

**Electricity Echo Barrie
Q&As
March 14, 2017**

KEY MESSAGES:

- **We are taking decisive action to lower electricity bills for households and small businesses by 25 per cent on average — the single-largest reduction in Ontario’s history.**
- **Starting this summer, small businesses that are on the Regulated Price Plan (RPP) would also be eligible for the 25 per cent benefit.**
- **People with low incomes and those living in rural communities would benefit from even greater savings.**

FRENCH KEY MESSAGES:

- **Nous prenons des mesures décisives afin de réduire les factures d’électricité des ménages et des petites entreprises de vingt-cinq pour cent (25%) en moyenne. C’est la plus importante réduction ponctuelle de l’histoire de l’Ontario.**
- **À compter de cet été, les petites entreprises qui paient leur électricité selon la grille tarifaire réglementée (GTR) seraient également admissibles à une réduction de leurs factures de vingt-cent pour cent (25%).**
- **Les personnes à faible revenu et les habitants des collectivités rurales feront des économies encore plus élevées.**

Q. How does the province define a small business under the Ontario Fair Hydro Plan?

A. Businesses eligible for the Regulated Price Plan (RPP) will receive the rebate. Eligibility for the RPP is based on the total energy consumption of an individual company.

Q. Are small businesses going to see the same reduction as households?

A. Yes. Starting this summer, small businesses that are on the Regulated Price Plan (RPP) would be eligible for a bill reduction of 25 per cent on average.

Q. What about businesses that aren’t eligible for the Regulated Price Plan? Will they see any relief on their electricity bills?

- A. A number of important programs such as the Ontario Electricity Support Program (OESP) and the Rural or Remote Rate Protection (RRRP) program would now be funded from provincial revenues instead of by electricity consumers. This will provide savings to business customers, who currently fund a portion of these programs.

We are also proposing to expand the Industrial Conservation Initiative (ICI) to include smaller manufacturers and other business consumers with peak demands between 500 kW and 1 MW. ICI provides a strong incentive for participating consumers to shift their electricity consumption to off-peak hours to reduce their bills by about one-third. By reducing the province's peak demand, ICI has the added benefit of deferring the need to build peaking generation. Participating consumers collectively reduced Ontario's peak demand by an estimated 1,000 MW in 2015.

Q. What are you doing for people in rural areas?

- A. We currently provide support to around 350,000 rural residential customers through the Rural or Remote Electricity Rate Protection Program (RRRP). We would expand this support to provide rate relief also to customers of local distribution companies (LDCs) with some of the highest rates.

The enhanced program will benefit about 800,000 customers. As an example, a Hydro One low-density customer on electric heat consuming 2,500 kWh/month will see their distribution charge reduced by about \$75. Specific rebate amounts will be dependent on Ontario Energy Board rate-setting processes.

We are moving to have the RRRP funded by the tax base, which would reduce regulatory charges on electricity bills for all Ontario ratepayers. We project this will cost about \$500 million in the 2017–18 fiscal year.

Q. When will these changes come into effect?

- A. We are looking to implement these changes as soon as possible, so that we can lower rates and take the pressure off people soon. There is a process that we have to follow, which includes introducing legislation.

Pending legislation, changes would enter into effect in summer 2017.