

Newly proposed legislation will reduce Ontarians' power bills

The Ontario government is taking action to help Ontarians with the cost of everyday living, through a series of measures to reduce electricity bills.

Since 2003, Ontario has remained committed to providing a safe, clean and reliable energy supply to Ontario homes and businesses. We've done the heavy lifting in terms of rebuilding aging transmission infrastructure and transitioning off cheap-but-dirty coal fired generation.

According to a recent report by the Financial Accountability Officer, families in Ontario spend less money on electricity on average than in every province except BC, and that total home energy costs are in the middle of the pack when compared to other Canadian provinces. Nevertheless, our government recognizes that the changes we have made have come at a cost to Ontario's residential and business customers.

Subtitle: Ontario Rebate for Electricity Consumers Act, 2016

To help most families, Ontario recently introduced new legislation that will benefit ratepayers in a lasting, meaningful way. This coming January, if the legislation passes, more than five million families, farms and small businesses could see bill reductions as Ontario offsets the provincial portion of the harmonized sales tax on electricity bills. This eight per cent (8%) rebate applies to all consumers eligible for the Regulated Price Plan.

Rural Consumers

For rural customers, who pay higher costs associated with the delivery of electricity, Ontario is providing an additional \$110 million in support for the Rural or Remote Rate Protection program (RRRP).

This proposed funding increase to RRRP and the eight percent rebate will result in electricity relief of approximately \$45 per month for eligible RRRP customers – a significant rate relief for Ontario's approximately 330,000 rural electricity consumers.

Commented [CS(1)]: These are just H1 R2 customers.

Businesses

For businesses, Ontario will be lowering the threshold for participating in the Industrial Conservation Initiative from 3 megawatts (MW) to 1 MW. This will give more businesses the opportunity to significantly reduce their costs by reducing consumption during peak periods.

Additionally, as outlined in the 2016 Budget and the Climate Change Action Plan, the government intends to recycle a portion of the cap and trade auction proceeds to offset the impact of cap and trade on industrial and commercial electricity consumers to keep rates affordable. Most of these large consumers should see a modest reduction in costs through this initiative.

These steps are the latest in a series of measures the Ontario government has taken to help ease pressure on Ontario electricity consumers. Earlier this year the province launched the Ontario Electricity Support Program (OESP) and removed the Debt Retirement Charge (DRC), saving the average low-income family \$430 annually.

Existing programs that help reduce bills for Ontario families include the Ontario Energy and Property Tax Credit, the Low-Income Energy Assistance Program, the Save on Energy Home Assistance Program, and the Northern Ontario Energy Credit.

Ontario's investments are securing a clean supply of electricity, an electricity system that's ready for the future, and a healthier environment for generations to come.