Policy

Cabinet agreed that:

1. ENERGY implement electricity price mitigation for residential, commercial and industrial consumers through the following:

i) ~~Working with MOF to~~ provide a rebate of 8% on the pre-tax cost of electricity for all electricity consumers eligible to be billed under the Ontario Energy Board's Regulated Price Plan (RPP); and any other consumers who would be eligible for RPP if their electricity account was with a licensed distributor.

ii) Increase the total amount of rate protection available to R2 with low density electricity consumers under the Rural or Remote Rate Protection Program (RRRP) by increasing the subsidy by $110 million from its current level of $127 million which has been capped since 2004.

iii) Implement a mechanism to periodically adjust the total annual amount of rate protection available to R2 low density electricity consumers under the RRRP, effective on or after January 1, 2018.

iv) Expanding eligibility for participation in the Industrial Conservation Initiative (ICI) to smaller industrial, institutional and commercial customers by lowering the elibility threshold to 1 MW and removing restrictions on eligible sectors.

2. ENERGY seek necessary TB/MBC approvals.

3. ENERGY seek approvals for:

  i) the proposed *Ontario Rebate for Electricity Consumers Act, 2016* – **NTD-LSB – please confirm what title to use.]** and any supporting regulations under the proposed *Ontario Rebate for Electricity Consumers Act, 2016*, and with other complementary regulatory amendments and consequential legislative amendments to the *Ontario Energy Board Act, 1998* and the *Ontario Clean Energy Benefit Act, 2010*, subject to the Legislature's approval of the Act, including the following elements:

    i. The rebate would be available starting January 1, 2017;
    ii. The legislation would specify the types of costs to which the rebate would or would not be applied, with authority to make changes by regulation;
    iii. The legislation would address invoicing requirements, including authority to prescribe how the rebate is to appear on consumers electricity bills;
    iv. The legislation would include authority to prescribe the way in which the rebate is to be flowed through to consumers, and the way

in which electricity vendors providing the rebate are to be reimbursed;

v. The legislation would include record-keeping requirements for electricity vendors and other prescribed persons;

vi. The legislation would include inspection powers for inspectors appointed by the minister of Finance, including powers related to the recovery of overpayments.

vii. The legislation would provide for regulation-making authority to establish a ~~date or~~ limitation period for ceasing payments and reimbursement based on past entitlement. Similar amendments would be provided for the *Ontario Clean Energy Benefit Act, 2010* but would allow the ceasing of all payments and reimbursements after a prescribed date.

4. ENERGY notes the following amendments :

i) Amendments to Ontario Regulation 429/04 (Adjustments Under Section 25.33 of the Act) made under the *Electricity Act, 1998* to lower the Industrial Conservation Initiative (ICI) threshold to 1 megawatt and require electricity consumers and market participants between 1 MW and 5 MW to opt in.

ii) Amendments to Ontario Regulation 442/01 (Rural or Remote Electricity Rate Protection) made under the Ontario Energy Board Act, 1998, to increase support through the Rural and Remote Rate Protection Plan to R2 low density rural electricity customers and provide for a periodic adjustment mechanism.

5. ENERGY work with MOECC to recycle an estimated annual average of $270 million of Cap and Trade auction proceeds from the Greenhouse Gas Reduction Account for non-RPP commercial and industrial electricity consumers over the first compliance period (2017-2020) through a volumetric rebate mechanism.

6. ENERGY and MOF work with Cabinet Office, Premier's office to develop a communications plan.

TB/MBC

TBC with TBS

LRC

Cabinet approved version [name] of this draft legislation for introduction, subject to the following:

Commented [MC1]: What are the differences here from OCEB?

OCEB was a 5 year program with a fixed end date; HST rebate has no end date (unless the legislation is amended in the future).

OCEB financial assistance was capped at 3,000 kWh/month (with a medical equipment exemption available); multi-unit building cap was 3,000 kWh/month x # units (if building notified their LDC in writing of the # units); HST rebate has no cap (other than eligibility caps 50 kW and 250,000 kWh/year, although farms and multi-unit residential complexes would not be subject to the 50 kw demand threshold (measured monthly) or the 250,000 KWh/year consumption thresholds).

OCEB was 10% of the after-HST cost of electricity; HST rebate is 8% of the pre-tax cost of electricity.

1. The Office of Legislative Counsel is authorized to prepare a French version and to make minor adjustments to the English version, for the purpose of ensuring consistency between the two versions and making other improvements or correcting mistakes discovered in the translation process