
Ontario's Fair Hydro Plan (OFHP) Electricity Bill Requirements

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Development of an On-Line Bill Calculator

On-line Bill Calculator: Considerations

- The Ministry previously investigated the development of an on-line bill calculator for consumers to calculate their potential OFHP savings, working with Cabinet Office.
- The calculator was considered as a temporary tool to inform customers of their potential OFHP savings compared to previous bills.
- Ultimately the decision was made not to go ahead for a number of reasons, including:
 - Complexity of inputs required to calculate accurate savings leading to high potential for user error.
 - Inputs include local distributor, service territory, consumption, load shape between TOU periods, income level, household size, if they are an on-reserve First nations consumer.
 - Complexity of accurately showing savings vs. the status quo, when some benefits are already in place.
 - High likelihood, due to the foregoing, of inaccurate results and confusion on savings for consumers.

OFHP Communications Strategy with LDCs

- Instead of proceeding with the development of on-line calculation tool, the Ministry opted to develop a communications strategy in connection with LDCs that will explain OFHP initiatives to consumers and emphasize the resultant bill savings.
- This strategy recognizes that LDCs will be the first point of contact for customers once bills are reduced through the OFHP, therefore they should be equipped with a series of supports to communicate these changes to their customers.

Approach:

- LDCs will be provided with the following products:
 - Frequently asked questions (FAQs) for front-line staff
 - Backgrounders on OFHP initiatives
 - Relevant news releases
 - Status updates on the progress of OFHP initiatives
- LDC customers will be provided with the following products:
 - Voluntary (June 2017) and mandated OFHP bill inserts (July 2017 – July 2018)
 - Optional OFHP matte content for local media, customer newsletters and websites
 - Optional digital assets for sharing, including those for social media and online creative
- The Ministry continues to leverage its relationship with the Electricity Distributors Association (EDA) to assist with the distribution of these products and to communicate with LDCs.

OFHP Bill Messaging

Display of OFHP Savings on Bills – July 1st

- Some of the initiatives such as Global Adjustment (GA) and the broadening of the Rural or Remote Rate Protection program (RRRP) will be automatically calculated and will reduce consumers bills in the back end.
 - For GA, the changes will provide immediate relief by reducing Electricity line charges for eligible customers.
 - For Broadening RRRP, LDCs will perform back-end calculations that are reflected in reduced Delivery charges for these consumers.
- There will be an on-bill message that LDCs will be required to put on electricity bills noting that savings are a result of the Fair Hydro Plan
- For the First Nations On-Reserve Delivery Credit - which will eliminate the Delivery charge for all on-reserve First Nations residential customers - the 11 affected LDCs will be required to display a “First Nations Delivery Credit” line item for eligible First Nations customers, which will appear below the Delivery sub-heading on invoices.
- For Ontario Electricity Support Program (OESP), the line item will continue to appear on electricity bills as before

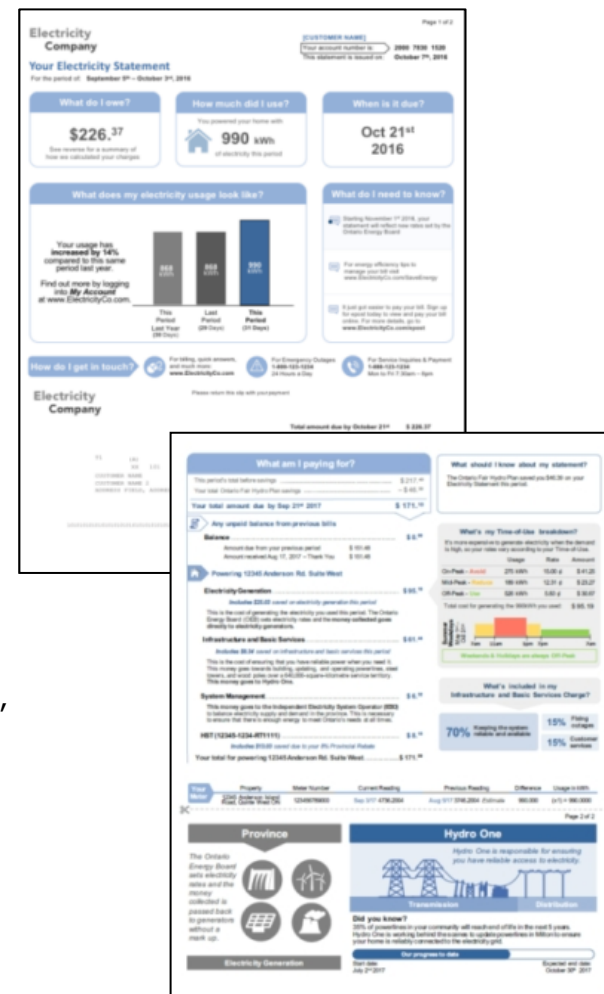
Long-Term Bill Improvements

Redesign Action Plan:

- The Ministry believes there is also an opportunity to revise the regulatory framework on bill presentation to improve the value of invoices to all consumers.
- As part of a proposed Redesign Action Plan (RAP), the Ministry would convene with LDCs in Summer 2017, once OFHP initiatives are implemented, to seek feedback on changes to bill presentation.
- This redesign could consider how to display OFHP program savings more directly on consumer bills.
- Following consultations, the Ministry would aim to propose regulatory amendments to simplify bill presentation for all LDCs in Fall 2017.

Hydro One:

- At the same time, Hydro One is also moving forward with plans to introduce a redesigned electricity bill in Fall 2017.
- The Ministry has reviewed a mock-up of Hydro One's redesigned bill (see right), which they wish to pursue but are constrained by current regulations.
- In light of this proposal, the Ministry plans to exempt Hydro One from current billing regulations (O. Reg. 275/04 and 364/16) as of July 1, 2017. This exemption would allow them to proceed with their planned bill redesign in Fall 2017, while the Ministry consults on the topic.
- Hydro One has also agreed to include OFHP messaging despite their exempted status.



Hydro One: Ideal Revised Bill