Ministry of Energy

Office of the Minister

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July 29, 2022

Ms Susanna Zagar Chief Executive Officer Ontario Energy Board 2300 Yonge Street, 27th floor PO Box 2319 Toronto ON M4P 1E4

Dear Ms Zagar:

I am writing regarding the development of dynamic pricing pilots for non-Regulated Price Plan (non-RPP) Class B electricity consumers. Further to my letter of November 15, 2021, the pilots will offer an opportunity to assess the potential benefits of dynamic pricing and how it can help businesses to better manage their energy costs and reduce system costs.

I am supportive of the plan to work with the Independent Electricity System Operator (IESO) to design and implement the pilots. I understand that stakeholder and community engagement has already begun, with the application process to commence later this year.

With respect to the funding of the pilots, I encourage the OEB and IESO to work with ministry staff on the specific funding mechanism.

I look forward to the continued development of the pilots and their implementation.

Sincerely,

Todd Smith Minister

c: Lesley Gallinger, President and Chief Executive Officer, IESO Stephen Rhodes, Deputy Minister of Energy