

Ontario Reducing Electricity Costs for Families and Businesses

Five Million Families, Farms and Small Businesses Will See Bill Reductions

NEWS

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As part of its balanced plan to build Ontario up and help people in their everyday lives, Ontario is taking action to reduce electricity costs and intends to introduce legislation that, if passed, would provide an eight per cent rebate, equal to the provincial portion of the HST, on the electricity bills of residential consumers, small businesses and farms as of January 1, 2017. Rural electricity consumers would receive additional relief and commercial, institutional and industrial ratepayers would also benefit from lower electricity costs.

Ontario's economy is recovering well from the impact of the global recession. While the province and independent economic forecasters project consistent economic growth for Ontario, many families are not yet feeling the impact of the recovery in their everyday lives. Therefore, Ontario intends to take action to help with the costs related to electricity.

Together, these actions would provide a benefit to all electricity consumers in Ontario, including:

- Providing residential customers with an eight per cent rebate equal to the provincial portion of the HST, totaling about \$130 on average per year for the typical household
- Decreasing total bills for eligible rural customers by an average of \$540 a year or \$45 each month.
- Eligible larger businesses would also benefit from the plan through the expansion of the Industrial Conservation Initiative (ICI).

More than five million residential consumers, farms and small businesses, along with more than 1,000 larger businesses and other electricity users newly eligible for the ICI would see a reduction in their electricity bills.

Helping Ontarians with the cost of everyday living and helping businesses compete are 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

"The actions we're announcing today would benefit all ratepayers in a meaningful way. Many rural and northern customers would receive additional rate relief through these initiatives. Expanding incentives across Ontario would create more opportunity for businesses to be competitive and manage their electricity costs. Rebating the equivalent of the provincial portion of the HST from electricity bills would provide extra relief for families, farms and small businesses."

- 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 **cleaner** generation, including nuclear, natural gas and renewables – this represents about 40 per cent of our current supply.
- Ontario eliminated coal-fired electricity generation, replacing it with cleaner sources of energy, which has decreased electricity sector emissions by approximately 80 per cent since 2003.
- Earlier this year, the province introduced the Ontario Electricity Support Program (OESP) to provide a monthly credit to low-income households who apply for and meet the eligibility requirements.
- These actions support priorities laid out in the government's Climate Change Action Plan to direct cap and trade proceeds towards greenhouse gas reduction initiatives that keep electricity rates affordable. Furthermore, this meets the 2016 Budget commitment to ensure the net impact of cap and trade does not result in an overall increase in electricity cost for commercial and industrial consumers.
- The ICI provides a strong incentive for large electricity consumers to shift their electricity consumption to off-peak hours to reduce their bills by an estimated up to one-third. Expanding the ICI would reduce cost pressures on the electricity system by enabling more consumers to lower their electricity demand during peak periods.

Commented [SK21]: Is natural gas considered 'clean'?

Suggest rephrasing to imply it is 'cleaner' than the alternative (coal).

LEARN MORE

- Backgrounder on Existing Programs To Reduce Electricity Costs for Consumers and Businesses
- Backgrounder on Electricity Rate Relief for Ontario Consumers
- Read [Ontario's Climate Change Action Plan](#)
- Read [Ontario's Long-Term Energy Plan](#)