Additional Rate Mitigation Proposals_Feb 24.pptx

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Attachments:	Additional Rate Mitigation Proposals_Feb 24.pptx (162.82 kB); ATT00001.txt (23 bytes)

Hi,

The attached deck is a first cut at moving forward with an alternative rate mitigation plan. Some of the initiatives, like an early end to the DRC for class B, could be removed to further reduce the fiscal impact. RRRP, OESP, and FN rate relief would continue, but only the enhancement would be picked up by the tax base. We suggest increasing the 8% rebate by either 5% or 7%. This could be made retroactive to January 1, 2017 so that a lump sum payment could be made in the late July/August when bills are expected to be at their highest. The 8% is a permanent reduction but consideration could be given to phasing-out the additional 5 or 7 percent over time. The affordability fund is reduced from $200 million to $100 million. Conservation amortization is also recommended but the ratepayer benefit is relatively small and OPC would need to be on side with the accounting (or we accept the fiscal impact on consolidation).

The one thing we should be aware of is that the OEB is scheduled to adjust RRP rates beginning in May. Our expectation is that rates will increase so we'll need to think about how we manage this situation.

Serge