

OEMD

Education, Resources, and Economic Development Branch

Ontario's Fair Hydro Plan – Transfer Payments

NOTE: Based on the Ministry of Energy's 2017-2018 Third Quarter Finances, the tax-base currently provides approximately \$1.5 billion annually in support of electricity cost relief programs (i.e., rate mitigation activities).

ISSUE

The following table provides an overview the multi-year funding levels, currently tracking through the 2018-19 PRRT, for transfer payments under Ontario's Fair Hydro Plan.

- TB/MBC decided, through the PRRT process, to manage the following incremental funding requests centrally as risks. The Ministry will be able to access the Treasury Board Contingency fund should it not have sufficient internal offsets from elsewhere within its allocation to offset pressures as they arise.
 - On-Reserve First Nations Delivery Credit – \$0.9M in 2019-20, and \$1.9M in 2020-21.
 - Distribution Rate Protection Program – \$26.8M in 2018-19, \$47.6M in 2019-20, and \$53.2M in 2020-21.

These transfer payments are under executive control and can be redeployed only to address pressures in other transfer payments within Ontario's Fair Hydro Plan.

The 2017-18 minuteable savings are currently tracking to be minuted out of the Ministry's allocation.

Fair Hydro Plan Transfer Payments (18-19 PRRT Process) (As at February 22, 2018)

	2017-18 Plan	Interim 2017-18	2017-18 Minuteable Savings	2018-19	2019-20	2020-21
\$M						
Ontario Rebate for Electricity Consumers	939.0	883.0	(56.0)	860.0	861.0	871.0
Ontario Electricity Support Program*	137.8	25.2	(112.6)	229.2	264.0	288.0
Rural or Remote Rate Protection Program	344.0	324.0	(20.0)	238.7	239.9	241.2
<i>New in 2018-19 - Distribution Rate Protection (Part of RRRP in 2017-18)</i>	-	-	-	233.3	244.1	255.8
On-Reserve First Nations Delivery Credit	15.0	15.0	-	19.6	20.0	20.0
Sub - Total	1435.8	1247.2	(188.6)	1580.8	1629.0	1676.0
Northern Ontario Energy Credit	26.0	26.0	-	26.0	26.0	26.0
Total	1461.8	1273.2	(188.6)	1606.8	1655.0	1702.0

*\$2.2 million transferred to MCSS in 2017-18 Plan amount – To increase OESP enrollment among Social Assistance recipients

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