

OVERVIEW OF PRICE MITIGATION PROPOSALS

Existing Programs

- The existing tax-base funded electricity price mitigation program costs are summarized in the table below:

(\$M)	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17 ¹	2017-18 ¹
OCEB	1,033	994	1,006	1,078	860	-	-
OREC	-	-	-	-	-	300	1,100*
Ending DRC ²	-	-	-	-	85	330	330
NIERP	120	120	115	108	120	120	120
NOEC	23	24	25	24	26	25	25
OEPTC ³	354	406	418	429	444	450	460
TOTAL	1,530	1,544	1,564	1,639	1,535	1,225	2,035

1. 2016-17, 2017-18 based on forecasted numbers

2. 2015-16 estimated for 3 months of reduced DRC revenue

3. OEPTC amounts in all years based on energy component of the rebate.

* Sourced from Energy PRRT submission

OCEB – Ontario Clean Energy Benefit

NIERP – Northern Industrial Electricity Rate program

DRC – Debt Retirement Charge

OREC – Ont. Rebate for Electricity Consumers

NOEC – Northern Ontario Energy Credit

OEPTC – Ont. Energy & Property Tax

Credit

New Rate Mitigation Proposals under Consideration (Calendar Year Basis)

GLOBAL ADJUSTMENT DEFERRAL OPTIONS (Fiscal risk, depending on accounting treatment):

(\$M)	2017	2018	2019	2020	2021
1a. GA Smoothing for All – Residential Bills Lowered 25% (with Tax-Base Funded 8% Rebate and Social Programs, 2% increase)	4,674	4,867	5,045	6,586	6,039
1b. GA Smoothing for All – Residential Bills Lowered 25% (with Tax-Base Funded 8% Rebate and Social Programs, RPP held constant)	4,674	4,869	5,045	6,586	6,037
1c. GA Smoothing for All – Residential Bills Lowered 25% (with Tax-Base Funded 8% Rebate and Social Programs, 3% increase)	4,674	4,649	4,589	5,867	5,031
1d. GA Smoothing for RPP Only – Residential Bills Lowered 25% (with Tax-Base Funded 8% Rebate and Social Programs, 2% increase)	2,180	2,270	2,353	3,072	2,817
1e. GA Smoothing for RPP Only – Residential Bills Lowered 20% (with Tax-Base Funded 8% Rebate and Social Programs, 2% increase)	1,500	1,542	1,578	2,243	1,931

Social Programs – Existing

Currently, the existing RRRP and OESP are charged to the rate base. If the proposal to shift the existing program costs to the tax base materializes, these costs would have a fiscal impact.

(\$M)	2017	2018	2019	2020
2a. RRRP (Currently Rate Base Funded)	~240	242	248	255
2b. OESP – Status Quo (Currently Rate Base Funded)	108	150	186	215

Ministry of Energy is also Proposing Expanded or New Programs, which could be fiscally-funded

(\$M)	2017	2018	2019	2020
2a. RRRP Enhancement		64-90	52-72	38-54
2a(i). Accelerating Fixed Rate Benefits		~10	TBD	TBD
2a(i). Threshold of \$38 Monthly Fixed Rates		~140	TBD	TBD
2b. OESP Enhancement (+50%)	54	75	93	108
2c. Establishing a New LDC Affordability Fund (unclear if Ratepayer or taxpayer funded)	200			
2d. First Nations Rate (if taxpayer funded)	20	20	20	20

Other Proposals

3. OEB – Red Tape Reductions	n/a	n/a	n/a	n/a
4. OPG Operational Efficiencies \$3/MWh stretch factor	240	240	240	240
5. IESO – Market Renewal	n/a	n/a	n/a	n/a