

Hon. Bob Chiarelli  
Ministry of Energy  
Hearst Block  
900 Bay Street, 4th Floor  
Toronto ON M7A 2E1

November 30, 2015

Dear Minister Chiarelli,

*MINISTER*

Last month you introduced Bill 135, the Energy Statute Law Amendment Act, 2015, in the Ontario legislature. The Ontario Energy Association (OEA) has reviewed the bill, and in response to a number of questions and concerns raised by our members I am writing to you provide you with some comments and to respectfully request additional clarification on a number of changes that Bill 135 proposes.

Although Bill 135 includes a consultation requirement, it is ambiguous as to whether all of the listed persons must be consulted, or whether this is at the discretion of the Minister. In the Ministry's consultations on the most recent long-term energy plan (LTEP) you and your staff met directly with our OEA board of directors and members on a number of occasions, and our members felt that this was an extremely effective and inclusive way of conducting the consultation process. I hope you and your team will continue to draw on the expertise of the OEA membership in any future energy plans.

As you may recall, recommendation 2 of the *OEA's Energy Platform*<sup>1</sup> recommends that all energy policy decisions should be transparent and preceded by fulsome public consultations.

Another area of ambiguity is that although the bill would require you to consider the IESO's technical report on the adequacy and reliability of electricity resources, it is not clear if and how this information will actually be incorporated into the plan. Bill 135 also maintains certain ministerial powers to direct the IESO's operations, and gives the Minister the authority to reject the implementation plans put forward by the experts at the IESO or OEB. The merger of the OPA and IESO has brought about renewed confidence on the part of the energy sector in the post-merger IESO's ability to develop and manage power system planning. I understand that the general intent of Bill 135 is to bring greater clarity and consistency to the LTEP process in Ontario. However, the OEA believes that the IESO, as the technical expert, is the natural group to undertake power system planning.

<sup>1</sup> [http://energyontario.ca/images/ENERGYPLATFORM/OEA\\_Energy\\_Platform.pdf](http://energyontario.ca/images/ENERGYPLATFORM/OEA_Energy_Platform.pdf)



As you may also recall, recommendation 2 of the *OEA's Energy Platform* recommends that government should dramatically reduce its powers to intervene in energy decision making, and should also eliminate many of the directive powers currently in the Electricity Act and Ontario Energy Board Act. The OEA believes that power system planning should be carried out by the technical experts at the IESO – individuals who have highly specialized knowledge of, and in many cases decades of experience with, system planning.

It would be most helpful for our members to receive further clarification on the above areas.

If you have any questions or would like to further discuss the OEA's positions on Bill 135 please contact myself or Tina Arvanitis, Vice President, Government Relations & Communications, at 647.920.3269 or [tina@energyontario.ca](mailto:tina@energyontario.ca). We look forward to hearing from you.

All the best,

A handwritten signature in blue ink, appearing to read "B. Huggard", is written over a light blue horizontal line.

Bob Huggard  
President & CEO  
Ontario Energy Association