

Government Affairs Update

Presentation to Corporate Services

April 7, 2017



What's New?

IESO's Government Affairs Team:

- Effort to increase coordination between Government Affairs and Communications groups
- New supervisor of Government Affairs, David Barrett
- Continue to meet 20-25 times per month with government

Government:

- Ontario Fair Hydro Plan announced on March 2
- Long-Term Energy Plan under development
- Government and opposition parties in campaign mode with an eye on the June 2018 election

The Political Landscape

- Electricity rates continue to be the predominant issue, and two of three parties have released their hydro platforms
- Ontario Fair Hydro Plan (Liberal)
 - GA refinancing, enhanced social programs
- Pay Less. Own More. (NDP)
 - Buy back Hydro One; eliminate mandatory TOU; delivery charge changes; full HST rebate; expert panels and more public power
- ? (PC)
 - Plan will not be released anytime soon, but before election

Politics and the IESO

- The IESO is apolitical but must be aware of how politics impacts the IESO
- Compensation
 - Public Sector Salary Disclosure
 - Executive Compensation Framework
- Market Renewal
 - Included in Ontario Fair Hydro Plan
- Ongoing discussions with Hydro Quebec
 - How does a new align with other IESO priorities?
- Ontario Fair Hydro Plan
 - IESO role in GA refinancing

Long-Term Energy Plan

- LTEP will serve as a policy and political document and may result in new roles, responsibilities or targets for the IESO
- Internal LTEP working group established to coordinate IESO perspective on a wide range of topics
- IESO will need to develop an implementation plan afterward, requiring significant coordination internally and with OEB



What to Expect from LTEP

- A more market-driven and technology neutral approach
- A focus on the customer
- Expanding conservation efforts
- Enhancing regional planning