

Government Affairs Update

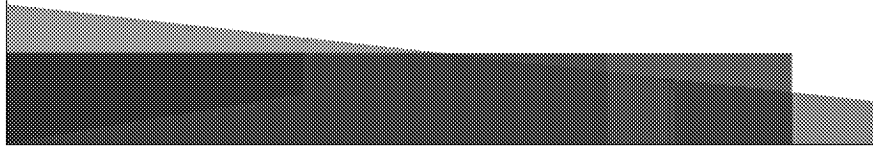
Presentation to Corporate Services

April 7, 2017



Purpose

- Provide an overview of the Government Affairs group, the policy landscape and what it means for the sector and the IESO



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

Government:

- Ontario Fair Hydro Plan announced on March 2
- First Cap and Trade auction results on April 4
- Long-Term Energy Plan under development
- Government and opposition parties in campaign mode with an eye on the June 2018 election

Ontario Fair Hydro Plan

- Electricity rates continue to be the predominant issue, and two of three parties have released their hydro platforms
- Ontario Fair Hydro Plan (Liberal)
 - Global Adjustment refinancing
 - Enhanced social programs
 - Ontario Electricity Support Program eligibility and funding expanded
 - Rural and Remote Rate Protection funding increased
 - Affordability Fund will help customers who do not qualify for existing, low income electricity programs; will pay for energy-efficiency improvements
 - First Nations On-Reserve Delivery Credit
 - Industrial Conservation Initiative eligibility expanded
 - Bills to be reduced ~25% on average (GA refinancing + 8% HST rebate)

Politics and the IESO

- The IESO is apolitical but must be aware of how politics impacts the IESO



- Market Renewal
 - Included in Ontario Fair Hydro Plan



- Ontario Fair Hydro Plan
 - IESO role in GA refinancing

