

NEWS

Ministry of Energy

Ontario Rebating Provincial Portion of HST on Electricity Bills

More Than Five Million Families, Farms and Small Businesses will see bill reductions

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September 15, 2016

To help people in their everyday lives, Ontario is taking action to provide an eight per cent rebate – equal to the provincial portion of the HST – from residential and small business electricity bills starting January 1, 2017. As well, the government intends to introduce new measures to further reduce bills for rural families, and introduce expanded relief programs for commercial and industrial electricity consumers.

Ontario's economy is recovering well from the impact of the global recession. While the province and independent economic forecasters project consistent economic growth for Ontario, many families are not yet feeling the impact of the recovery in their everyday lives. Therefore, Ontario's government intends to take action to help with the costs related to electricity.

Together, these actions would provide a benefit to all electricity consumers in Ontario, including:

- Providing residential consumers with an eight per cent rebate equal to the provincial portion of the HST, an – an average of about \$11 each month
- Decreasing electricity charges for eligible rural customers by about \$45 each month
- Empowering more than 1,000 businesses to reduce bills by up to one-third by expanding Industrial Conservation Initiative (ICI). This would reduce cost pressures on the electricity system by enabling more consumers to lower their electricity demand during peak periods.

Through these initiatives, more than five million residential consumers and more than 1,000 ICI eligible businesses could see a reduction in their electricity bills. Eligible rural electricity consumers would be provided an additional \$110 million in support by modernizing the Rural or Remote Rate Protection program..

Helping Ontarians with the cost of everyday living and helping businesses compete are part of the government's plan to build Ontario up. The government's four-part economic plan includes investing in talent and skills, including helping more people get and create the jobs of the future by expanding access to high-quality college and university education. Ontario is making a historic investment in public infrastructure in Ontario's history and investing in a low-carbon economy driven by innovative, high-growth, export-oriented businesses. The plan is also helping working Ontarians achieve a more secure retirement.

QUOTES

"The actions we're announcing today would benefit all ratepayers in a meaningful way. Rural as well as remote customers would receive significant rate relief through these initiatives. Expanding incentives across Ontario would create more opportunity for businesses to be competitive and manage their electricity costs. The proposed rebate would provide additional relief for families, farms and small businesses."

- Glenn Thibeault, Minister of Energy

Commented [KI1]: Can we say per year?
More than \$130 each year

Commented [RK2R2]: I would avoid the "more than" as it is an average, and many residential users use less than the 750 kWh per month that this is based on, or live in municipalities that have lower delivery charges than in Toronto Hydro, so pay less than the average, and will be receive less than \$11/month or \$130 annually.

Commented [KI3]: Can we use the annual total here?
\$540 each year

QUICK FACTS

- Since 2003, the Province has invested more than \$35 billion in over 16,000 megawatts (MW) of new and refurbished clean generation, including nuclear, natural gas and renewables – this represents about 40 per cent of our current supply.
- Ontario has taken action to replace coal-fired generation with cleaner sources of energy which has decreased electricity sector emissions by approximately 80 per cent since 2003.
- Earlier this year, the province introduced the Ontario Electricity Support Program (OESP) to provide a monthly credit to low-income households who have applied and meet the eligibility requirements.
- These actions support priorities laid out in the government's Climate Change Action Plan to direct cap and trade proceeds towards greenhouse gas reduction initiatives that keep electricity rates affordable. Furthermore, this meets the 2016 Budget commitment to ensure the net impact of cap and trade does not result in an overall increase in electricity cost for commercial and industrial consumers.

LEARN MORE

- Backgrounders on the ICI program and Rate Reductions for Electricity Customers
- Read Ontario's Long-Term Energy Plan

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