

PART II FAIR ADJUSTMENT

Fair adjustment, May 1, 2017 to April 30, 2018

Definitions

6xx. (1) In this section,

“average baseline invoice amount” means the average monthly invoice amount that would be payable by the representative non-retail consumer or representative retail consumer, as the case may be, under the average baseline rate; (“French”)

“average baseline rate” means the average rate *that would be payable* effective May 1, 2017 by the class of consumers prescribed by the regulations under the *Ontario Energy Board Act, 1998* for the purposes of subsection 79.16 (1) of that Act, as determined by the Board by applying the method prescribed by the regulations under clause 79.16 (1) (b) of that Act; (“French”)

Note to draft: definition of “representative non-retail consumer” and related definitions to be moved to regulations.

“representative non-retail consumer” means a consumer who meets the following criteria:

1. The consumer purchases electricity directly from Toronto Hydro.
2. The consumer has an account with Toronto Hydro that falls within the residential service rate classification as specified in a rate order made by the Board under section 78 of the *Ontario Energy Board Act, 1998*.
3. The consumer is invoiced by Toronto Hydro on a monthly basis.
4. The consumer is not invoiced by Toronto Hydro for electricity on an equal monthly payment plan or an equal billing plan.
5. The consumer uses 750 kilowatt hours of electricity each month; (“French”)

“representative retail consumer” means a consumer who purchases electricity from a licensed retailer and meets the criteria set out in paragraphs 2 to 5 of the definition of “representative non-retail consumer”; (“French”)

“Toronto Hydro” means Toronto Hydro-Electric System Limited or its [legal] successors or assigns which are licensed by the Board pursuant to Part V of the *Ontario Energy Board Act, 1998* to distribute electricity in the Toronto Hydro service area. (“French”)

Rate determination

(2) To more fairly recognize clean energy benefits and allocate the clean energy costs among present and future generations of specified consumers, the rate for electricity payable for the period beginning on May 1 and ending on April 30, 2018 is as follows:

1. In the case of a specified consumer who purchases electricity directly from Toronto Hydro, the rate is the average rate that would be payable by the representative non-retail consumer in order for the representative non-retail consumer to receive a monthly invoice amount that is 25 per cent less, taking into account the benefits received by such consumer pursuant to the *Ontario Rebate for Electricity Consumers Act, 2016*, than the average baseline invoice amount.
2. In the case of a specified consumer who purchases electricity from a licensed retailer, the rate is the average rate that would be payable by the representative retail consumer in order for the [global adjustment charge included in the representative retail consumer's monthly invoice amount] to be reduced by the same amount as the reduction calculated under paragraph 1.

Sub-meter customers

(3) A specified consumer who provides electricity to a sub-meter customer and any unit sub-meter provider who provides unit sub-metering for the specified consumer shall ensure that the rate payable by each sub-meter customer is the rate determined under subsection (2).

Determining rates

- (4) The rates mentioned in subsection (2) shall be,
- (a) determined by the Board no later than seven business days after the day this section receives Royal Assent; and
 - (b) effective as of the first day of the calendar month immediately following the determination.

Transition

- (5) Subsection (6) applies if,
- (a) an electricity vendor, specified consumer or unit sub-meter provider is unable, for technical or operational reasons to adapt its invoices to comply with this section by the time it issues its first invoice for electricity consumed on or after May 1, 2017; or

- (b) an electricity vendor, specified consumer or unit sub-meter provider issues its first invoice for electricity consumed on or after May 1, 2017 on a day before the day the Board determines rates under subsection (4).

Same

- (6) In the circumstances described in subsection (5),
 - (a) the electricity vendor, specified consumer or unit sub-meter provider shall adapt its invoices as soon as possible and, in any event, no later than [August 1, 2017]; and
 - (b) the electricity vendor, specified consumer or unit sub-meter provider shall ensure that any specified consumer or sub-meter customer invoiced at a rate higher than the applicable rate determined by the Board receives the difference between the rate shown on their invoice and the applicable rate as a lump sum credit on the first invoice issued after the invoices have been adapted or by such other means as may be prescribed by the regulations.

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7xx. The Lieutenant Governor in Council may, to more fairly recognize clean energy benefits and allocate the clean energy costs among present and future generations of specified consumers, make regulations prescribing the rates for electricity payable by specified consumers and sub-meter customers during the period beginning on May 1, 2018 and ending on April 30, 2022.