

BACKGROUND

Ministry of Energy

Energy Sector Efficiencies

Ontario's Fair Hydro Plan would lower electricity bills by 25 per cent on average for all residential consumers in the province. Many small businesses and farms would also benefit from the initiative, with additional relief for people with low incomes and those living in eligible rural communities.

Ontario's commitment to lowering energy costs for ratepayers would include working with the province's agencies to identify opportunities to drive efficiency and productivity improvements.

Ontario Energy Board (OEB)

- The OEB regulates and licences more than 70 Local Distribution Companies (LDCs).
- The OEB sets electricity rates and prices and monitors and assesses the performance of electrical utilities.
- The OEB will identify opportunities for cost efficiencies by:
 - o Encouraging shared partnerships on services between utilities, which would help reduce costs and encourage further innovation for small to medium-sized utilities.
 - o Reviewing business cases behind its regulatory requirements to reduce red tape and eliminate costs that LDCs indicate are creating pressures on operating expenses.
 - o Looking at opportunities to further drive transmitter and LDC efficiencies and productivity improvements, including the use of innovative technologies and business processes.

Independent Electricity System Operator (IESO)

- The IESO plans for the province's electricity needs, balances the supply and demand for electricity in Ontario in real time and administers conservation programs.
- The IESO and partners have begun a market renewal project to enhance efficiency and performance of the wholesale electricity market.
- Changes related to the IESO's market renewal initiatives are estimated to save at least \$200 million per year, starting in 2021.

Long-Term Energy Plan 2017

- The Ontario Government has commenced work on the next Long-Term Energy Plan (LTEP).
- Ontario is in a strong electricity supply situation and well-positioned to meet demand at this time. The LTEP process is designed to be iterative and flexible and only commit resources as demand needs become clearer. The Province is committed to continuing to put conservation first in its energy planning decisions, where cost-effective.
- When new electricity supply is needed, the next LTEP would ensure that future procurements are focused on outcomes, rather than contracting with specific technologies. This technology-neutral approach would foster innovation and create competition. This approach is expected to lower the cost of electricity supply.
- The Province is committed to continuing to put conservation first in its energy planning decisions, where cost-effective, and to developing an LTEP that helps the province achieve its climate change goals.
- The Ministry of Energy anticipates that the next LTEP will be published in spring 2017.

For media inquiries only call:

ontario.ca/energy-news

Disponible en français

Colin Nikolaichuk, Minister's Office, 416-325-2690

Colin.Nikolaichuk@ontario.ca

Natasha Demetriades, Communications Branch, 416-326-5452

natasha.demetriades@ontario.ca