

Ontario Rebating Provincial Tax on Electricity Bills

More Than Five Million Families, Farms and Small Businesses will see bill reductions

NEWS

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To help people in their everyday lives, Ontario is taking action and rebating the provincial portion of the HST on the electricity bills of residential consumers, small business and farms starting January 1, 2017. Additionally, the government intends to introduce new measures to further reduce bills for rural families, and introduce expanded relief programs for commercial and industrial electricity consumers.

Over the last number of years, Ontario's economy has fully recovered from the impact of the global recession. While the province and independent economic analysis projects consistent economic growth for Ontario, many families are not yet feeling the impact of the recovery in their everyday lives. Therefore, Ontario's government intends to take action to help with the costs related to electricity.

Together, these actions would provide a benefit to all electricity consumers in Ontario, including:

- Reducing the average Ontario residential electricity bill by 8% on the amount before tax or \$11 each month
- Decreasing rural delivery charges for eligible customers by \$45 each month
- Empowering more than 1,000 businesses to reduce bills by up to one-third through the Industrial Conservation Initiative (ICI).

Through these initiatives, more than five million residential consumers and more than one thousand industrial customers could see a reduction in their electricity bills. Eligible rural electricity consumers would be provided an additional \$110 million in support by modernizing the Rural or Remote Rate Protection program (RRRP).

Helping Ontarians with the cost of everyday living and helping businesses compete are part of the government's plan to build Ontario up. The government's four-part economic plan includes investing in talent and skills, including helping more people get and create the jobs of the future by expanding access to high-quality college and university education. The plan is making the largest investment in public infrastructure in Ontario's history and investing in a low-carbon economy driven by innovative, high-growth, export-oriented businesses. The plan is also helping working Ontarians achieve a more secure retirement.

QUOTES

"The actions we're announcing today would benefit all ratepayers in a meaningful way. Rural and northern customers would receive significant rate relief through these initiatives. Expanding incentives across Ontario would create more opportunity for businesses to be competitive and manage their electricity costs. Rebating provincial taxes from electricity bills will provide extra relief for families, farms and small businesses."

- Glenn Thibeault, Minister of Energy

QUICK FACTS

- Since 2003, the Province has invested more than \$35 billion in over 16,000 megawatts (MW) of new and refurbished clean generation, including nuclear, natural gas and renewables – this represents about 40% of our current supply.
- Ontario has taken action to replace coal-fired generation with cleaner sources of energy which has decreased electricity sector emissions by approximately 80% since 2003.
- Earlier this year, the province introduced the Ontario Electricity Support Program (OESP) to provide a monthly credit to low-income households who have applied and meet the eligibility requirements.
- The government is also recycling proceeds from the Greenhouse Gas Reduction Account (GGRA) to offset the costs to industrial and commercial consumers of ongoing emissions reduction initiatives. This meets the 2016 Budget commitment that that business electricity costs would not be negatively affected by cap and trade.
- Expanding the Industrial Conservation Initiative would reduce cost pressures on the electricity system by enabling more consumers to lower their electricity demand during peak periods.

LEARN MORE

- Backgrounders on the ICI program and Rate Reductions for Electricity Customers
- Read Ontario's Long-Term Energy Plan

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