

Electricity Cost Relief for Ontario Consumers

Providing an eight per cent rebate on electricity bills for families, farms, and small businesses

If passed, proposed legislation would provide an eight per cent rebate, equal to the provincial portion of the HST, to five million electricity consumers, including:

- Residential consumers;
- Multi-unit residential buildings and other facilities used as residential rental units such as long-term care homes and school residences;
- Small businesses; and
- Farms.

This eight per cent rebate would go into effect as of January 1, 2017 and would result in savings of about \$130 a year for an average Ontario residential consumer.

Reducing rural bills by 20 per cent – about \$45 a month or \$540 a year

The Rural or Remote Electricity Rate Protection (RRPP) program reduces electricity delivery costs for approximately 330,000 customers located in rural or remote areas.

This proposed funding increase to the RRRP and the eight percent rebate would result in electricity relief for eligible consumers of approximately \$45 per month.

Empowering more than one thousand new businesses to reduce their bills by one third

The Industrial Conservation Initiative (ICI) provides a strong incentive for large electricity consumers to reduce their electricity consumption during peak hours to lower their bills by up to one-third. By reducing the province's peak electricity demand, ICI reduces electricity system costs by reducing the need to build new generation and helps reduce greenhouse gas emissions.

Currently, electricity consumers with monthly peak demand exceeding three megawatts (MW) are eligible to participate. Ontario is proposing to expand the ICI program to include customers with monthly peak greater than one MW.

Ontario is also proposing to remove sector specific restrictions, meaning larger electricity consumers in all commercial, institutional and industrial sectors over the newly lowered threshold would now be eligible to participate.

Eligible industrial customers will be able to find cost savings of up to 34 per cent, depending on their ability to reduce peak electricity consumption.

With more than a thousand new businesses soon eligible for the ICI, the benefit across sectors and industries will vary. For example, a plastics manufacturer with an average peak demand of two MW that participates in the ICI program could see its electricity costs reduced from \$154 per MWh to as low as \$102 per MWh. This would result in energy cost savings of up to \$42,000 per month.

Commented [SK21]: Are there customers serviced by the existing RRRP program that do not benefit from this expansion. ie. Current RRRP but not R2?

If so this would need to be deleted.