Message

From: Beverly Nollert [/O=IMO/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=BEVERLY NOLLERT13B]
Sent: 2017-03-03 3:35:22 PM
To: Joyce Poon [/o=IMO/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=Joyce Poonf49]
Subject: RE: Rate Mitigation Announcement

Flag: Follow up

You are the best!

Beverly Nollert
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From: Joyce Poon
Sent: March 03, 2017 3:25 PM
To: Chris Ciaravino; David Richardson; Anna Lafoyiannis; Beverly Nollert
Subject: FW: Rate Mitigation Announcement

Media information on the Fair Hydro Plan. Be careful in the reading of the documents since I have been told that communication data may be a bit miss leading on how things will flow since that is still going to be determined via the legislation.

From: Jordan Penic
Sent: March 03, 2017 12:09 PM
To: Joyce Poon
Subject: FW: Rate Mitigation Announcement

From: Andrew Dow
Sent: March 02, 2017 2:19 PM
To: Jordan Penic
Subject: Rate Mitigation Announcement

Hi Jordan – how's this for a summary?

The government announced its rate mitigation plan today – *Ontario's Fair Hydro Plan* – and the IESO (Kim Marshall) participated in today's technical briefing for media.

Here's how the plan impacts the IESO:

- The IESO will work with OPG to facilitate the refinancing of global adjustment over a 30-year term.
    - This will involve the IESO collecting less money from LDCs and transferring the outstanding amount to OPG as an "asset" they will manage
    - Current forecasts indicate this will be about $2.5B per year over the first ten years, with annual interest costs not exceeding $1.4B
    - Legislation will be introduced that will enable IESO and OPG to refinance GA
    - IESO contract holders will not be affected
- The Industrial Conservation Initiative is being expanded by reducing the threshold from 1MW to 500kW and targeting more small manufacturing and industrial customers
- The Rural or Remote Rate Protection will be broadened to cover more customers and its costs will be now be recovered through the tax base

- Market Renewal was cited by the Minister during this morning's press conference and in a media backgrounder as another solution to mitigate rates
    - The backgrounder saying it is "estimated to save at least $200M per year, starting in 2021"

Further information can be found in the government's media materials, attached.

Andrew

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