

RE: Bill presentment reg posting

From: "Chatterjee, Jeet (ENERGY)" <jeet.chatterjee@ontario.ca>
To: "Berry, James (ENERGY)" <james.berry5@ontario.ca>
Cc: "Whittington, Matt (ENERGY)" <matt.whittington@ontario.ca>, "Schlaepfer, Martin (ENERGY)" <martin.schlaepfer@ontario.ca>, "Berg, Denna (ENERGY)" <denna.berg@ontario.ca>
Date: Tue, 07 Nov 2017 17:32:19 -0500

James,

Below is the QnA requested. Let me know if you have any further questions.

Jeet

Q: Why am I still being charged for Rural or Remote Rate Protection? I thought the cost of this program was being moved off of electricity bills .

A: Ontario is reducing electricity bills for all customers by moving costs of social relief programs from ratepayers to the provincial taxbase. This includes the majority (~85%) of the cost of the Rural or Remote Rate Protection (RRRP) program, as well as the full cost of the Ontario Electricity Support Program (OESP).

Ontario's Fair Hydro Plan has also broadened RRRP to provide distribution rate protection to up to 800,000 customers of some of the highest cost Local Distribution Companies. The full cost of the expanded program is funded through the taxbase.

A small portion of pre-existing RRRP costs – used to support customers of Algoma Power and First Nations communities served by Hydro One Remotes - remains supported by ratepayers. The rate assistance provided to these communities is determined by the Ontario Energy Board, Ontario's independent energy regulator, when it sets distribution rates for these communities. Moving the substantial majority of RRRP costs to the taxbase has reduced RRRP costs for the average customer from \$1.58/month to \$0.23/month.

Jeet Chatterjee
Senior Policy Advisor, Deputy Minister's Office
Ontario Ministry of Energy
P: 416-327-7025

From: Berry, James (ENERGY)
Sent: November-06-17 12:31 PM
To: Chatterjee, Jeet (ENERGY)
Cc: Whittington, Matt (ENERGY); Schlaepfer, Martin (ENERGY)
Subject: RE: Bill presentment reg posting

No concerns with moving forward.

Can you please work with issues/comms to come up with a Q and A on the ratebase versus tax base piece below, considering we've been saying all along that the total costs of RRRP (and OESP) would be removed from the ratebase?

From: Chatterjee, Jeet (ENERGY)
Sent: November-06-17 12:19 PM
To: Berry, James (ENERGY)

Cc: Whittington, Matt (ENERGY); Schlaepfer, Martin (ENERGY)
Subject: RE: Bill presentment reg posting

Hey James,

Just following up on this. Talked to staff and they said that Andrew/Matt raised this during the OFHP discussions earlier this year and eventually were fine with Hydro One Remotes/Algoma Power staying on the rate base. This was also flagged in our Cabinet deck that went to Cabinet earlier in the year on OFHP. Attached is that Cabinet deck – these issues are discussed slides 48, 49, 50.

Just wanted to send this over quickly since staff urgently need to post the bill messaging posting on the reg registry or risk missing our implementation deadlines. Given that the posting is a draft and can be amended later, hopefully there are no concerns with going ahead.

Jeet

Jeet Chatterjee
Senior Policy Advisor, Deputy Minister's Office
Ontario Ministry of Energy
P: 416-327-7025

From: Berry, James (ENERGY)
Sent: November-03-17 5:46 PM
To: Chatterjee, Jeet (ENERGY)
Cc: Whittington, Matt (ENERGY); Schlaepfer, Martin (ENERGY)
Subject: Re: Bill presentment reg posting

Yeah, some more info on Monday would be appreciated.

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Chatterjee, Jeet (ENERGY)
Sent: Friday, November 3, 2017 5:41 PM
To: Berry, James (ENERGY)
Cc: Whittington, Matt (ENERGY); Schlaepfer, Martin (ENERGY)
Subject: Re: Bill presentment reg posting

Hi James,

I can get a formal response from division but I understand this remaining RRRP is to do with Hydro One Remotes and Algoma Power, and staff had flagged for folks the administrative risks of moving this funding.

