

For Immediate Release

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Electricity Prices Are Dropping Again on July 1

Toronto, ON – The Ontario Energy Board (OEB) today announced that electricity prices will go down for almost all of the province's electricity customers on July 1. These reductions result from the *Fair Hydro Act, 2017*, and apply to different customers in different ways depending on how they buy their electricity.

For residential and small business customers that buy their electricity from their utility, the OEB has set new lower Regulated Price Plan (RPP) electricity prices that build on the reduction in RPP prices that came into effect on May 1. With the new RPP prices that will start to apply on July 1, the total bill for the proxy customer described under the *Fair Hydro Act, 2017* will be about \$121. That is about \$41 or 25% lower than it would have been without the following mitigation:

- the planned refinancing of a portion of the costs of the Global Adjustment (GA), as reflected in the new RPP prices;
- the 8% rebate, equivalent to the provincial portion of the HST, that has been in place since January 1, 2017;
- the impact of removing most of the cost of the Rural and Remote Rate Protection program from electricity bills, which will now be paid for from provincial revenues; and
- the impact of removing the cost of the Ontario Electricity Support Program (OESP) from electricity bills. The OESP will continue to be available to help eligible low-income customers reduce their electricity bills, and will also be paid for from provincial revenues.

For other customers that are eligible for electricity bill reductions under the *Fair Hydro Act, 2017*, the OEB has set a credit that will reduce their GA charges. These include customers that are eligible for the RPP but have chosen a contract with an energy retailer or market-based pricing. The credit – or “GA modifier” – provides these customers with a level of benefit that corresponds with the benefit being provided to the proxy customer through the lower RPP prices announced today.

The table below shows two sets of prices: what time-of-use (TOU) prices would have been for RPP customers during the 2017 summer period (May 1, 2017 to October 31, 2017) without the reductions included in the *Fair Hydro Act, 2017*; and the TOU prices set by the OEB to start on July 1, 2017, which take into account the reductions included in the *Fair Hydro Act, 2017*.

TOU price periods	TOU prices that would have been in effect during the 2017 summer period without any <i>Fair Hydro Act, 2017</i> reductions	TOU prices reflecting the <i>Fair Hydro Act, 2017</i> reductions effective July 1, 2017
Off-Peak	9.1 ¢/kWh	6.5 ¢/kWh
Mid-Peak	13.3 ¢/kWh	9.5 ¢/kWh
On-Peak	18.5 ¢/kWh	13.2 ¢/kWh

The table below shows the same sets of prices for RPP customers who pay tiered prices.

Price tiers	Tiered prices that would have been in effect during the 2017 summer period without any <i>Fair Hydro Act, 2017</i> reductions	Tiered prices reflecting the <i>Fair Hydro Act, 2017</i> reductions effective July 1, 2017
Tier 1	10.7 ¢/kWh	7.7 ¢/kWh
Tier 2	12.5 ¢/kWh	9.0 ¢/kWh

The GA modifier has been set by the OEB at -\$32.90/MWh.

The new RPP prices and the GA modifier will be in effect until April 30, 2018.

For more information on how the OEB set the new RPP prices and the GA modifier that come into effect on July 1, see the OEB Backgrounder [HTML].

For more information on how the *Fair Hydro Act, 2017* affects different parts of an electricity bill, please visit the OEB's website at [XX].

About the Ontario Energy Board:

The Ontario Energy Board is an independent and impartial public agency that makes decisions that serve the public interest. Our goal is to promote a sustainable and efficient energy sector that provides reliable energy services to customers at a reasonable cost.