

MEETING NOTE

NAME OF MUNICIPALITY/ORGANIZATION: Municipality of Neebing

DATE/TIME OF MEETING: Monday, January 30th, 2017 (8:00 a.m. – 8:15 a.m.)

LOCATION OF MEETING: Davenport Room, Sheraton Toronto, 4th Floor

ATTENDEES: **Minister of Energy**
Glenn Thibeault

Municipality of Neebing
Zygmund (Ziggy) Polkowski, Mayor
Rosalie Evans, Solicitor Clerk

AGENDA:

1. High electricity costs

NOTES ON AGENDA ITEMS:

1. Item 1

- Municipality considers electricity prices unaffordable, with low income/ seniors having to choose between paying Hydro bills and buying groceries.
- The rebate on the provincial portion of the HST is a start, but more must be done, and they note that no other province puts "distribution charges" on their electricity bills.

Suggested Response:

- Ontario is taking action to reduce electricity bills for families. We're doing this because we know that families need help with the cost of everyday living.
- We have introduced new measures that will take effect January 1, 2017, including:
 - Rebating the amount equal to the provincial portion of the HST to reduce eligible residential, small business and farm electricity bills by 8% (\$130 annually); and
 - Providing eligible rural ratepayers with additional relief, decreasing total electricity bills by an average of \$540 a year or \$45 each month (combined with the 8% rebate included).

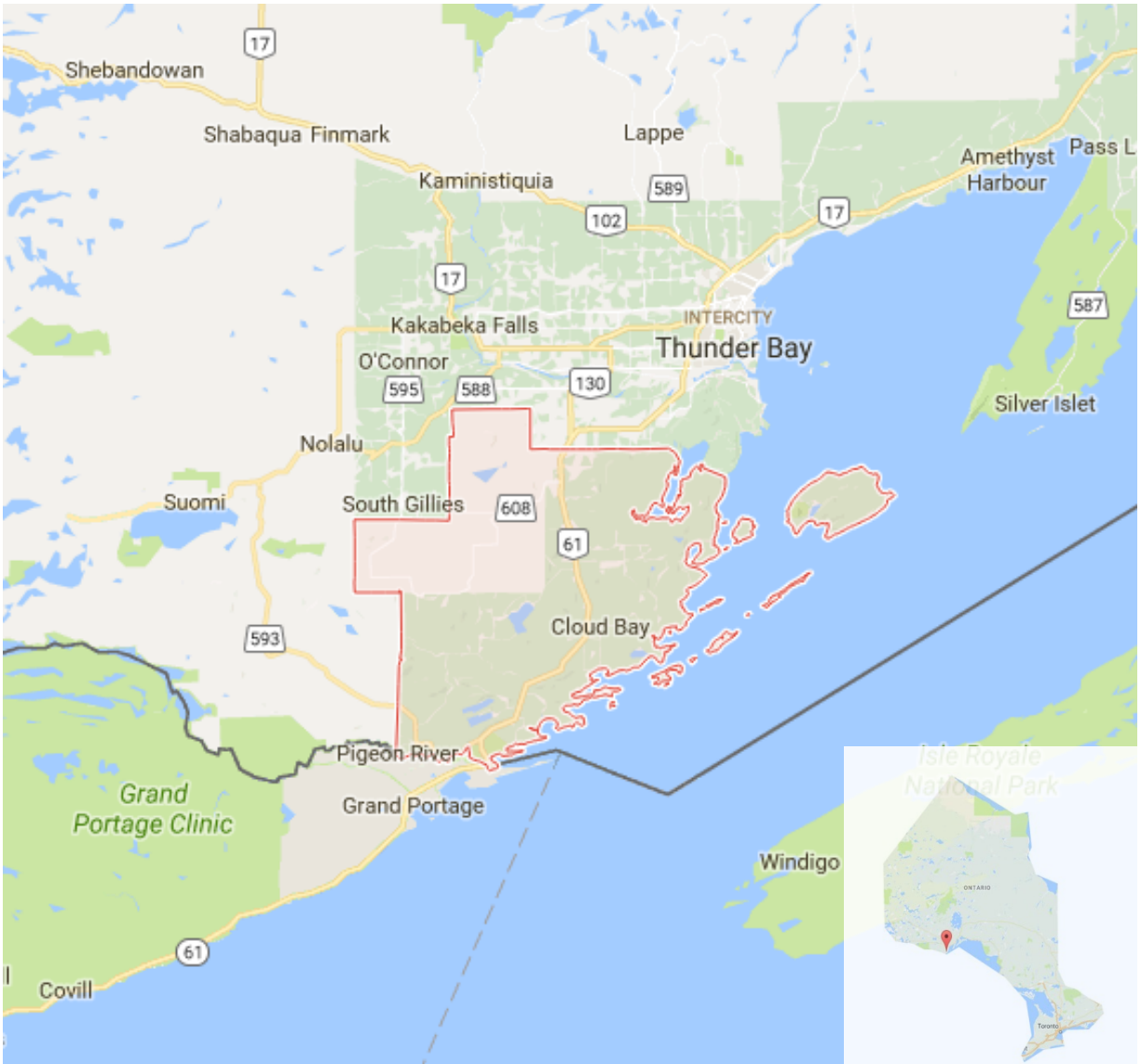
- The government recognizes that for low-income Ontarians, paying their electricity bills can be particularly challenging, which is why the government has additional measures in place to help those who need it most.
- The Ontario Energy Board (OEB) developed the Ontario Electricity Support Program (OESP), which provides an ongoing rate reduction directly on the bills of low-income electricity consumers who have applied and meet the eligibility requirements.
- The OESP credit amount qualified customers receive is based on household income and household size, and credits typically range from \$30-\$50.
- The Low-Income Energy Assistance Program (LEAP) is a comprehensive province-wide strategy designed to help qualifying low-income consumers. The program includes:
 - Emergency financial assistance: A one-time grant towards your electricity or natural gas bill if you are temporarily unable to make ends meet in an emergency situation.
 - Special rules: Utilities have to follow special rules when dealing with customers with limited finances; for example, waiving security deposits, allowing longer payment times and more.
 - Conservation programs: Administered through local distributors to help qualified Ontario homeowners, tenants and social housing providers improve energy efficiency.
- The government has recently introduced The Burden Reduction Act (Bill 27) which would, if passed, provide the OEB with authority to establish additional rules regarding when and how utilities can disconnect customers from electricity and gas.
- Other assistance for low-income energy consumers is provided through the Ontario Energy and Property Tax Credit (OEPTC)
- Are your customers aware of these programs? How can the government do a better job to increase participation in your community?
- The Ontario Energy Board (OEB) sets the rates for the LDCs across the province, in an open and transparent manner. The objective of the OEB is to set just and reasonable rates; protecting the consumer and ensuring fair performance and expectations for utilities.

