

Backgrounder

Actions to Reduce Energy Costs

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Ministry of Energy

<https://news.ontario.ca/mei/en/2016/10/actions-to-reduce-energy-costs-1.html>

Ontario has taken action to reduce electricity costs for families, farms and businesses, while continuing to ensure they have a clean, reliable supply of electricity. Actions taken so far include:

- An agreement to trade electricity, capacity and energy storage with Quebec, which will reduce Ontario's electricity system costs by about \$70 million, when compared to previous forecasts.
- On October 19, 2016, the Ontario Energy Board (OEB) announced that Regulated Price Plan (RPP) rates would not increase for Ontario's five million residential, farm and small business customers.
- Ontario passed legislation to reduce electricity bills in Ontario by 8 per cent, an amount equal to the provincial portion of the Harmonized Sales Tax, beginning January 1, 2017.
- Providing more savings through the Rural or Remote Electricity Rate Protection (RRRP) program. Together, the 8 per cent rebate and the enhanced RRRP will provide eligible rural customers with a monthly savings of about 20 per cent, or \$45 per month.
- Introducing the Ontario Electricity Support Program (OESP) for low-income families. The OESP credit amount for qualified customers is based on household income and household size. Monthly on-bill credits range from \$30 to \$50. Customers with unique electricity requirements could be eligible for a higher level of assistance of up to \$75 on their electricity bill.

- Introducing strong competition between developers of large renewable projects through the first round of LRP (LRP I) to drive down price and secure clean, reliable generation for the province.
- Suspending the second round of the Large Renewable Procurement (LRP II) process and the Energy-from-Waste Standard Offer Program is expected to save up to \$3.8 billion in costs This would save the typical residential electricity consumer an average of approximately \$2.45 per month on their electricity bill, relative to previous forecasts.
- Reducing Feed-In Tariff (FIT) prices through annual price reviews, saving ratepayers at least \$1.9 billion.
- Removing the Debt Retirement Charge (DRC) for all residential customers, saving the typical ratepayer \$5.25 per month.
- Renegotiating the Green Energy Investment Agreement (GEIA) with Samsung, reducing contract costs by \$3.7 billion.
- Deferring the construction of two new nuclear reactors at Darlington, avoiding an estimated \$15 billion in new construction costs.
- Maximizing the value of our existing nuclear fleet by starting Bruce refurbishments in 2020, instead of 2016, thus helping to achieve \$1.7 billion in savings and by continuing to operate Pickering up to 2024, pending regulatory approvals, which could save ratepayers as much as \$600 million.