

Ministry of Energy

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[Ministry-Generated letter to LDCs re: First Nations Delivery Credit program implementation]

[Name]

[Title]

[Organization]

[Address]

[City] ON [Postal Code]

Dear [Generic LDC]:

I write today to express my gratitude for your assistance in developing two critical components of Ontario's Fair Hydro Plan that, beginning July 1st, will bring considerable benefit to your customers: the First Nations Delivery Credit and Distribution Rate Protection.

First Nations Delivery Credit

Over the course of the past several months the Ministry of Energy has been working collaboratively with you to develop the First Nations Delivery Credit (FNDC). From the program's inception, through the amendment of the *Ontario Energy Board Act* to provide the authority to deliver the program and finally the development of the FNDC Regulation, I want to thank you for your help in bringing Ontario's Fair Hydro Plan to life.

Through your engagement and consultation work with the Ontario Energy Board (OEB) to your involvement in the FNDC Working Group, the tireless efforts of everyone involved has paved the way for this program to come to fruition. The FNDC will provide much needed relief from the high costs of electricity in First Nations communities. As a result of the engagements with LDCs and First Nations through the Working Group process, the Ministry is pleased the FNDC program will be successfully implemented by the commencement date of July 1, 2017.

The issues identified in LDC working group meetings helped to shape the program parameters and design features. To deliver the FNDC program according to plan, I encourage you to undertake increased outreach efforts to your First Nation on-reserve customers to ensure all eligible customers participate in this important program. I trust that you are prepared to address the increased interest from First Nation on-reserve customers who will be providing the necessary information to receive both the HST exemption and credit.

Distribution Rate Protection

As you are aware, your company is now required to provide Distribution Rate Protection to your customers as part of Ontario's Fair Hydro Plan. This new program, an expansion of existing Rural or Remote Rate Protection, is intended to mitigate the high costs of distribution for eligible customers. This program helps fulfill the Government's commitment to help rural Ontarians coping with high electricity costs.

I want to thank you for your company's participation in the development work associated with this program. The Distribution Rate Protection working groups with Local Distribution Companies (LDCs) were integral in helping the province design the legislative framework for the program as well as the enabling regulation. The implementation considerations raised throughout the course of the working group were instrumental in crafting the program in such a way that the benefits could be delivered beginning July 1st. I greatly appreciate your staff's time and commitment to meet our implementation target.

The provision of this significant rate relief would not be possible without your help and we would like to sincerely thank you for your time, effort, and commitment in helping to deliver Ontario's Fair Hydro Plan.

Sincerely,

Glenn Thibeault
Minister