Background:

Initiative	Key Information	Notes
Rate Mitigation Legislation + Regulation	• \$130 – annual savings for average household (\$11 per month) via 8% bill reduction • \$540 – annual savings for eligible rural customers (\$45 per month) via Rural and Remote Rate Protection	Takes effect on January 1, 2017.
OESP	• \$30 to \$50 – monthly on-bill rebate for eligible customers • \$45 to \$75 – monthly on-bill rebate for those with unique electricity needs	Program took effect on January 1, 2016.
LEAP	• \$500 – one-time annual emergency relief for electricity bills ○ \$600 – if home is electrically heated • \$500 – one-time annual emergency relief for gas bills	Also provides flexible customer service rules re: utility treatment of LEAP customers.
NOEC	• For 2016 benefit year: ○ \$146 – annual credit for eligible individual ○ \$224 – annual credit for eligible family	Part of Ontario Trillium Benefit.
OEPTC	• For 2016 benefit year: ○ \$1,008 – maximum amount for individuals / families ○ \$1,148 – maximum amount for qualifying seniors	Part of Ontario Trillium Benefit.

Municipality of Neebing

The Municipality of Neebing is located in Northern Ontario, running along the northeast coast of Lake Superior, immediately south of the city of Thunder Bay. As of 2011, it has a population of 1,986.



MEDIA SCAN:

- There has been limited media coverage related to energy-related issues in Neebing. In November, media reported on a proposal to build a waste processing plant at one of Neebing's two landfill sites. It would convert non-hazardous waste material into energy to produce bio-diesel fuel.

