

Re: Fedeli and eliminating exports

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Looks good, I would only suggest adding something that reflects the fact that this is how ALL jurisdictions operate.

Ie. All of our neighbouring state and province System Operators use strategic exports to help manage the supply and demand within their own system. This provides for flexibility and for revenue opportunities for exporting jurisdictions. We are virtually both importing and exporting across different interties in order to most economically balance our system in Ontario.

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Campbell, David (ENERGY)
Sent: Friday, July 7, 2017 10:55 AM
To: Berry, James (ENERGY); Nekolaichuk, Colin (ENERGY); Ruttan, Craig (ENERGY); Whittington, Matt (ENERGY)
Subject: Fedeli and eliminating exports

In light of some questions from PO about Fedeli's comments in Hamilton this week, I've begun drafting some KMs that might be helpful in a response to the PCs. We've let PO know that we think these could be stronger next week, once Ministry has had a chance to provide some messaging on Fedeli's "eliminate exports" idea. But in the event that PO asks us for a more timely response, would appreciate feedback on the direction below.

For reference, the Fedeli story is [here](#). The KMs below are based partly on helpful conversations with Craig yesterday (thanks Craig!).

- Conservative Vic Fedeli was in Hamilton this week suggesting that Ontario should ban all electricity exports to our neighbouring states and provinces.
- Our government has considered this idea before, and rejected it...
 - o Why? Because it's a bad one for the province, and especially for our electricity bills.
- First of all, Ontario does not have sufficient demand to use this electricity. The infrastructure that would be needed for businesses to soak up this energy for free, as Mr. Fedeli suggests, would be expensive to build and would be poor long-term planning.
- Second, Ontario ratepayers benefit from our exports. We only export when it's economically viable, and presents a benefit to the system. According to the IESO, the choice to export has lowered costs to the system by between \$200 and \$300 million per year since 2013.
- So this idea doesn't make sense for the system, and would cost Ontarians more money.
 - o No wonder it comes from the party that hasn't been able to come up with a plan.
- The Conservatives opposed our investments to modernize and clean up our energy system. They voted against our Fair Hydro Plan, which is lowering bills by 25%.
- This is simply a party without a plan for electricity. And when you have no plan for energy, you

have no plan for Ontario.