The vast majority of RRRP has been shifted to the tax base.

If you want further information/clarity, I can get you an answer on Monday.

Let me know.

Jeet

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Berry, James (ENERGY)

Sent: Friday, November 3, 2017 4:47 PM
To: Chatterjee, Jeet (ENERGY)
Cc: Whittington, Matt (ENERGY); Schlaepfer, Martin (ENERGY)
Subject: RE: Bill presentment reg posting

Okay, good to know. Will the cost of RRRP eventually be taken off the ratebase? Otherwise, this doesn't seem consistent with what we've been saying publicly, which is that we would be shifting the cost to provincial revenues.

From: Chatterjee, Jeet (ENERGY)
Sent: November-03-17 3:25 PM
To: Berry, James (ENERGY)
Cc: Whittington, Matt (ENERGY); Schlaepfer, Martin (ENERGY)
Subject: RE: Bill presentment reg posting

Sorry thought I had added that in my original email.

Staff are saying "lowering RRRP" is in fact what we have done – the charge has lowered from \$.0021/kWh to \$.0003/kWh as some costs remain on the ratebase.

Jeet Chatterjee
Senior Policy Advisor, Deputy Minister's Office
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P: 416-327-7025

From: Berry, James (ENERGY)
Sent: November-03-17 2:30 PM
To: Chatterjee, Jeet (ENERGY)
Cc: Whittington, Matt (ENERGY)
Subject: RE: Bill presentment reg posting

This sounds like a good compromise, Jeet. The only item that wasn't addressed is the language around the RRRP and lowering the charge when it comes to the regulatory line savings. I thought the entire cost of RRRP was being removed from the ratebase, not lowered.

From: Chatterjee, Jeet (ENERGY)
Sent: November-03-17 1:36 PM
To: Berry, James (ENERGY)
Cc: Whittington, Matt (ENERGY); Chatterjee, Jeet (ENERGY)
Subject: RE: Bill presentment reg posting

James,

Staff have made changes to the attached. However, regarding the 8% comment, staff are flagging that we are time-crunched to post this on the registry to make the Dec 11th LRC date – we won't have the legal assessment in time. Even currently, the 30 day timeline pushes us past CO's usual deadlines. Staff recommend (as you'll see in the attached) not having the final messaging in there – we can recommend the final messaging once staff/Legal have made a final assessment.

Secondly, given that the primary purpose of this document is for LDCs to begin working on their systems rather than for the public, staff recommend not "plain languaging" terms since the targeted audience is the LDCs.

If you're okay with the attached, we will post today or Monday.

Thanks,

Jeet

Jeet Chatterjee

Senior Policy Advisor, Deputy Minister's Office
Ontario Ministry of Energy
P: 416-327-7025

From: Berry, James (ENERGY)
Sent: November-01-17 6:58 PM
To: Chatterjee, Jeet (ENERGY); Whittington, Matt (ENERGY)
Cc: Schlaepfer, Martin (ENERGY)
Subject: RE: Bill presentment reg posting

Here it is with MO changes and a couple of comments that need to be addressed. Before posting, please sort out the 8 per cent piece with LSB.

Thanks Jeet!

From: Chatterjee, Jeet (ENERGY)
Sent: November-01-17 4:53 PM
To: Whittington, Matt (ENERGY); Berry, James (ENERGY)
Cc: Schlaepfer, Martin (ENERGY)
Subject: Bill presentment reg posting

Matt/James,

Following the briefing right now, attached is the reg posting that staff propose to post on the registry. Staff would like to post this as soon as possible in order for LDCs to begin work on integrating dynamic messaging to be ready for the post Dec 11 LRC submission. Regarding the 8%, given staff/LSB are still working through an assessment for any concerns, they recommend posting as is, and this can be removed later if required.

Let me know if you have any concerns.

Thanks,

Jeet

Jeet Chatterjee
Senior Policy Advisor, Deputy Minister's Office
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