

Message

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Sent: 2017-08-29 11:01:30 AM
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Subject: Inquiry from Parker Gallant on deferred GA amounts under the Fair Hydro Plan
Importance: High

FYI, we wanted to let you know that we've received an inquiry from Parker Gallant. Our proposed response is below.

Parker is looking to get clarity on why the monthly deferred GA amounts under the Fair Hydro Plan amounted to \$394.7 million. What made up this payment? Can we provide a breakdown?

He said it is an abnormally high amount for one month considering that the FAO landed on a yearly sum of \$2.5 billion.

Here is our response:

Under the Fair Hydro Plan ([Bill 132](#)), eligible customers are being provided relief from paying the full cost of electricity through a number of reductions, including lowered Global Adjustment (GA). As a result, the IESO only collects a portion of the full GA from local distribution companies. During May and June, a partial reduction was granted by the OEB to eligible customers, with the full implementation taking effect on July 1, 2017. The deferred GA amount under the Fair Hydro Plan is recorded in a variance account and published to the IESO's website.

The monthly breakdown of deferred GA amounts (in millions) under the Fair Hydro Plan are as follows:

May*: \$ 110.2

June*: \$ 136.6

July: \$ 147.9

**Partial implementation of Fair Hydro Plan*

The full implementation of the Fair Hydro Plan took effect on July 1 but it will take a full month for LDCs to implement the change in their billing cycles, which will be reflected in their August 2017 submission to the IESO.

Please let me know if you have any questions.

Thanks.

Mary Bernard | Manager, Media Relations and Editorial Services

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