

Message

From: Tam Wagner [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=70AD853871354761A98848DE59C4C792-TAM WAGNER]
Sent: 2018-06-02 11:05:29 AM
To: Jessica Savage [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=42171042a4154102bf27418f958141e3-Jessica Sav]
Subject: Re: Ontario Rebate for Electricity Consumers Act, 2016

Sort of. We at least heard back from the OEB and both sides are digging into it some more.

Sent from my iPhone

On Jun 2, 2018, at 9:17 AM, Jessica Savage <jessica.savage@ieso.ca> wrote:

Hi Tam --

Just getting caught up on emails. Did this get resolved?

Jessica

From: Tam Wagner
Sent: May 26, 2018 7:33 PM
To: Jessica Savage
Subject: FW: Ontario Rebate for Electricity Consumers Act, 2016
Importance: High

Hi Jessica:

As mentioned, this is the issue that I may need you to get involved in. Below is some background and the email correspondences with Brian Hewson. I have followed up by email on a number of occasions and also left him a voicemail on Friday. If we don't get an interpretation by Wednesday, we will miss this settlement cycle. My suggestion would be that if I don't hear back from Brian by end of day Monday, is it something that you can put a call in to him about? I'm also open to any suggestions you may have to deal with this.

Happy to discuss.

Cheers,
-Tam-

We have been in discussions with the OEB to seek further clarification on an interpretation of the *Ontario Rebate for Electricity Consumers Act, 2016* (ORECA) that the OEB provided to one of our market participants, [REDACTED] and that is used by LDCs.

The OEB's broad interpretation of ORECA is that the 8% rebate is applicable to the entire bulk metered electricity consumption for a university complex that also has a residential complex located on it. This is inconsistent with how we have applied ORECA where it would only apply to the portion of the electricity consumption related to the residential complex. As well, the ORECA electricity consumption is the eligibility basis of the *Ontario Fair Hydro Plan Act, 2017* (OFHPA) Global Adjustment Modifier for non-RPP consumers.

- <!--[if !supportLists]--><!--[endif]-->If using the OEB's interpretation, [REDACTED] would be eligible for a rebate of \$762,000 for the application of the 8% (ORECA) and \$1,648,000 for the application of the GA Modifier (OFHPA) while under the IESO's interpretation, [REDACTED] would be eligible for a rebate of \$18,800 for the application of the 8% (ORECA) and \$37,200 for the application of the GA Modifier (OFHPA).

Given that ORECA is an enforceable provision under the *Ontario Energy Board Act, 1998*, we've decided to defer to the OEB for the interpretation on the application of the 8% rebate. However, we need it formally documented before making any changes to the settlement of [REDACTED] account.

From: Tam Wagner
Sent: May 26, 2018 7:17 PM
To: 'Brian Hewson'
Subject: RE: Ontario Rebate for Electricity Consumers Act, 2016
Importance: High

Hi Brian:

Further to my voicemail on Friday, can you give me an update on this interpretation request? We're hoping to address this issue in this settlement cycle – if we can get an interpretation from the OEB by Wednesday (May 30th), we can still make this settlement period.

Please advise.

Thank you,
-Tam-

From: Tam Wagner
Sent: May 16, 2018 2:50 PM
To: 'Brian Hewson'
Subject: RE: Ontario Rebate for Electricity Consumers Act, 2016
Importance: High

Hi Brian:

Do you have an update on when the OEB could provide the below requested interpretation? We're hoping to address this issue in this settlement cycle, if possible.

Please advise.

Thank you,
-Tam-

From: Tam Wagner
Sent: May 07, 2018 8:31 PM
To: 'Brian Hewson'
Subject: RE: Ontario Rebate for Electricity Consumers Act, 2016

Hi Brian:

As a follow-up to our discussion on the application of the *Ontario Rebate for Electricity Consumers Act, 2016*, the IESO will defer to the OEB's interpretation for the IESO's application. In order to ensure the IESO is applying ORECA in a consistent manner as the LDCs, can you provide the IESO with the interpretation/direction that was provided to LDCs? As the ORECA electricity consumption is the

eligibility basis for the GA modifier under the *Ontario Fair Hydro Plan Act, 2017*, we will be applying the same interpretation/direction to that as well.

Thank you for your help with this clarification.

Cheers,

-Tam-

From: Brian Hewson [<mailto:Brian.Hewson@oeb.ca>]
Sent: April 10, 2018 11:43 AM
To: Tam Wagner
Subject: RE: Ontario Rebate for Electricity Consumers Act, 2016

Hi Tam,

I apologize for the delay I would be happy to discuss this with you and Michael. We have been asked this question before. I am available today until about 1:30 and then back in the office on Thursday.

