Yellows Feedback Template

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Chapter Subsection Heading Page Number	Comment or suggested edits
Chapter: 2 **Subsection:** Ontario's Fair Hydro Plan **Page Number:** 3	After decades of under-investment in the electricity system, this government has over the last few years invested more than $50 billion in electricity infrastructure across the province to ensure that Ontarians can benefit from a cleaner and more reliable system. Ontario also became the first jurisdiction in North America to end the use of coal, choosing instead to produce clean, renewable power and grow a clean energy sector that creates jobs for everyone. The Province also put policies in place to provide targeted support to rural and low-income customers. The burden of financing these system improvements and funding key programs has unfairly fallen almost entirely on the shoulders of today's ratepayers. That is why the government is taking additional steps to relieve that burden and share costs more fairly. Starting this summer, Ontario's Fair Hydro Plan would lower electricity bills by 25 per cent on average for all residential consumers in the province, including the eight per cent rebate introduced in January 2017. Many small businesses and farms would also benefit from the initiative, with additional relief for people with low incomes and those living in eligible rural communities. Taken together, these changes will deliver the single-largest reduction to electricity rates in Ontario's history.
Subsection: Refinancing the Global Adjustment **Page Number:** 3	Ontario's significant investments in generation, transmission and distribution assets to create a cleaner and more reliable energy system are funded in part through the Global Adjustment (GA). The Fair Hydro Plan recognises that while the majority of the province's electricity generators have 20-year contracts, many of these generators will be able to operate past their contract term. This means that these generating assets are expected to have ongoing useful life and will benefit future ratepayers by reducing the need to finance the development of new generating assets. To relieve the current burden on ratepayers and share costs more fairly, a portion of the GA would be refinanced over a 30-

	year period, rather than over 20 years. Refinancing the GA would provide significant and immediate rate relief by spreading the cost of electricity investments over the expected lifecycle of the infrastructure that has been built. In the early years, a portion of the costs covered by the GA would be refinanced to reduce pressure on today's electricity ratepayers. In later years, the cost of refinancing would be recovered from ratepayers. Under current forecasts, the immediate reduction in the GA charge would be about \$2.5 billion per year on average over the first 10 years, with annual interest costs not exceeding \$1.4 billion. The government intends to introduce legislation that would, if passed, enable the Independent Electricity System Operator (IESO) and Ontario Power Generation (OPG) to work together to refinance the GA over a longer period of time. The legislation would also outline the role for the Ontario Energy Board (OEB), as it relates to the financing proposal.
Subsection: Broadening Rural or Remote Rate Protection (RRRP) **Page Number:** 4	The Province proposes to expand the RRRP to provide distribution charge relief to about 800,000 customers served by Local Distribution Companies (LDCs) with the highest rates. LDCs benefitting from the expanded RRRP include Hydro One R2 and R1 customers, Northern Ontario Wires, Lakeland Parry Sound, Chapleau PUC, Sioux Lookout Hydro, InnPower, Atikokan Hydro and Algoma Power. For example: a) a Hydro One R2 customer consuming 2,500 kilowatt-hours (kWh) a month would save about \$75; b) a Hydro One R1 customer consuming 1,000 kWh a month would save about \$18; and c) an InnPower customer consuming 1,000kWh a month would save about \$12. The Province will also move to fund RRRP costs through the tax base, reducing regulatory charges for all Ontario ratepayers.
Subsection: Expanding the Ontario Electricity Support Program (OESP) **Page Number:** 4	The OESP is an income-tested, application-based program that lowers electricity costs for the most vulnerable consumers, providing a rebate directly on bills. Currently, eligible low-income electricity consumers save up to \$50 per month and those with unique electricity requirements save up to \$75. Ontario is increasing the OESP by 50 per cent, meaning that single, low-income consumers who receive the lowest credit amount would get an annual increase of \$180, resulting in a total savings of \$540 per year. An enhanced credit for eligible First Nations and Métis households or those who use electric heat or certain electrically intensive medical devices would increase from \$540 to \$816 per year. To help ensure that all OESP-eligible Ontarians receive their credit, the government is exploring automatic qualification for customers enrolled in other provincial low-income social programs. The Province is also moving forward in having the OESP funded by provincial revenues, reducing regulatory charges for all

	Ontario ratepayers.
Subsection: Providing a First Nations On-Reserve Delivery Credit **Page Number:** 5	The Province will introduce a First Nations On-Reserve Delivery Credit that would save all residential customers $1,020 per year. The credit would be funded by provincial revenues. In 2016, the Ontario Energy Board (OEB) engaged with First Nations, including remote communities, the distributors serving them, and consumer groups such as the Low Income Energy Network. OEB's resulting recommendations included eliminating the delivery charge for all on-reserve First Nations residential customers and removing the monthly service charge for customers of licensed distributors which charge a bundled rate.
Subsection: Establishing an Affordability Fund **Page Number:** 5	The government will work with LDCs to establish an Affordability Fund that will help customers in need. Ontarians who do not qualify for low-income conservation programs can receive financial assistance to undertake energy efficiency improvements that will help reduce their future electricity bills. The Province will pay for the Affordability Fund through provincial revenues.
Subsection: Reducing Electricity Costs for Businesses **Page Number:** 5	The government is continuing to lower electricity costs for businesses and maintain a competitive business environment. Ontario is expanding the Industrial Conservation Initiative (ICI) program by reducing the eligibility threshold from 1 Megawatt (MW) to 500 kilowatts (kW) and targeting more small manufacturing and industrial consumers. This is in addition to the Province's existing actions to reduce electricity costs for businesses, such as: