

Active Shell

General Information		
Name of Shell/File	Electricity cost (Subject = HYDRO BILL)	
Prepared by WSU Writer	Chris Millson	Date: March 2, 2017
Reference Case Number	Lead ministry is ENG	
Approvals		
Policy Specialist		Date:
PO	Adam Hochberg	Date: March xx, 2017
Personal Signature		Date:

Additional Background:
Re March 2, 2017 announcement.

Thank you for your correspondence regarding the cost of electricity. I appreciate you sharing your views.

For too long, governments of all political stripes have made mistakes in the way we've structured Ontario's electricity system. That has resulted in rates that are unfairly high. It's why we are fixing those mistakes, in ways that work for today – and for the future.

Ontario's Fair Hydro Plan will lower electricity bills by 25 per cent on average for all residential customers in the province, starting this summer. Those living in eligible rural communities or with low incomes will see even greater reductions.

These measures build on the eight per cent rebate introduced in January and other previously announced initiatives to deliver rate relief.

And this is relief that is designed to last. Your bill won't increase beyond the rate of inflation for at least 4 years. It is the single largest cut to electricity rates in the history of Ontario.

So, how are we doing this – and why now? All governments bear responsibility for that: Liberal, Conservative and NDP. For the better part of 50 years we didn't pay our way. But about a decade ago, it came to a head. The system needed major rebuilding.

We've invested more than 50 billion dollars in clean, reliable electricity infrastructure -- assets that benefit all the people of Ontario and that will serve us for many decades to come.

But the terms we set to finance these necessary renovations weren't fair. We asked one generation – today's generation – to unfairly shoulder the burden of nearly all of those costs. So we're refinancing the system and setting a new term that stretches over a longer period. Over time, it will cost a bit more. And it will take longer to pay off. But it is fairer – because it doesn't ask this generation of hydro customers alone to pay the

freight for everyone before and after. The burden will now be shared more evenly and more appropriately.

Our plan will also expand the Ontario Electricity Support Program for people on low-incomes and provide more relief to people living in rural areas with high delivery costs. Those important social programs will become part of the provincial budget and will no longer be paid for through hydro rates.

These changes are the right thing to do. It's better for Ontario, and fairer for families.

Thank you again for writing to me. Please accept my best wishes.

Kathleen Wynne
Premier of Ontario