

Standing Committee on Justice Policy

Q: Some have suggested we could achieve savings by simply opening up and renegotiating the contracts IESO holds with power generators. Do you think this would be a helpful approach to finding electricity system savings?

A: Renegotiating contracts is very unlikely to bring immediate reductions to consumers. What we've seen in all our negotiations is that they don't happen overnight. Lots of discussions with various contract holders, engaging all the parties... Extending the contracts may result in giving up some opportunities. Technologies hold the promise that as those contracts expire, we can take advantage of new technologies and any generators' remaining life, through competitive markets.

Q (Todd Smith): Immediate relief vs addressing underlying problems?

A: We certainly saw issues that people were having with their electricity costs, and this plan addresses that short term need. We're also working on a market renewal program so that opportunities for incremental investment happen in a very competitive way. We think over the longer term, that's a good way to put a downward pressure on costs.

Q: Amount of variance account over time?

Q: Would it be possible to provide the committee with a number?

A: We didn't do the modeling. We don't have the actual number. We can make inquiries of the ministry.

Q (Tabuns): IESO didn't do the forecast, didn't do the modeling, who did?

A: Ministry did the forecast, we did some of the underlying forecasts in the OPO, but we didn't do any of the modeling around the plan itself.

Q: Were you involved in the drafting of the legislation?

A: We've been involved in certain areas of the drafting. We involved our lawyers to ensure we had the authorities we needed in order to carry it out.

Q: The OEFC is not actually managing these funds, any reason why the OEFC could not manage?

A: That's a question for the OEFC

Q: Have you seen this approach being used in other jurisdictions?

A: I know some US jurisdictions have gone down this route. Can't name them, but I know others have taken a similar approach.

Q: Were we asked about any structural changes?

A: yes, we're always providing advice about stuff like that.

