

Communications Snapshot – Fair Hydro Plan

Communications Objectives

- Propose new regulations to support the implementation of Ontario's Fair Hydro Plan under the *Ontario Fair Hydro Plan Act, 2017* (OFHPA).

Context

- Ontario's Fair Hydro Plan was announced by Premier Wynne and Minister Thibault on March 2, 2017.
- The FHP has lowered electricity bills by 25 per cent on average for residential consumers in the province effective July 1, 2017, and will hold increases to the rate of inflation for four years.
- The eight per cent rebate introduced on January 1, 2017 **is included** in the 25 per cent savings as part of the FHP.
- The FHP includes:
 - Refinancing a portion of the global adjustment (GA) to defer the costs of our investments in the electricity system over a longer term period. Electricity consumers that are eligible for the 8 per cent rebate are also eligible for GA refinancing, including residential consumers, farms, most small businesses, long-term care homes and condominiums.
 - Enhancing electricity support programs and provide additional funding through new social and conservation programs:
 - Enhance the Rural or Remote Electricity Rate Protection (RRRP) program by establishing Distribution Rate Protection
 - Expand eligibility criteria and increase credit amounts for the Ontario Electricity Support Program (OESP) by 50 per cent.
 - Create a First Nations On-Reserve Delivery Credit
 - Establish an Affordability Fund to provide energy efficiency measures to Ontarians who aren't eligible for low-income conservation programs, and who otherwise couldn't make energy efficiency improvements without support. No legislative amendments are required to establish the Affordability Fund.
 - Shifting cost recovery for the OESP and the majority of the costs associated with RRRP to provincial revenues rather than by Ontario ratepayers, reducing regulatory charges for all Ontario ratepayers.
 - Expanding eligibility for the Industrial Conservation Initiative (ICI) to include manufacturers and greenhouses with peak demand greater than 500 kW and less than 1 MW.
 - Improving sector efficiency and modernizing Ontario's electricity market, building on the collaboration of the Independent Electricity System Operator (IESO) and the Ontario Energy Board (OEB).
- Amendments to Ontario Regulation 206/17, i.e. general regulation under the Ontario Fair Hydro Plan Act, 2017, are the next step in implementing GA refinancing and will enable the FHP to proceed as planned.

Target Audience

- For reactive communications the key audiences could encompass All electricity consumers in Ontario
 - Consumer subgroups: Residential households, small businesses, farms, long-term care homes and condominiums.

Key Messages

- Ontario has lowered electricity bills by 25 per cent on average for residential customers as part of a significant system restructuring that is addressing long-standing policy challenges and ensuring greater fairness.
- Ontario's Fair Hydro Plan is providing households with a 25 per cent break, effective July 1, 2017. As many as half a million small businesses and farms are also benefitting from the reduction.
- These measures include the eight per cent rebate introduced in January and build on previously announced initiatives to deliver broad-based rate relief on all electricity bills.
- As part of this plan, rate increases over four years will be held to the rate of inflation.
- People with low incomes and those living in eligible rural communities are receiving even greater reductions to their electricity bills.
- Taken together, these changes are delivering the single-largest reduction to electricity rates in Ontario's history.

Strategic Approach

- The regulatory amendments are not expected to raise communications issues.
- Ministry has an extensive broader OFHP communications strategy in place.
- Reactive materials will include updated Q&As, key messages and issues management plan.
- Continue to monitor and track:
 - media reactions and editorials
 - incoming correspondence
 - response by opposition MPPs

Issues & Mitigation

The below are generic FHP issues, mitigation strategies and key messages. This section will be modified on an ongoing basis.

Issue/Consideration	Mitigation Strategy	Key Message
Saving money for consumers now will result in rising costs for future consumers	Emphasize market renewal and innovative technologies that could result in savings for future consumers	We rebuilt our system; \$70B invested, eliminated coal But asked one generation to pay for it all This Plan is a fairer way to pay for our system
Cost of these initiatives will stop Ontario from balancing the budget	Emphasize that it will help businesses stay competitive and reduce financial pressure on families. GA Refinancing is not expected to have a fiscal impact.	Ontario balanced the budget in 2017-18 while continuing to invest in the economy, our people and a healthy, clean and prosperous low-carbon future.
Reducing bills by an additional \$20 a month is not enough. The government is providing a little relief to all consumers, when they could instead have done more for those that needed it most.	Draw attention to enhancement of Ontario Electricity Support Program and other initiatives which are targeted at the most vulnerable consumers – RRRP enhancement, Affordability Fund	Lower-income Ontarians and those living in eligible rural communities are receiving even greater reductions, as much as a 40 to 50 per cent cut

Tactics & Rollout

	Pre-Launch	Launch	Post-Launch
Regional Rollout Examples: • MPP Template • Speeches • Media event • Op-ed, media pitch • Editorial board meeting	N/A	N/A	• • N/A
Earned Examples: • News release, etc. • Remarks • Event • Calls/emails to targeted audiences • Multilingual media • Fact sheets • House Statement	• N/A	• • N/A	• • N/A
Digital / Social Examples: • Web content • Twitter/Facebook • Keyword / interactive web • Blogger outreach • Videos	• • N/A	• • N/A	• • N/A
Paid <i>(must include budget)</i> Examples: - TV/radio/newspaper - Online banners/ads - Advertorial - Householder/direct mail	• • N/A	• • N/A	• • N/A

Evaluation

- Monitor and track
 - media reactions and editorials
 - incoming correspondence
 - response by opposition MPPs
 - awareness of and reaction to advertising via PO omnibus survey (TBC)