

Message

From: Martine Band [Martine.Band@oeb.ca]
Sent: 2017-04-28 5:09:21 PM
To: Michael Boll [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=4811917e15054407b665fe16d12ff415-Michael Bol]; Kacaba, Jennifer (ENERGY) [Jennifer.Kacaba@ontario.ca]; Leslie.Wong@opg.com
CC: Calwell, Carolyn (ENERGY/MEDEI/MRI) [Carolyn.Calwell@ontario.ca]; Johnson, Paul (ENERGY/MEDEI/MRI) [Paul.Johnson3@ontario.ca]; Shear, Dan (ENERGY) [Dan.Shear@ontario.ca]; Rehob, James (ENERGY) [James.Rehob@ontario.ca]; Huang, Jackson (MEDG/MRIS) [Jackson.Huang@ontario.ca]; Nelms, Scott (MOF) [Scott.Nelms@ontario.ca]; Hume, Steen (ENERGY) [Steen.Hume@ontario.ca]; Jeannette Briggs [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=148095610f7242f48a5a9da24b1a8a87-Jeannette B]; Kim Marshall [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=b63a22b42bf14587870d93119a054d88-Kim Marshall]; Glenn Zacher (GZacher@stikeman.com) [GZacher@stikeman.com]; Peter Hamilton [PHamilton@stikeman.com]
Subject: RE: Ontario's Fair Hydro Plan

Hi,

We understand that portions of Part II are being revised, so we are not commenting on that Part at all for the moment, nor on any of the related definitions.

In terms of the remainder,

- i. We would again note that there are questions as to the ability of LDCs to implement certain parts of this legislation given their accounting practices, billing systems etc.
- ii. Definition of “licensed distributors” – not sure why there needs to be a reference to a statutory provision for the definition of “distribution system” (there isn’t one in ORECA), but if there does need to be one it should be to the definition of the term under the OEB Act since the licence is issued under that Act. While it may be that the definition of the term “distribution system” is the same under the OEB Act and the Electricity Act at the moment, that may not always be the case (and we haven’t looked at definitions under either Act at the moment to see if that creates any differences).
- iii. There is no longer a definition of “sub-meter customer”, so not sure to whom ss 8(6) would apply. If USMPs are caught, we note that they have mechanisms for passing through amounts on the bill and this provision may be a problem for them depending on what may be prescribed. We are still not sure why USMPs would need to collect the CEA from anyone, as presumably it would come off of the bulk meter bill, nor why USMPs would need this kind of enabling provision.
- iv. We are comfortable with section 206x(3) as written. We don’t really understand the OLC note underneath – if the note is proposing changes to (3), not sure what those are nor what the implications would be.

Thanks for giving us the opportunity to comment.

Martine

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From: Michael Boll [<mailto:Michael.Boll@ieso.ca>]

Sent: April-28-17 4:28 PM

To: Kacaba, Jennifer (ENERGY); Leslie.Wong@opg.com; Martine Band

Cc: Calwell, Carolyn (ENERGY/MEDEI/MRI); Johnson, Paul (ENERGY/MEDEI/MRI); Shear, Dan (ENERGY); Rehob, James (ENERGY); Huang, Jackson (MEDG/MRIS); Nelms, Scott (MOF); Hume, Steen (ENERGY); Jeannette Briggs; Kim Marshall; Glenn Zacher (GZacher@stikeman.com); Peter Hamilton

Subject: RE: Ontario's Fair Hydro Plan

Thank you for the further opportunity to review.

The IESO has identified the following two issues:

- 1) We do not believe Section 6.2xx correctly reflects how the rate would be established nor implemented. We believe the legislation needs to:
 - a. have the OEB determine the difference between (A) the comparison rate referred to in 6.1xx(2), and (B) the rate determined under subsection 6.1xx(1). This becomes the global adjustment rate factor.
 - b. IESO determines the GA rate for Class B consumers as it normally does pursuant to O. Reg. 429/04.
 - c. Electricity vendors (primarily LDCs) invoice non-RPP specified consumers the applicable GA rate less the global adjustment factor determined in (a).

Proposed revisions are attached.

- 2) Section 7xx(2) – we are concerned this may re-introduce the risk that IESO's recovery of the IESO deferral being subordinated to the recovery of the clean energy adjustment. We have not been able to pass this by KPMG but would suggest that paragraphs 1 and 2 be deleted and that the post 2021 rate setting methodology be left entirely to the regulations.

Regards,

Michael

From: Kacaba, Jennifer (ENERGY) [<mailto:Jennifer.Kacaba@ontario.ca>]

Sent: April 28, 2017 2:16 PM

To: Michael Boll; Leslie.Wong@opg.com; Martine Band (Martine.Band@oeb.ca)

Cc: Calwell, Carolyn (ENERGY/MEDEI/MRI); Johnson, Paul (ENERGY/MEDEI/MRI); Shear, Dan (ENERGY); Rehob, James (ENERGY); Huang, Jackson (MEDG/MRIS); Nelms, Scott (MOF); Hume, Steen (ENERGY)

Subject: Ontario's Fair Hydro Plan

Importance: High

Hello,

Please find attached our most recent consultation draft. This is where we are at right now. If you see any fatal flaws please let us know in the next hour.

Jennifer

Jennifer J. Kacaba
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