

RE: Amendments to Ministerial Directions Arising from the Long Term Energy Plan 2017

I write in my capacity as the Minister of Energy in order to exercise the statutory power of ministerial direction I have in respect of the Independent Electricity System Operator (IESO) under the *Electricity Act, 1998*, as amended (the “Act”).

Background

Direction

Therefore, pursuant to my authority under subsection 25.32(11) of the *Electricity Act, 1998*, I hereby direct the IESO as follows:

1. Conservation

1.1 Section 2.1 of the Ministerial Direction dated June 10, 2016 is amended by replacing the reference to “two CDM programs” with “three CDM programs” and adding clause (c) to read as follows:

- c. a province-wide smart thermostat program for residential consumers (“Smart Thermostat Program”).

1.2 Section 7.1 of the Ministerial Direction dated March 31, 2014 is amended by adding the following sentence at the end of the section:

Further, ~~projects that purchase fossil fuels as a primary fuel source of small scale behind the meter customer generation will be excluded~~does not, where the application for the project is received on or after July 1, 2018, Projects that use energy that would otherwise be wasted, including fossil fuels, will continue to be eligible~~include generation which uses a fossil fuel as its primary fuel source unless the energy used would otherwise be wasted and the operation of the project results in a net decrease in greenhouse gas emissions.~~

Commented [AL1]: The IESO does not agree that IFMC should be counted towards the CFF target. However, if this remains the policy intention of the Ministry, the IESO will have specific language on how this should be framed in the direction.

2. Support Programs

- 2.1 Section 1 of the Ministerial Direction dated November 21, 2014 titled Support Programs ("Support Programs Direction") is amended by deleting section 1.3.
- 2.2 Section 4 of the Support Programs Direction is amended by deleting the phrase "major transmission lines" in the fourth line and replacing it with "transmission facilities".
- 2.3 Section 5 of the Support Programs Direction is amended by deleting the phrase "and Aboriginal Renewable Energy Network ("AREN") and deleting the phrase "and to provide a web-based resource for conservation and renewable energy development respectively" along with such other modifications as are necessary.
- 2.4 Section 6 of the Support Programs Direction is amended by deleting the phrase "municipalities, public sector entities, and co-operatives".
- 2.5 Section 7 of the Support Programs Direction is amended by deleting the acronym "AREN" in the second line.

Commented [AL2]: The goal of these changes is to preserve the basic framework around the Support Programs for Indigenous Communities, remove references to non-Indigenous communities, remove references to AREN which ought not to be treated as a program funded out of the \$10 million, provide flexibility for funding of transmission (includes possibility of funding re pilot projects that are not major lines identified for procurement process).

This direction takes effect on the date it is issued.