Ontario

BACKGROUNDER

Ministry of Energy

Actions to Reduce Energy Costs

In January, Ontario removed the provincial tax from electricity bills, resulting in an 8 per cent decrease. However, this has not been enough. Greater relief and structural change is needed.

Ontario's fair hydro plan will lower electricity bills by X per cent on average for all residential consumers in the province, including the 8 per cent tax reduction. Small businesses and farms will also benefit from the initiative, with additional relief for people living in rural areas or on a low income.

Ontario has taken a number of other actions to reduce electricity costs, including:

- A new agreement to trade electricity, energy capacity, and energy storage with the Government of Quebec, which will reduce electricity system costs by $XX million.
- Updating the Rural or Remote Electricity Rate Protection (RRRP) program for up to $45/months savings when combined with the 8 per cent rebate.
- Removing the Debt Retirement Charge (DRC) for all residential customers, saving the typical ratepayer $5.60 per month.
- Renegotiating the Green Energy Investment Agreement (GEIA) with Samsung, reducing contract costs by $3.7 billion.
- Deferring the construction of two new nuclear reactors at Darlington, avoiding an estimated $15 billion in new construction costs.
- Maximizing the value of our existing nuclear fleet by starting Bruce refurbishments in 2020, instead of 2016, thus helping to achieve $1.7 billion in savings relative to the 2013 Long-Term Energy Plan (2013 LTEP) forecast and by continuing to operate Pickering up to 2024, pending regulatory approvals, which could save ratepayers as much as $600 million.
- Reducing Feed-In Tariff (FIT) prices through annual price reviews, saving ratepayers at least $1.9 billion.
- Introducing a competitive Large Renewable Procurement (LRP) process to drive down costs approximately $1.5 billion lower than the 2013 LTEP forecast.
- Expanding eligibility for the Industrial Conservation Initiative (ICI) which could provide up to one-third savings for participants
- Suspending the Large Renewable Procurement program (LRP II) and the Energy From Waste Standard Offer Program (EFWSOP), resulting in up to $3.8 billion in costs, relative to the 2013 LTEP forecast.
- Limiting the Feed-In Tariff (FIT) 5 procurement target to 150 MW and Suspending future FIT procurements.