
Ontario Introducing Measures to Reduce Electricity Costs

New Bill Aims to Help Families and Businesses Save Money

NEWS

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Premier Kathleen Wynne was in Vaughan today to unveil details of the Ontario Rebate for Electricity Consumers Act, 2016. Ontario is proposing measures that would save families, farmers and small businesses eight per cent on their electricity bills and empower more businesses to shift their consumption away from peak periods to deliver savings directly to the consumer and the system as a whole.

These measures would expand the Industrial Conservation Initiative (ICI), which encourages large energy users to lower consumption during peak periods. Reducing peak system usage improves reliability and lowers total costs. The ICI would be expanded to include all sectors while also lowering the threshold for participation. More than 300 businesses are already utilizing the ICI to achieve electricity savings, and with these changes, over 1,000 new businesses are estimated to be eligible.

About five million consumers across Ontario would further benefit from the legislation and additional measures, as they would provide a permanent on-bill rebate for eight per cent, equal to the provincial portion of the HST, resulting in average savings of about \$130 annually or \$11 each month. Rural consumers would receive an additional benefit from decreasing rural delivery charges. Combined with the eight per cent rebate, this would mean average savings of \$540 a year or \$45 each month for eligible rural customers.

These changes build on Ontario's ongoing commitment to reducing energy bills while maintaining reliability for all consumers. The province has:

- Reduced contract costs by \$3.7 billion by renegotiating the Green Energy Investment Agreement
- Approved a plan by Ontario Power Generation to pursue ongoing operations of the Pickering nuclear generating stations, expected to save customers as much as \$600 million
- Introduced the competitive Large Renewable Procurement process, annual renewable energy price reviews and revised procurement schedules, which are expected to reduce costs by a further \$4.1 billion as compared to previous forecasts.

Creating the conditions for businesses to thrive is part of the government's economic plan to build Ontario up and deliver on its number-one priority to grow the economy and create jobs. The four-part plan includes helping more people get and create the jobs of the future by expanding access to high-quality college and university education. The plan is making the largest investment in hospitals, schools, roads, bridges and transit in Ontario's history and is investing in a low-carbon economy driven by innovative, high-growth, export-oriented businesses. The plan is also helping working Ontarians achieve a more secure retirement.

QUOTES

“I know that family budgets are stretched and the cost of electricity is contributing to that. It’s my job as Premier to help people feel more secure in their everyday lives and more optimistic about their family’s future. It is why we’ve invested in a clean, reliable energy system and a plan for jobs and growth. And now that Ontario’s economy is stronger, it is why we are providing the electricity cost relief Ontario’s families and businesses need.”

— Kathleen Wynne, Premier of Ontario

“This proposed legislation would benefit ratepayers in a meaningful way by reducing bills by eight per cent for families, farms and many small businesses. Other initiatives would see rural and northern customers receive significant rate relief. Expanding incentives across Ontario would create more opportunity for businesses to be competitive and manage their electricity costs.”

— Glenn Thibeault, Minister of Energy

QUICK FACTS

- Since 2003, Ontario has invested more than \$35 billion in over 16,000 megawatts (MW) of new and refurbished clean generation, including nuclear, natural gas and renewables, representing about 40 per cent of current supply.
- The Industrial Conservation Initiative (ICI) delivered an estimated 1,000 MW of reduced peak electricity demand in 2015 and an average savings of one-third on the consumer's bill.
- Ontario is investing over \$2.6 billion, through its Conservation First Framework, between 2015 and 2020 to help homeowners and businesses become more energy efficient and save money.
- Ontario's action to eliminate coal-fired electricity is delivering savings of more than \$4 billion annually in health, financial and environmental costs associated with smog and pollution.

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