Brian

Brian Hewson

Vice President, Consumer Protection & Industry Performance

ONTARIO ENERGY BOARD

Direct Line: 416-440-7628

General: 1-866-632-6732

Brian.hewson@oeb.ca

www.ontarioenergyboard.ca

Please note my email address has changed to Brian.Hewson@oeb.ca Please update your address book accordingly

<image001.jpg>

From: Tam Wagner <tam.wagner@ieso.ca>
Sent: Tuesday, March 27, 2018 9:35 PM
To: Brian Hewson <Brian.Hewson@oeb.ca>
Subject: FW: Ontario Rebate for Electricity Consumers Act, 2016

Hi Brian:

I hope you are doing well. I'm writing to follow-up on an issue regarding the interpretation of the *Ontario Rebate for Electricity Consumers Act, 2016* (OREC). Michael Boll from our legal group had reached out to Martine about this and she indicated that you would be able to help us with this. Please see the email correspondence below.

Please let me know if it would be helpful to set up a call to discuss.

Thanks,

-Tam-

From: Martine Band [<mailto:Martine.Band@oeb.ca>]
Sent: March 26, 2018 10:22 AM
To: Michael Boll
Subject: RE: Ontario Rebate for Electricity Consumers Act, 2016

Hi Michael,

Sorry for not getting back to you sooner. Brian Hewson is the person you should be speaking with about this.

Martine

Martine M. N. Band
Associate General Counsel
Ontario Energy Board
Suite 2700, 2300 Yonge Street
Toronto, Ontario M4P 1E4

Direct Line: 416.440.8117
E-mail: martine.band@oeb.ca

Please note my email address has changed to Martine.Band@oeb.ca. Please update your address book accordingly.

From: Michael Boll [<mailto:Michael.Boll@ieso.ca>]
Sent: Monday, March 26, 2018 10:04 AM
To: Martine Band <Martine.Band@oeb.ca>
Subject: RE: Ontario Rebate for Electricity Consumers Act, 2016

Hi Martine,

Have you been able to make progress on this? We would like to discuss this with the OEB before we provide a response to the market participant.

Regards,
Michael

From: Martine Band [<mailto:Martine.Band@oeb.ca>]
Sent: March 09, 2018 12:08 PM
To: Michael Boll
Cc: Tam Wagner; Jeannette Briggs
Subject: RE: Ontario Rebate for Electricity Consumers Act, 2016

Hi Michael,

I am doing well – hope the same for you. I need to reach out to a few people on my end to see how best to move this along, and will get back to you early next week. Hope that's OK.

Martine

Martine M. N. Band
Associate General Counsel
Ontario Energy Board
Suite 2700, 2300 Yonge Street
Toronto, Ontario M4P 1E4

Direct Line: 416.440.8117
E-mail: martine.band@oeb.ca

Please note my email address has changed to Martine.Band@oeb.ca. Please update your address book accordingly.

From: Michael Boll [<mailto:Michael.Boll@ieso.ca>]
Sent: Thursday, March 8, 2018 1:03 PM
To: Martine Band <Martine.Band@oeb.ca>
Cc: Tam Wagner <tam.wagner@ieso.ca>; Jeannette Briggs <jeannette.briggs@ieso.ca>
Subject: Ontario Rebate for Electricity Consumers Act, 2016

Martine,

I hope you are well. I'm writing to raise an issue and initiate a discussion regarding the interpretation of the *Ontario Rebate for Electricity Consumers Act, 2016* (OREC), specifically as it relates to university campuses on which a residential complex is located.

A consultant to an IESO market participant forwarded the below email it received from the OEB regarding the OREC rebate.

From: Industry Relations [<mailto:IndustryRelations@oeb.ca>]
Sent: Tuesday, May 09, 2017 9:34 AM
To: Anna Fitzpatrick <Anna.Fitzpatrick@e2energyinc.com>
Subject: OEB FILE No. IRE-2017-0491 - OREC (8% Rebate) - All - RESPONSE

Dear Anna Fitzpatrick,

This is our response to the enquiry you submitted to Industry Relations.

Specifically, you were asking about qualifying for the OREC 8% rebate.

In addition to the qualifying criteria of using less than 250,000 kwh a year or having a demand of less than 50 kW, an account can also qualify for the rebate if it relates to a residential complex like an apartment building or a condominium. If it is a residential complex it can have usage higher than the 250,000kwh or 50kW demand limits.

If you have a bulk metered account that even partially relates to a residential complex, then that account should qualify for the rebate. The rebate would apply to the entire bill amount, even if the majority of the bill relates to non-residential load.

