



Ontario Federation of Agriculture

Ontario AgriCentre

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March 24, 2016

Lindsay Wright, Senior Policy Advisor
Ministry of Energy
Strategic, Network and Agency Policy Division
Energy Networks and Partnerships Branch
77 Grenville Street, Floor 6
Toronto, ON M7A 2C1

Dear Ms. Wright,

RE: EBR #012-6508 - Proposed Amendment to Ontario Regulation 442/01 Rural or Remote Electricity Rate Protection (RRRP)

The Ontario Federation of Agriculture is the largest voluntary farm organization in Canada, representing the interests of over 36,000 farm member businesses, country and regional farm federations, and affiliated agricultural sector commodity groups.

Thank you for the opportunity to comment on the proposed amendment to Ontario Regulation 442/01. While farm members are not directly impacted by proposals effecting remote and northern energy infrastructure, financing associated with improving access to the electric grid impacts all rate payers. We recognize the public good achieved by improving reliability and providing comparable power access to remote communities.

When financially viable opportunities present themselves, Ontario should provide grid access to our remote communities. The OFA supports the proposed amendment to reduce remote community reliance on diesel generator through grid connection. Replacing diesel generators with electrical grid connection aims to reduce GHG emissions, and lessen the costs and environmental risks associated with long distance transport and storage in remote northern communities.

Aligned with the LTEP, the IESO identified 21 of 25 remote northern Ontario communities generating power through diesel generators that could benefit from grid connection. Ontario must continue to work with the four communities not economically viable for connection to the grid to find safe and viable alternatives to improve their power generation, such as micro solutions involving combined heat and power and renewable technologies.

The Rural or Remote Electricity Rate Protection (RRRP) helps ensure remote communities pay similar electricity rates as other Ontario consumers, by contributing funding to operate and maintain local diesel generation and distribution systems. Licensed distributors regulated by the OEB serve 12 of the 21 connectable communities and those communities receive the federal government and Ontario ratepayer funded rate relief. The other nine connectable communities are served by independent power authorities and not eligible for RRRP.



To enable grid connection, we support the proposed amendment to allow RRRP to be used to cover a portion of the costs required to build new and upgraded infrastructure, and operate the lines that would connect remote communities to the transmission grid. We also support the amendments meant to continue to protect rural and remote rates once grid connection is achieved.

Finally, since RRRP is not available to the nine connectable communities served by independent power authorities, we recognize that the proposed amendments will only collect funding to connect the 12 communities served by OEB licensed distributors. The IESO indicated that a significant portion of the infrastructure will be shared by all 21 communities. The OFA notes that fair and unbiased attention is required to ensure cost contributions are financially sound. We look forward to learning more details as proposals are submitted to the OEB on this initiative.

Sincerely,

A handwritten signature in black ink, appearing to read "Don McCabe", is positioned below the word "Sincerely,".

Don McCabe
President