

May 1, 2017 RPP – Coms Roll-Out

The Ontario Energy Board will mirror past communications practices and standards with the announcement of the RPP/TOU rates for this summer. They will be announced on April 20th and go into effect on May 1st. The OEB is not doing anything different – it's business as usual.

April 20, 2017

4pm

- Issue News Release with Backgrounder, province wide
- Issue “What’s New” and post RPP report (including Minister’s April 10, 2017 letter), news release and backgrounder on OEB website
- Issue employee email

April 28, 2017

All LDCs will receive a hard copy of bill insert indicating lower prices will become effective May 1, 2017 and reviewing the change in TOU periods.

The flip side of the bill insert announces OESP eligibility and on-bill credit changes.

Components

The **News Release** will be distributed through the usual channels, and posted on the OEB website. The release will be similar in style and content to past releases on RPP/TOU rates.

As in the past, a **backgrounder** will provide further details on how RPP rates are set in general, and the May 1 rates specifically. The backgrounder will provide high level answers on why the rate reductions were brought in ahead of the passage of legislation, and that the RPP prices will be reassessed after the legislation enabling the Fair Hydro Plan is passed, and adjust the rates as necessary in keeping with the legislation.

Bill Insert

The OEB provides all LDCs with a bill insert for every May 1st change and will do so again.

For Immediate Release

April 20, 2017

Ontario Energy Board: Electricity Prices are Going Down for Households and Small Businesses Effective May 1

Toronto, ON – The Ontario Energy Board (OEB) today announced that households and small businesses that buy their electricity from their local utility will see their electricity prices go down starting May 1.

Every six months, the OEB estimates how much it will cost to supply electricity to residential and small business customers on the Regulated Price Plan (RPP), and sets prices to recover these costs over time.

The last time the OEB reviewed RPP prices on November 1, 2016, the total bill for a typical residential customer that uses 750 kWh per month was **\$ 149**. Starting in May 2017, the total bill for that typical customer will be **\$127**, representing a reduction of **\$22 or 15%**.

The factors that together result in the total bill reduction include:

- the 8% rebate, equivalent to the provincial portion of the HST, that has been in place since January 1, 2017;
- the OEB's decision to remove the charge that funds the cost of the Ontario Electricity Support Program (OESP), effective May 1, 2017. However, the OESP will continue to be available to help eligible low-income customers **reduce their electricity bills; and**
- a portion of the estimated bill reductions announced in the government's proposed Ontario Fair Hydro Plan.

The table below shows three sets of prices: (1) the existing time-of-use (TOU) prices for RPP customers; (2) what those TOU prices would have been on May 1, 2017 without consideration of the proposed Fair Hydro Plan; and (3) the TOU prices as set by the OEB to start on May 1, 2017, which take into account an appropriate portion of the estimated bill reductions announced in the proposed Fair Hydro Plan.

TOU Price Periods	1 - Existing TOU Prices	2 - Forecast TOU Prices without consideration of the proposed Fair Hydro Plan	3 - May 1, 2017 TOU Prices including portion of the proposed Fair Hydro Plan
Off-Peak	8.7¢/kWh	9.1¢/kWh	7.7 ¢/kWh
Mid-Peak	13.2 ¢/kWh	13.3 ¢/kWh	11.3 ¢/kWh
On-Peak	18 ¢/kWh	18.5 ¢/kWh	15.7 ¢/kWh

The table below shows the same sets of prices for RPP customers who pay tiered prices.

Price Tiers	1-Existing Tiered Prices	2-Forecast Tiered Prices without consideration of the proposed Fair Hydro Plan	3-May 1, 2017 Tiered Prices including portion of the proposed Fair Hydro Plan
Tier 1	10.3 ¢/kWh	10.7 ¢/kWh	9.1 ¢/kWh
Tier 2	12.1 ¢/kWh	12.5 ¢/kWh	10.6 ¢/kWh

The government has indicated that it intends to introduce legislation that would, if passed, implement the proposed Fair Hydro Plan. After that, the OEB would review RPP prices and adjust them as required.

For more information on how the OEB established the TOU and tiered RPP prices that come into effect on May 1, see the OEB Backgrounder [\[HTML\]](#).

About the Ontario Energy Board:

The Ontario Energy Board is an independent and impartial public agency that makes decisions that serve the public interest. Our goal is to promote a sustainable and efficient energy sector that provides reliable energy services to customers at a reasonable cost.

Total Monthly Bill for typical 750 kWh RPP Customer	At last RPP announcement – Nov 2017	Current RPP (post Jan 2017)	Forecast TOU Prices Without Consideration of the proposed Fair Hydro Plan	May 1, 2017 TOU Prices Including Consideration of the proposed Fair Hydro Plan
Total Bill with HST	\$149.21	\$149.51	\$152.77	\$136.19
Total with HST Rebate	-	\$138.93	\$141.96	\$126.55
Reduction May 2017 vs Nov 2016				\$22.66
% Reduction				15.18 %