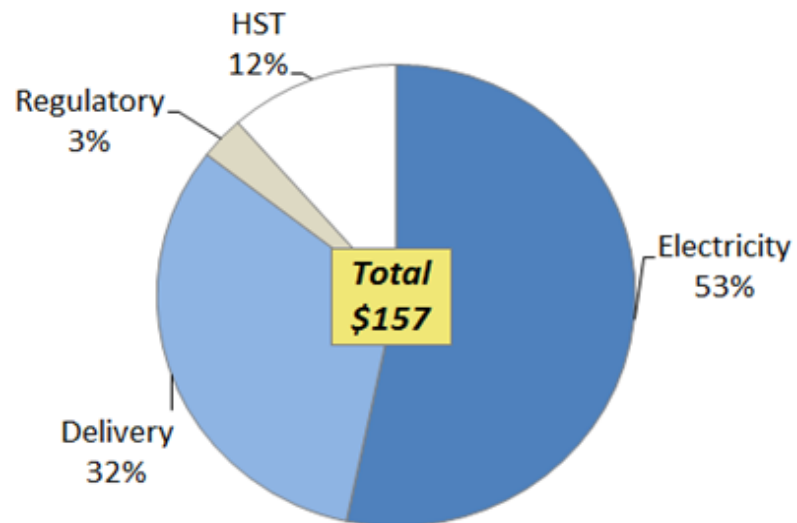
APPENDIX:

1. High electricity cost and distribution charge

Figure 1: Typical Residential Bill

Typical Residential Monthly Bill

November 1, 2016 RPP TOU prices, 750 kWh



Source: Ministry of Energy calculations based on Toronto Hydro rate order

Figure 2: 2016 Residential Pricing Comparison

2016 Residential Electricity Prices (Canadian ¢/kWh)								
Jurisdiction		Cost	Jurisdiction		Cost	Jurisdiction		Cost
1 Quebec	7.34	17 Nebraska	13.63	33 Nevada	15.22	49 Maine	18.36	
2 Manitoba	8.68	18 Utah	13.71	34 Saskatchewan	15.32	50 Maryland	18.39	
3 British Columbia	9.92	19 Oklahoma	13.99	35 Virginia	15.36	51 Wisconsin	18.50	
4 Alberta	11.11	20 Wyoming	14.07	36 Arizona	15.82	52 Ontario	18.98	
5 Louisiana	11.74	21 Mississippi	14.09	37 California	15.87	53 Michigan	19.14	
6 Washington	11.94	22 Montana	14.12	38 Alabama	15.90	54 New Jersey	19.87	
7 Newfoundland	12.48	23 Florida	14.17	39 U.S. Average	15.91	55 New York	22.26	
8 Idaho	12.63	24 Georgia	14.28	40 Minnesota	16.15	56 Vermont	22.43	
9 Canadian Average	12.84	25 Texas	14.44	41 Nova Scotia	16.24	57 New Hampshire	23.90	
10 Arkansas	12.85	26 West Virginia	14.45	42 Ohio	16.33	58 Rhode Island	24.87	
11 Tennessee	13.08	27 New Mexico	14.52	43 South Carolina	16.35	59 Massachusetts	26.42	
12 New Brunswick	13.19	28 South Dakota	14.58	44 Illinois	16.37	60 Alaska	26.52	
13 Missouri	13.26	29 Iowa	14.99	45 PEI	16.84	61 Connecticut	27.07	
14 Kentucky	13.26	30 North Carolina	15.00	46 Kansas	17.22	62 Hawaii	34.47	
15 Oregon	13.44	31 Colorado	15.08	47 Delaware	17.79			
16 North Dakota	13.47	32 Indiana	15.16	48 Pennsylvania	18.27			

Note: Estimates may differ from actual costs to a consumer based on location, connection, and operational characteristics. Prices exclude taxes and participation in any applicable jurisdictional benefit programs.

The Ontario residential price is based on the residential bill in the Q2 2016 Ontario Energy Report.

All other Canadian prices are from the Hydro Quebec Rate Comparison for rates effective April 1, 2016 for select local distribution companies servicing specific cities. Where Hydro Quebec reports prices for two cities in a province (e.g. Calgary and Edmonton), an average of the two is used, in provinces where only one city is reported (e.g. Vancouver in BC, Montreal in QC), that one price is used to represent the province for indicative comparison purposes.

American jurisdictions reflect April 2016 data from the US Energy Information Administration's survey of approximately 500 of the largest electric utilities. The price reflects the average revenue reported by the electric utility from electricity sold to the residential sector. The value represents an estimated average retail price, but does not necessarily reflect the price charged to an individual consumer. Prices are converted at an exchange rate of 1 USD = 1.28 CAD.