



Ontario
Energy
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BY EMAIL

March 26, 2021

Ms. Miriam Heinz
Advisor Regulatory Affairs
Independent Electricity System Operator
1600-120 Adelaide St. W
Toronto ON M5H 1T1

Dear Ms. Heinz:

**Re: Ontario Energy Board Allocations of CEAP and CEAP-SB Funding to
Licensed Electricity Distributors and Unit Sub-Meter Providers**

Pursuant to a number of decisions and orders issued by the Ontario Energy Board (OEB), the IESO's licence requires the IESO to assist with the implementation of the Government of Ontario's COVID-19 Energy Assistance Program (CEAP) and COVID-19 Energy Assistance Program – Small Business (CEAP-SB). In particular, the IESO is responsible for reimbursing licensed electricity distributors and unit sub-meter providers (Utilities) for credits the Utilities apply to their customers' bills in accordance with CEAP and CEAP-SB, using funds it receives from the government.

Section 23.6 and 24.6 of the IESO's licence state: "The Licensee shall not reimburse a Utility an amount greater than the total aggregated amount of CEAP and CEAP-SB funding that has been allocated to that Utility by the Board."

The initial funding provided by the government for CEAP and CEAP-SB was \$9 million and \$8 million respectively. The OEB allocated those funds amongst the Utilities in letters dated June 16, 2020 and August 7, 2020. The OEB later issued a decision and order amending the licences of the Utilities to allow them to pool the funds from both programs.

On March 26, 2021, the OEB received a letter from the Minister of Energy, Northern Development and Mines (Minister's Letter). The Minister's Letter indicated that the government has approved an immediate \$6 million in additional funding for Utilities that have already, or will imminently have, exhausted their initial CEAP and/or CEAP-SB

allocations. This funding, like the initial CEAP and CEAP-SB funding (collectively, the CEAP 2020-21 Funds), will only be available for applications that are filed with the Utility by May 31, 2021.

The Minister's Letter also indicated that the government is providing a further \$17 million in new program funding to allow utilities to continue to offer CEAP and CEAP-SB in fiscal year 2021-22, beginning April 1, 2021 (CEAP 2021-22 Funds).

The Minister's Letter asks the OEB to allocate these funds amongst the Utilities. The OEB has done this with respect to the \$6 million in additional funding for the CEAP 2020-21 Funds through a letter to the Utilities dated March 26, 2021, which is attached. The IESO is instructed to add these new allocations to Utilities' existing maximum CEAP funding allocations referred to in section 23.6 of its licence.

The OEB will allocate the \$17 million in CEAP 2021-22 Funds to the Utilities at a later date.

Any questions relating to this letter should be directed to the OEB's Industry Relations Enquiry e-mail at IndustryRelations@oeb.ca. Please include "CEAP/CEAP-SB Implementation" in the subject line.

Yours truly,

Original Signed By

Brian Hewson
Vice-President, Consumer Protection & Industry Performance