



CELEBRATING
10
YEARS

OEB STAKEHOLDER CONFERENCE RENEWED REGULATORY FRAMEWORK

ONTARIO ENERGY ASSOCIATION MARCH 28, 2012

THESE SLIDES ARE PART OF AN ONTARIO ENERGY ASSOCIATION PRESENTATION
AND ARE INCOMPLETE WITHOUT ACCOMPANYING ORAL COMMENTARY

THE ONTARIO ENERGY ASSOCIATION

RENEWED CAPITAL SPENDING MODEL

INCENTIVE REGULATION

RATE MITIGATION

REGIONAL PLANNING

SMART GRID IMPLEMENTATION

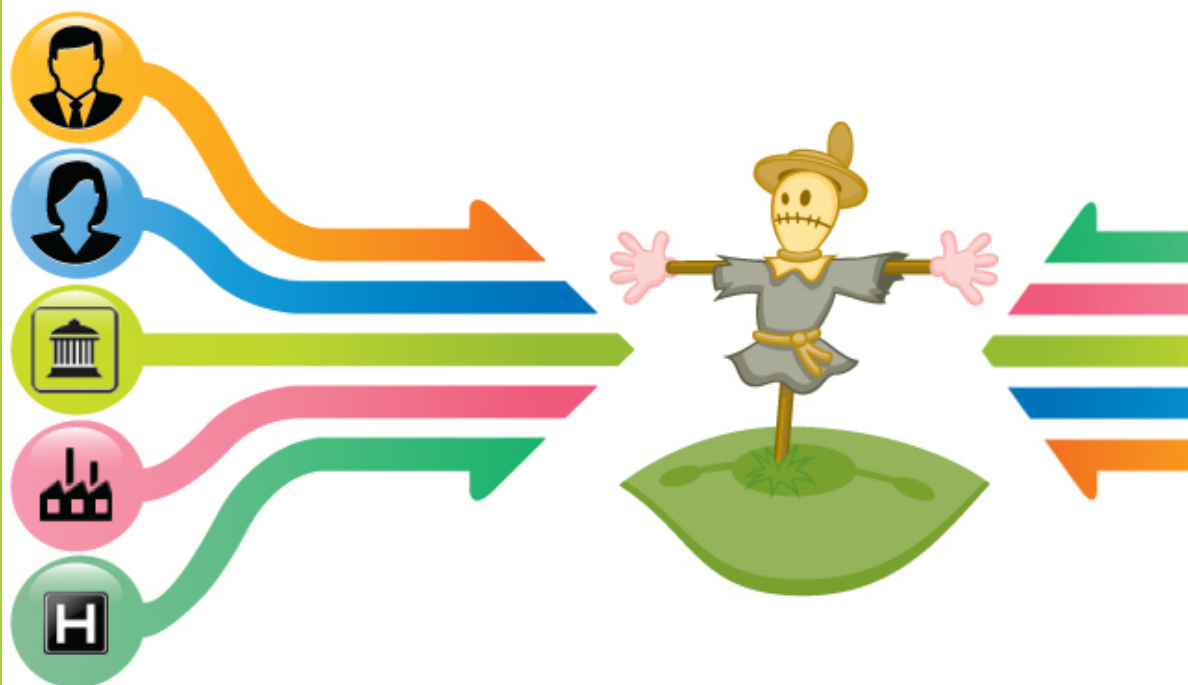


EXECUTIVE INTERVIEWS

OEA COMMITTEE INPUT

FORMAL SUBMISSION

THE ONTARIO ENERGY ASSOCIATION



CONSUMERS

OEB
STRAWMAN

ALL REGULATED
ENTITIES



RECOMMENDATION #1

- ▶ ELIMINATE UNCERTAINTIES RELATED TO THE RECOVERY OF CAPITAL INVESTMENTS
- ▶ ALLOW ALL REGULATED ENTITIES TO EXECUTE PRE-APPROVED CAPITAL PLANS



RECOMMENDATION #2
**THE GAP BETWEEN WHERE
WE ARE TODAY AND THE
NEW MODEL NEEDS TO BE
BRIDGED THROUGH A
TRANSITIONAL MODEL**

INCENTIVE REGULATION



RECOMMENDATION #3

- ▶ CONSULT WITH INDUSTRY IN SETTING PERFORMANCE BENCHMARKS
- ▶ ENSURE DESIRED OUTCOMES ARE COORDINATED WITH APPROPRIATE REPORTING REQUIREMENTS AND NECESSARY LEAD TIMES



