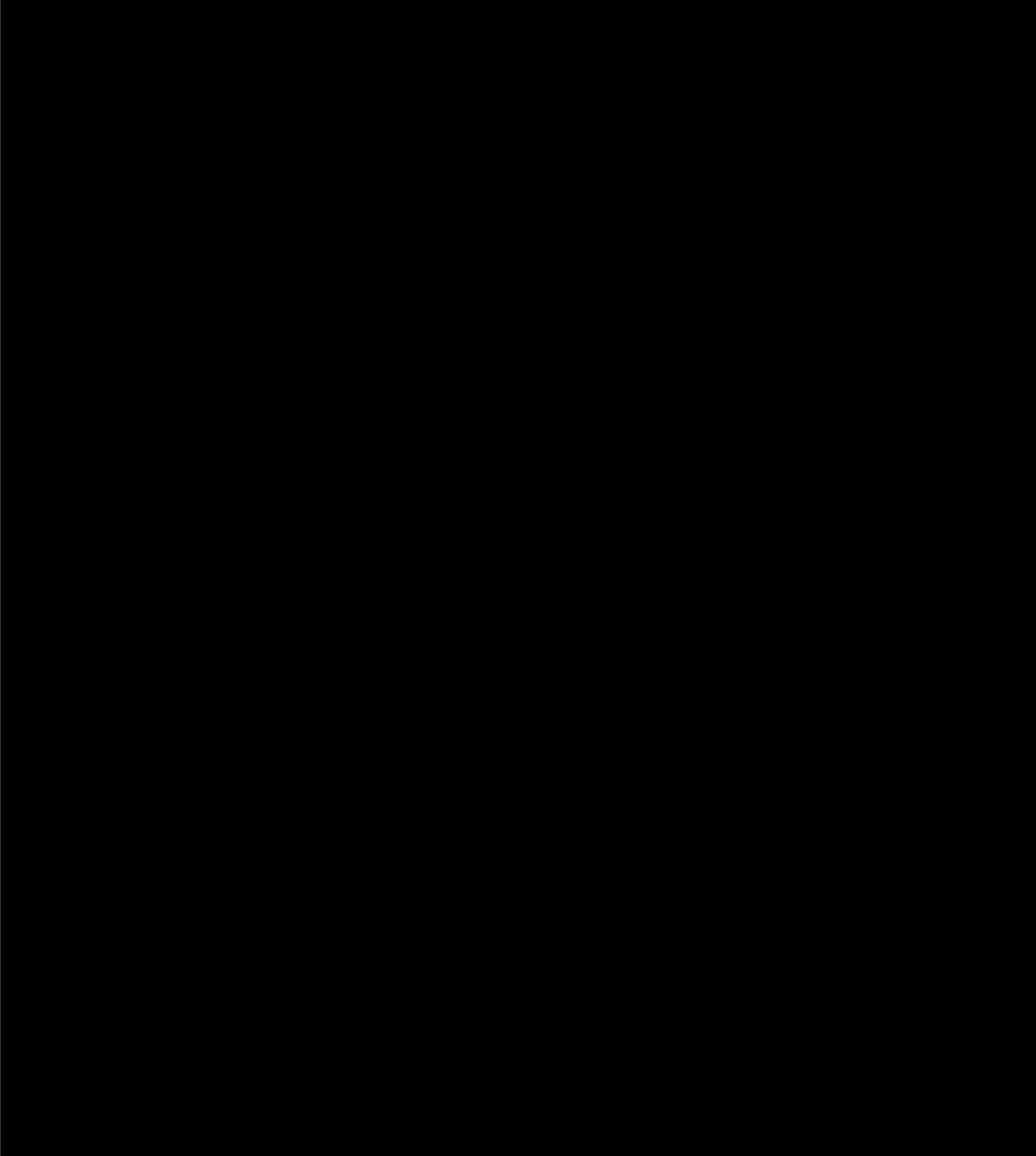


Overview:

The letter from the EDA to Peter identifies the eight key areas of the Conservation First Framework they feel requires the IESO's immediate attention as outlined below. Overall, all of these issues are being addressed through the Mid-term Review.

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3. Targets

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EDA:

The updated Achievable Potential Study (APS) demonstrates a variance between allocated targets and that which is 'achievable' in each service area. Additionally, the Fair Hydro Plan, [REDACTED]

could further reduce the 'potential' attributed to the LDCs savings targets. The EDA recommends a discussion on LDC targets based on the 2015-2016 CFF results, the updated APS as well as new programs introduced, or soon-to-be introduced, to the market.

Key points for IESO:

Achievable Potential Study

- Targets and budgets are one of the key areas being looked at as part of the Mid-term Review. In particular, the introduction of Fair Hydro Plan, [REDACTED] were discussed as part of the session and it was determined that these impacts could not yet be quantified. Also these would be offset by the increase in prices seen in 2015 and 2016, the continued higher prices in place for class B customers, the whole home pilot and the fact that Green Ontario Fund is also promoting existing Save on Energy programs.

- The Fair Hydro Plan, [REDACTED] are government-driven; the IESO can and will engage with LDCs as much as possible within the parameters and guidelines set out by government

