

Dear [CEO of an LDC],

As an organization that has daily interactions with Ontario's electricity customers, I know that you are aware of the increasing cost pressures faced by your customers. The government has heard concerns about electricity prices from all corners of the Province, particularly for households, and understands that Ontarians are looking for some relief from rising electricity costs.

I am pleased to announce a number of price mitigation measures that would help in managing the electricity rates for your customers. In particular I would highlight new legislation introduced September 15 that, if passed, would provide all customers who are eligible for the Regulated Price Plan with an eight percent rebate starting on January 1, 2017. This would mean a reduction in bills for residential customers, small businesses and farms in your service territory. For the average urban residential household, we anticipate this would provide savings of about \$11 per month.

In addition to this rebate the government also plans to update the Rural or Remote Rate Protection program to increase the amount of available funding for eligible rural customers. This proposed funding increase to RRRP and the eight percent rebate would result in electricity relief of approximately \$45 per month for eligible RRRP customers.

In addition to initiatives aimed at low-volume and rural customers, the government is also intending to expand the Industrial Conservation initiative (ICI) to lower the threshold from 3 MW to 1 MW, as well as removing sectoral restrictions.

I know that you will recognize the benefits of these initiatives for your customers. I look forward to ongoing engagement with you as we roll out these initiatives to benefit Ontario consumers over the next few months. I know that I can count on you to work with the Ministry on the timely implementation of these initiatives to ensure that customers receive relief on their electricity bills as of January 1, 2017. The Ministry will be setting up a working group with representative LDCs to discuss implementation issues to ensure the program can be delivered by January 1, 2017.

In addition, Ministry staff would like to remain aware of any issues or concerns, as well as successes as it pertains to implementation of this signature initiative.. To that end, we'd ask that you please communicate with Michael Reid, Assistant Deputy Minister, Strategic, Network and Agency Policy Division, at michael.reid@ontario.ca or 416-325-6544 to provide an update as to how your LDC plans to implement this new ratepayer savings measure.

Sincerely,

Commented [DK(1): Please review; include reference to the upcoming working group
Added above...

Minister Thibeault