Thank you for your enquiry. I hope you find this information helpful.

Regards,
Industry Relations

Under OREC, a consumer that has an eligible account is entitled to an 8% rebate on its bill.

Under OREC, “eligible account” means, in respect of a consumer, an account with an electricity vendor, or with a person prescribed by the regulations, for the provision of electricity in Ontario if, [...]

- (d) the account relates to,
- (i) a dwelling,
 - (ii) a property, within the meaning of the Condominium Act, 1998,
 - (iii) a residential complex, within the meaning of subsection 2 (1) of the Residential Tenancies Act, 2006, without regard to section 5 of that Act, or
 - (iv) a property that includes one or more housing units and that is owned or leased by a co-operative within the meaning of the Co-operative Corporations Act, or

The IESO’s interpretation of OREC is that the rebate would not apply to the invoice for the entire bulk metered electricity consumption for a university campus that also has a residential complex located on it. As an example, a residential complex may represent a small portion (e.g. 4%) of the total campus’ load.

The interpretation of an eligible account under OREC would also apply to the definition of a “specified consumer” under the Fair Hydro Plan Act, 2017. If the expansive interpretation expressed in the OEB email above were applied, an entire university campus’ electricity invoice amount would be eligible for the fair adjustment under Fair Hydro.

It has been suggested to the IESO that this expansive interpretation is currently being used by all LDCs across Ontario for this specific subset of consumer.

Please let me know if you would like to have a call to discuss, or if there is someone else at the OEB we should discuss this with.

Regards,
Michael

Michael Boll | Associate General Counsel

Independent Electricity System Operator (IESO) | T: (416) 969-6023
120 Adelaide Street West, Suite 1600, Toronto, ON, M5H 1T1

This email message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.

This electronic transmission, including any accompanying attachments, may contain information that is confidential, privileged and/or exempt from disclosure under applicable law, and is

intended only for the recipient(s) named above. Any distribution, review, dissemination or copying of the contents of this communication by anyone other than the intended recipient(s) is strictly prohibited. If you have received this communication in error, please notify the sender immediately by return e-mail and permanently delete the copy you have received.

Ce message, transmis par courriel, y compris tout fichier joint, peut contenir des renseignements qui sont confidentiels, qui sont protégés par le secret professionnel ou qui ne peuvent être divulgués aux termes des lois applicables et s'adressent exclusivement au(x) destinataire(s) indiqué(s) ci-dessus. La distribution, la diffusion, l'examen ou la reproduction du contenu du courriel par une autre personne que le(s) destinataire(s) voulu(s) sont strictement interdits. Si vous recevez ce message par erreur, veuillez le supprimer définitivement et en aviser l'expéditeur immédiatement par retour du courriel.

This electronic transmission, including any accompanying attachments, may contain information that is confidential, privileged and/or exempt from disclosure under applicable law, and is intended only for the recipient(s) named above. Any distribution, review, dissemination or copying of the contents of this communication by anyone other than the intended recipient(s) is strictly prohibited. If you have received this communication in error, please notify the sender immediately by return e-mail and permanently delete the copy you have received.

Ce message, transmis par courriel, y compris tout fichier joint, peut contenir des renseignements qui sont confidentiels, qui sont protégés par le secret professionnel ou qui ne peuvent être divulgués aux termes des lois applicables et s'adressent exclusivement au(x) destinataire(s) indiqué(s) ci-dessus. La distribution, la diffusion, l'examen ou la reproduction du contenu du courriel par une autre personne que le(s) destinataire(s) voulu(s) sont strictement interdits. Si vous recevez ce message par erreur, veuillez le supprimer définitivement et en aviser l'expéditeur immédiatement par retour du courriel.

This electronic transmission, including any accompanying attachments, may contain information that is confidential, privileged and/or exempt from disclosure under applicable law, and is intended only for the recipient(s) named above. Any distribution, review, dissemination or copying of the contents of this communication by anyone other than the intended recipient(s) is strictly prohibited. If you have received this communication in error, please notify the sender immediately by return e-mail and permanently delete the copy you have received.

Ce message, transmis par courriel, y compris tout fichier joint, peut contenir des renseignements qui sont confidentiels, qui sont protégés par le secret professionnel ou qui ne peuvent être divulgués aux termes des lois applicables et s'adressent exclusivement au(x) destinataire(s) indiqué(s) ci-dessus. La distribution, la diffusion, l'examen ou la reproduction du contenu du courriel par une autre personne que le(s) destinataire(s) voulu(s) sont strictement interdits. Si vous recevez ce message par erreur, veuillez le supprimer définitivement et en aviser l'expéditeur immédiatement par retour du courriel.