RECOMMENDATION #4
IMPLEMENT SIMPLIFIED
REPORTING (FAST-TRACK)
FOR HIGH PERFORMING
REGULATED ENTITIES TO
INCENT AND REWARD
DESIRED BEHAVIOURS

RECOMMENDATION #5

▶ MITIGATION SHOULD BE APPLIED ONLY TO THOSE COSTS THAT REGULATED BUSINESSES DIRECTLY MANAGE

REGULATED ENTITIES SHOULD ALWAYS BE ABLE TO RECOVER MANDATED INVESTMENTS

RECOMMENDATION #6

- ▶ GOAL SHOULD BE TO ACHIEVE INTEGRATED/OPTIMIZED ENERGY SOLUTIONS FOR COMMUNITIES
- ▶ DEFINE AND BE TRANSPARENT ABOUT WHAT *INTEGRATED/OPTIMIZED* MEANS

RECOMMENDATION #7
**IMPROVE COORDINATION
OF REGIONAL ENERGY
PLANNING AMONGST ALL
INVOLVED PARTIES**

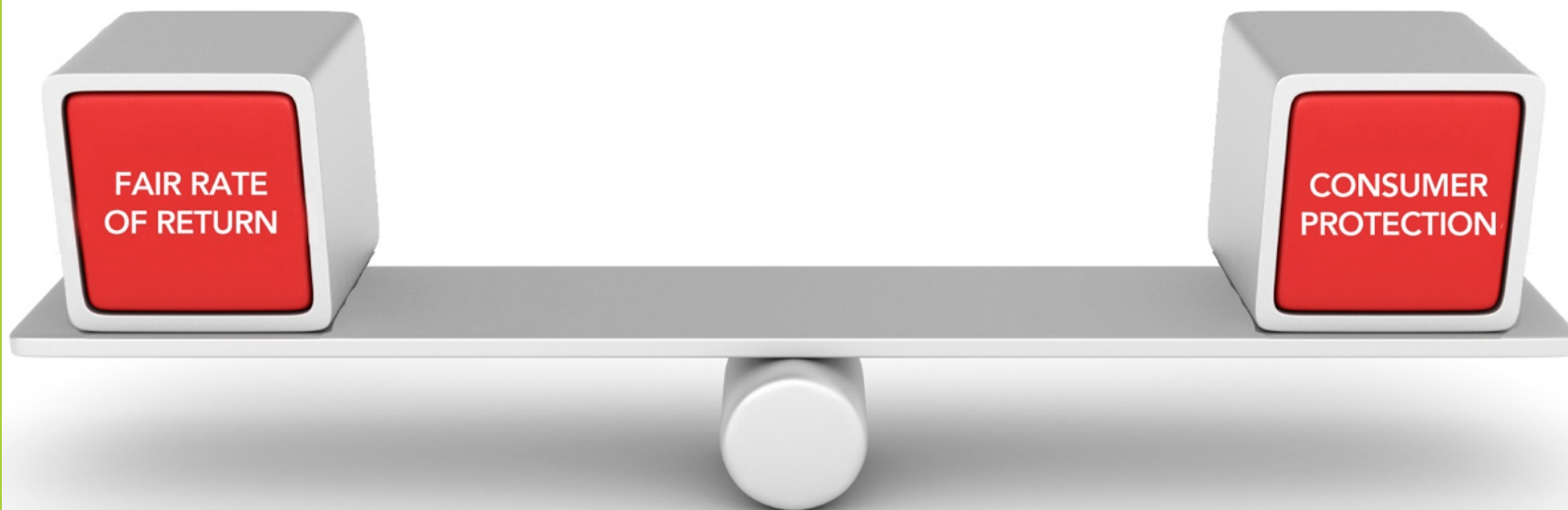


RECOMMENDATION #8
DATA ACCESS RULES MUST
BE EXPEDITIOUSLY
CLARIFIED TO ENABLE
INNOVATION AND THE
COMMERCIALIZATION OF
BEHIND-THE-METER
SERVICES



**MODEL MUST BE FLEXIBLE
AND RECOGNIZE THAT
INEVITABLE POLICY AND
GAME CHANGERS WILL
OCCUR**

SUMMARY



ONTARIO'S **ENERGY** VOICE



Ontario Energy Association

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10
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energyontario.ca