Message

From: Susan Nicholson [/O=IMO/OU=MSX1/CN=RECIPIENTS/CN=SUSAN NICHOLSON]
Sent: 2017-03-03 8:27:12 AM
To: Kim Marshall [/o=IMO/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=Kim Marshall9f5]
Subject: Re: Today's Rate Mitigation Announcement

Am I correct that this is not confidential any more. We met with Matt yesterday about auditing the market accounts. I may need some help from IT pulling some info from CRS (not sure yet).

Sent from my BlackBerry 10 smartphone on the Bell network.

From: Kim Marshall
Sent: Friday, March 3, 2017 8:21 AM
To: Lia Kosic; Elizabeth Squissato; Jeannette Briggs; Anthony Martinello; Susan Nicholson
Subject: FW: Today's Rate Mitigation Announcement

fyi

Kimberly Marshall | VP, Corporate Services & CFO
Independent Electricity System Operator (IESO) | T: (416) 969-6232 | C: (416) 545-7202
120 Adelaide Street West, Suite 1600, Toronto, ON M5H 1T1
Web: www.ieso.ca | Twitter: IESO_Tweets | LinkedIn: IESO

Corporate Services collaborates with you to deliver solutions and expertise that enable the IESO to achieve its goals.

Conservation: www.saveONenergy.ca | Twitter: saveONenergyOnt | LinkedIn: saveONenergy

---

From: Andrew Dow
Sent: March 02, 2017 8:47 PM
To: Bruce Campbell; Kim Marshall; Michael Lyle; Terry Young; JoAnne Butler; Leonard Kula; Doug Thomas
Cc: Jordan Penic; Chuck Farmer; Mary Bernard; Reena Goyal; Glenna Ford; Anthy Lovachis
Subject: Today's Rate Mitigation Announcement

Hi,

As you'll have seen by now, the government announced its rate mitigation plan today – *Ontario's Fair Hydro Plan.* The IESO (Kim Marshall) participated in today's technical briefing for media and briefly spoke to the IESO's role in refinancing the global adjustment.

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 Ministry of Energy forecasts indicate a GA reduction of about $2.5B per year for consumers 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 contracts 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 measure 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

Andrew Dow | Analyst, Government Affairs and Issues Management
Independent Electricity System Operator (IESO) | T: (416) 506-2827
120 Adelaide Street West, Suite 1600, Toronto, ON M5H 1T1
Web: www.ieso.ca | Twitter: IESO_Tweets | LinkedIn: IESO
Conservation: www.saveONenergy.ca | Twitter: saveONenergyOnt | LinkedIn: saveONenergy