Government Affairs Update

Presentation to Corporate Services

April 7, 2017

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Purpose

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

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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

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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)

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Politics and the IESO

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

[redacted]

- Market Renewal
  - Included in Ontario Fair Hydro Plan

[redacted]

- Ontario Fair Hydro Plan
  - IESO role in GA refinancing

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