS

How can cooling water have a chilling effect on the cost of electricity and remove 389 homes off Alectra's grid?

Gracious Living Corporation, a leading injection and extrusion manufacturer in Canada with over 30 years of experience, was recognized Thursday by Alectra Utilities for reducing its electricity consumption through its participation in the utility's Save on Energy RETROFIT program. Gracious Living, with a plant in Vaughan, Ontario, was presented with a cheque in the amount of \$478,240 as a result of its involvement in the program. For more information, please read the [news release](#).

Guelph Hydro extends its call centre hours for the summer

For the convenience of customers, Guelph Hydro Electric Systems Inc. is extending its call centre hours for the summer. Customers who are moving or who have questions about their Guelph Hydro bill or services can call 519-822-3010 to speak with a representative from 8:00 a.m. to 6:00 p.m., Monday to Friday, excluding statutory holidays. For more information, please read the [news release](#).

INDUSTRY NEWS

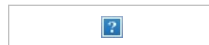
EDA's President and CEO, **Teresa Sarkesian** to speak at the **Mowat Centre's Emerging Energy Trends Conference**. More information is available at: [Mowat Centre website](#).

EDA Chair, **Vinay Sharma** and EDA Past Chair, **Todd Wilcox** to speak about "The Power to Connect" vision paper at the **IESO's 2017 Stakeholder Summit**. More information on the summit is available at: [IESO website](#).

Electricity Human Resources Canada is hosting an employer **webinar** titled from **Diversity to Inclusion** on **June 13** as part of its work on valuing peoples with disabilities in the workplace. More information can be accessed at: [EHRC Canada](#)

Following the passage of amendments to its legislation, the **Ontario College of Trades** was required to develop a **compliance and enforcement policy**. To read the compliance and enforcement policy in its entirety, click [here](#).

Click [opt-out](#) to discontinue receiving the EDA Weekly subscription only.
To unsubscribe to all EDA mailings, click unsubscribe in the footer.



EDA Thanks Its Generous 2017 CON::NECT Event Series Sponsors:

Platinum

+



Platinum

Composite Power Logo



Gold



Silver +



Silver



Event



If you would prefer not to receive emails from us, go [here](#).

Please send any comments about this email to edanews@eda-on.ca

Powered by [Informz](#)