Message

From: Anthy Lovachis [/O=IMO/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=ANTHY LOVACHISAC2]
Sent: 2017-03-08 1:44:01 PM
To: Alexandra Campbell [/o=IMO/ou=MSX1/cn=Recipients/cn=Alexandra Campbell]
Subject: RE: Today's Rate Mitigation Announcement
Attachments: Fair Hydro Plan QA'S - FINAL.DOCX

I also have the attached Q+A document developed by ministry, which may have some additional information. The affordability fund info is included on page 20-21.

From: Alexandra Campbell
Sent: March 08, 2017 1:15 PM
To: Anthy Lovachis
Subject: RE: Today's Rate Mitigation Announcement

Thanks. I was wondering about the low income stuff as I think that's where IESO Conservation will be involved but I see that's not mentioned in Andrew's email.

Alexandra Campbell | Director, Conservation Alliances and Marketing
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From: Anthy Lovachis
Sent: March 08, 2017 1:12 PM
To: Alexandra Campbell
Subject: FW: Today's Rate Mitigation Announcement

From: Andrew Dow
Sent: March 02, 2017 8:47 PM
To: Bruce Campbell; Kim Marshall; Michael Lyle; Terry Young; JoAnne Butler; Leonard Kula; Doug Thomas
Cc: Jordan Penic; Chuck Farmer; Mary Bernard; Reena Goyal; Glenna Ford; Anthy Lovachis
Subject: Today's Rate Mitigation Announcement

Hi,

As you'll have seen by now, the government announced its rate mitigation plan today – *Ontario's Fair Hydro Plan.* The IESO (Kim Marshall) participated in today's technical briefing for media and briefly spoke to the IESO's role in refinancing the global adjustment.

Here's how the plan impacts the IESO:

- The IESO will work with OPG to facilitate the refinancing of global adjustment over a 30-year term.
  - This will involve the IESO collecting less money from LDCs and transferring the outstanding amount to OPG as an "asset" they will manage
  - Current Ministry of Energy forecasts indicate a GA reduction of about $2.5B per year for consumers over the first ten years, with annual interest costs not exceeding $1.4B
  - Legislation will be introduced that will enable IESO and OPG to refinance GA
  - IESO contracts will not be affected

- The Industrial Conservation Initiative is being expanded by reducing the threshold from 1MW to 500kW and targeting more small manufacturing and industrial customers
- The Rural or Remote Rate Protection will be broadened to cover more customers and its costs will be now be recovered through the tax base
- Market Renewal was cited by the Minister during this morning's press conference and in a media backgrounder as another measure to mitigate rates
  - The backgrounder saying it is "estimated to save at least $200M per year, starting in 2021"

Further information can be found in the government's media materials, attached.

Andrew

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