

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; and any other consumers who would be eligible if their electricity account was with a licensed distributor.
- ii) Increase the total amount of rate protection available to low density Hydro One Inc. electricity consumers under the Rural or Remote Rate Protection Program (RRRP) by \$110 million;
- iii) Consider, and if determined to be an effective method of ensuring low density Hydro One Inc. electricity consumers continue to receive an appropriate level of electricity price protection in future years, periodically adjust the total annual amount of rate protection available to low density Hydro One Inc. electricity consumers under the RRRP, effective on or after January 1, 2018.
- iv) Expanding eligibility for participation in the Industrial Conservation Initiative (ICI) to small industrial, institutional and commercial customers.

2. ENERGY and MOF seek necessary TB/MBC approvals in Fall 2016.

3. ENERGY and MOF seek approvals for:

- i) the proposed [title of proposed bill] and any supporting regulations under the proposed [title of proposed bill], 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.

4. ENERGY seek approvals for:

- 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 the Rural and Remote Rate Protection Plan to Hydro One low density rural electricity customers.

5. ENERGY and MOF work with MOECC to recycle up to an annual average of \$270 million of Cap and Trade auction proceeds from the Greenhouse Gas Reduction Account for commercial and industrial electricity consumers over the first compliance period (2017-2020) .

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:

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