

Q&A Response

Q. What is the revised cost forecast for the 8% rebate as result of the measures announced in Ontario's Fair Hydro Plan?

Key measures announced in Ontario's Fair Hydro Plan (OFHP) are expected to reduce the cost of the 8% rebate for the Province. The cost to the Province is expected to decrease as the total cost of electricity paid by eligible customers, upon which the rebate is based, will be reduced.

ENERGY has updated the cost forecast for the 8% rebate based upon the following:

- Independent Electricity System Operator updated its Ontario Planning Outlook (OPO) with respect to a typical bill for a residential consumer as outlined in the March 1, 2017 Cabinet Submission. This revised OPO price outlook is inclusive of all the recently announced measures including cancellation of LRP II and EFW and expansion of ICI.
- ENERGY's estimates of the reduction to a typical bill for a residential consumer as a result of the Global Adjustment (GA) refinancing and funding electricity support programs through provincial revenues as announced in the OFHP.
- ENERGY's estimates of the reduction in costs for consumers that benefit from electricity support programs as announced in the OFHP (i.e., expanded Rural or Remote Rate Protection, enhanced Ontario Electricity Support Program and the First Nations Delivery Rebate). For Fiscal Year 2017-2018 this includes a 50% adjustment to the cost given that implementation of the expanded programs is expected to be deferred to September 2017.

	2017-2018	2018-2019	2019-2020
ENERGY Estimate (August 26, 2016) (\$ million)	1006	1004	944
ENERGY Revised Estimate (March 13, 2017) (\$ million)	897	882	882
% Change	-11	-12	-7

NOTE: The above estimates are subject to variances as result of uncertainties in demand, natural gas prices and other factors. These uncertainties also impact the variance account for the Regulated Price Plan (RPP).