

Cabinet agreed that:

1. Energy implement electricity rate mitigation actions that support up to a 25% electricity bill reduction (including the 8% reduction announced in 2016) for an average household in 2017.
2. ENERGY implement electricity rate mitigation for all electricity consumers eligible to be billed under the Ontario Energy Board's Regulated Price Plan (RPP) and any other consumers who would be eligible for RPP if their electricity account was with a licensed distributor by:
 - A. Subject to legal and accounting confirmation, refinancing Global Adjustment (GA) in order to partially defer RPP-eligible ratepayer GA costs by reducing projected after-tax electricity costs for a typical customer consuming 750kWh per month in 2017 by up to X%. Total projected bill increases will be kept in line with inflation until the end of 2021.
 - i. Explore expanding the powers of Ontario Energy Board (OEB), Independent Electricity System Operator (IESO) and Ontario Power Generation (OPG) and using other mechanisms, including the putting in place of appropriate payment, settlement and cost-recovery authorities for and through the IESO (including accommodating payments to and from any appropriate entity) to manage the deferred Global Adjustment (GA) costs and report back to Cabinet and TB/MBC with a recommended approach including proposed legislative amendments by March 2017.
 - ii. If a non-fiscal mechanism cannot be established, ENERGY proceed to TB to seek necessary funding.
3. ENERGY implement additional rate mitigation initiatives targeted at specific populations, including:
 - A. Broadening the Rural or Remote Rate Protection (RRRP) program to mitigate distribution charges for customers of Local Distribution Companies (LDC) with some of the highest distribution rates, and provide government funding for the program beginning in 2017, including:
 - i. Harmonizing distribution cost for customers with the highest distribution rates (Hydro One (R1 and R2 rate classes), Algoma Power, Atikokan Hydro, InnPower, Chapleau Public Utilities Commission, Sioux Lookout Hydro, Lakeland Power (Parry Sound service territory) and Northern Ontario Wires Inc) at the cost paid by the average consumer of the LDCs noted by fall 2017.

Commented [MG1]: Would OEFC and/or OFA require any change to existing powers? If so, would include in this section

- B. Expanding every benefit level of the Ontario Electricity Support Program by 50%, provide government funding for the program beginning in 2017 and pursuing additional measures to substantially increase take-up;
 - C. Establishing a new government funded Affordability Fund in 2016/17 to provide relief to electricity customers who do not qualify for existing low income programs and cannot purchase energy efficiency measures without financial assistance; and
 - D. Establishing a new province-wide government funded program in beginning in 2017 that would eliminate the delivery charge for First Nations customers on reserve.
4. ENERGY, through the Long-Term Energy Plan, take steps to further reduce electricity rates across the system by:
- A. Ontario Energy Board (OEB) – Identify opportunities for OEB red-tape reduction and future LDC efficiencies and rates;
 - B. Directing Independent Electricity System Operator (IESO) – Modernize Ontario's electricity market through electricity Market Renewal initiatives; and
 - C. TBD **OPG**
5. ENERGY work with the Ministry of Housing to explore ways to provide direct assistance to renters that do not directly benefit under the existing and proposed rate mitigation programs and report back to Treasury Board/Management Board of Cabinet and Cabinet in winter 2017.
6. ENERGY seek necessary Treasury Board /Management Board of Cabinet approvals of these initiatives prior to any announcements in winter 2017.
7. ENERGY report to LRC and Cabinet in winter 2017 with legislative amendments to implement the above initiatives, as necessary.
8. ENERGY to report back to LRC and Cabinet for approval of any supporting regulations and complementary regulatory amendments in winter 2017.
9. ENERGY and MOF work with the Premier's Office and the Cabinet Office on the development and implementation of an integrated communications strategy.

Commented [CC2]: Need to support the adjustment to the nuclear smoothing mechanism

Steen: Not sure where to put this item. Not sure this fits in the LTTP section