

Fair Hydro Plan Event (Markham)

Purpose

Premier on Tuesday, March 7, you will be touring the Hydro One Call Centre in Markham and participating in a Hydro One customer call. This is an opportunity to interact with call centre employees during a daily team huddle and engage with a Hydro One customer.

Relevant Policy Issues

Fair Hydro Plan

Starting this summer, Ontario's Fair Hydro Plan would provide households, as well as small businesses and farms, with this 25 per cent break. People with low incomes and those in eligible rural communities would benefit from even greater reductions to their electricity bills. As part of this initiative, rate increases over the next four years would be held to the rate of inflation.

These measures include the eight per cent rebate introduced in January and build on previously announced initiatives to deliver broad-based rate relief on all electricity bills.

The plan expands and enhances the Rural or Remote Rate Protection Plan (RRRP) to provide distribution charge relief for Hydro One's Medium and Low Density Customers, and customers of the 7 other highest cost utilities (Algoma Power, Atikokan Hydro, Innpower, Chapleau PUC, Sioux Lookout, Parry Sound, Northern Ontario) benefitting 800,000 Ontarians. The plan also expands eligibility for the Ontario Electricity Support Program (OESP), while increasing the credits by 50%.

Key Messages

- Ontario is committed to keeping electricity in Ontario clean, reliable and affordable.
- We've been making important investments in a cleaner and more reliable energy system, but these investments have led to higher electricity bills.
- We have heard from Ontarians across the province that the costs of these new investments have grown too quickly, which is why we are moving forward with a plan that will ensure costs are shared more evenly.
- The new Rate Relief Plan will bring in more savings now through new initiatives that will cut costs directly on your energy bill.
- Ontario's Rate Relief Plan includes:
 - Refinancing the Global Adjustment (GA) over a longer term period for Regulated Price Plan (RPP) eligible consumers, including families, small businesses and farms.

- Helping vulnerable electricity consumers by enhancing electricity support programs and shifting costs off the electricity bill. Eligible consumers will receive additional funding through assistance programs including:
- Establishing a new Affordability Fund which will support Ontarians who are not eligible for the Home Assistance Program and who have difficulty paying their electricity bills.
- Broadening Rural or Remote Rate Protection (RRRP) to provide distribution charge relief for the customers of the local distribution companies (LDC's) with the highest distribution charges.
- Expanding the Ontario Electricity Support Program (OESP) to increase participation and provide further assistance to eligible participants.
- Establishing a new On-Reserve First Nations Delivery Rate.
- Improving sector efficiency and modernizing Ontario's electricity market, working in collaboration with the Independent Electricity System Operator (IESO) and the Ontario Energy Board (OEB).
- If passed, proposed legislation would mean that starting in the summer of 2017, the average residential electricity bill would be 25% lower.
- We'll do this by changing the way electricity costs are recovered and moving funding for assistance programs off of hydro bills.
- This plan is the biggest rate reduction in Ontario's history. It recognizes that the decision to invest in a clean, modern and reliable was the right one – but that the costs of this decision should not be put on today's electricity bills alone.
- Last year, we offered Ontarians much needed relief by introducing a series of measures to help make life more affordable. This includes:
 - Introducing the Ontario Electricity Support Program
 - Introducing a rebate equal to the provincial portion of the HST to reduce bills by 8% pre-tax
 - Additional relief for eligible rural customers, and
 - Expanding the Industrial Conservation Initiative so more businesses can take advantage of it.

Phil Donelson - 647-530-6642

Biographies

Mayo Schmidt - President and Chief Executive Officer, Hydro One



Mr. Mayo Schmidt is the President and Chief Executive Officer of both Hydro One Limited and Hydro One Inc. and a director of both Hydro One Limited and Hydro One Inc. Prior to joining Hydro One, Mr. Schmidt served as President, Chief Executive Officer, and director at Viterro, Inc., the global food ingredients company.

Early in his career, Mr. Schmidt held a number of key management positions of increasing responsibility at General Mills, Inc. until he joined ConAgra Grain, Canada as President and spearheaded ConAgra's expansion. He was promoted to Executive Vice-President, Domestic and International Operations with KBC Trading and Processing Company, a 122 global subsidiary of ConAgra Inc.

In 2007, he led a \$2.0 billion acquisition of Agricores United, then a \$2.2 billion acquisition of ABB, Australia's leading agriculture corporation, and grew Viterro, Inc. from a \$54 million dollar market capitalization. Mr. Schmidt currently sits on the Board of Directors of Agrium Inc., a global agriculture firm. He was a member of the Canadian Council of Chief Executive Officers, Executive Committee Member of The Conference Board of Canada, Trustee of The Conference Board Inc. USA, and Harvard's Private and Public, Scientific, Academic and Consumer Food Policy Group, and is on Washburn University's Foundation board of Trustees. Mr. Schmidt received his B.B.A. from Washburn in 1980.