Neil Brodie

From:	Neil Brodie
Sent:	April 27, 2017 5:23 PM
To:	Rosemarie Leclair
Subject:	budget update

This is a quick synopsis of the Budget. I'll go thru it in more detail and see what I can find but there is nothing really new in here, just a rehash of what has already been announced

Chapter 2
Helping You and Your Family

Re-iterates FHP, 25% reduction to electricity rates, FN rate, OESP increase, Affordability fund for energy efficient improvements, RRRP increases.

Reducuing Electricity costs for Businesses

ICI adjustments, IESO market renewal, OEB "drive transmitter and LDC efficiencies and productivity improvements, including the use of innovative technologies and business processes"

LTEP expected to be released "Spring 2017"

Expanding access to Natural Gas. $100M Natural Gas Grant

Chapter 3
Creating Opportunities and Security

Under the title "Supporting Ontario's Manufacturing Sector", there is a reiteration of the ICI adjustments and the paragraph ends with the following. I'm not sure if it is new:

"The Northern Industrial Electricity Rate Program allows qualifying large northern industrial energy consumers reduce electricity costs to help maintain competitiveness."

There is also a rambling explanation of C&T versus a carbon tax.

Investing to grow a low-carbon economy gives money for schools to improve efficiency and install renewal technology

Chapter 4
Public Services You Can Count On

Taking credit for the sale of Hydro One
The Province successfully completed the sale of H1 Brampton to Alectra and the net proceeds from the sale go to the Trillium Fund

Chapter 6

Responsible Fiscal management

Ontario's program expense is projected to be $1.4 billion higher than outlined in the 2016 Budget. This is primarily the result of investments in health care, social services, the Green Investment Fund initiatives and the **Ontario Rebate for Electricity Consumers**.

Not sure if you're interested in this so I copied straight from the budget doc:

Reducing Ontario's Electricity Sector Stranded Debt
Ontario Electricity Financial Corporation (OEFC) interim results for 2016–17 show an estimated excess of revenue over expense of more than $0.9 billion, which would reduce OEFC's unfunded liability (or "stranded debt of the electricity sector") from $4.4 billion, as of March 31, 2016, to below $3.5 billion, as of March 31, 2017. This would be the 13th consecutive year of stranded debt
reduction.
Projected 2017–18 OEFC results are an excess of revenue over expense of about $1.1 billion.
The government dedicates revenues it receives from the electricity sector to the OEFC. All OEFC revenues, including the debt retirement charge (DRC) paid by electricity users, are used to service
and retire its debt and other obligations, as provided for under the Electricity Act, 1998.
Through prudent management of electricity sector debt and other obligations, the government removed the DRC cost from residential electricity users' electricity bills beginning January 1, 2016,
and, as announced in the 2015 Ontario Economic Outlook and Fiscal Review, is ending the DRC as
of April 1, 2018, for industrial, business and other electricity users, such as institutions and not - for -
profits — nine months earlier than previously estimated.
In addition, OEFC will receive a financial benefit related to the secondary offering of Hydro One shares in accordance with section 50.3 of the Electricity Act, 1998. This financial benefit will contribute to paying down stranded debt.