

FW: Ministry of Energy [ANNOUNCEMENT] - Ontario's Fair Hydro Plan

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Date: Thu, 02 Mar 2017 17:51:59 -0500
Attachments: MPP Backgrounder - Enhancing Electricity Support and Conservation Programs - March 2 2017.pdf (170.04 kB); MPP One Pager - Fair Hydro Plan.pdf (186.69 kB); MPP News Release - Fair Hydro Plan - March 2 2017.pdf (178.3 kB); MPP Backgrounder - Refinancing the Global Adjustment - March 2 2017.pdf (83.64 kB); MPP Backgrounder - Energy Sector Efficiencies - March 2 2017.pdf (87.28 kB); MPP Backgrounder - Previous Actions to Reduce Energy Costs - March 2 2017.pdf (89.5 kB); Sample Bill - Rural - Low Density Area - AFTER.pdf (80.86 kB); Sample Bill - Rural - Low Density Area - BEFORE.pdf (80.87 kB); Sample Bill - Urban - Low-Income Home - BEFORE.pdf (179.39 kB); Sample Bill - Urban - Mainstreet Small Business - AFTER.pdf (194.7 kB); Sample Bill - Urban - Mainstreet Small Business - BEFORE.pdf (184.74 kB); Sample Bill - Urban - Typical 905 Home - AFTER.pdf (185.38 kB); Sample Bill - Urban - Typical 905 Home - BEFORE.pdf (179.58 kB); Sample Bill - Rural - Medium Density Area - AFTER.pdf (81.03 kB); Sample Bill - Rural - Medium Density Area - BEFORE.pdf (74.53 kB); Sample Bill - Urban - Low-Income Home - AFTER.pdf (187.93 kB); MPP Technical Deck - Fair Hydro Plan.pdf (540.36 kB); MPP We Heard You - Fair Hydro Plan.docx (18.8 kB); MPP Media QA - Fair Hydro Plan.docx (32.37 kB); MPP Draft Petition - Fair Hydro Plan.docx (15 kB); 02 03 17 Premier Kathleen Wynne Hydro Statement Media Copy.pdf (276.05 kB)

Hi all,

This is the caucus blast that went out this morning with all of the products attached.

Kevin Den Heijer | MPP Liaison
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From: Den Heijer, Kevin (ENERGY)
Sent: March-02-17 9:27 AM
To: 'kdenheijer@liberal.ola.org'

Subject: Ministry of Energy [ANNOUNCEMENT] - Ontario's Fair Hydro Plan

Dear Caucus and Staff,

This morning Premier Wynne and Minister Thibeault announced our government's **Fair Hydro Plan** to assist individuals, families, farms and businesses of all sizes with their electricity bills.

Our plan involves the following key actions

1. **1. Significant Relief for All Residential Consumers and Farms:** Our plan will lower bills for Ontario families, farms and small businesses by an average of 25% and will limit increases to 2% per year for the next four years.
2. **2. Helping vulnerable electricity consumers** by enhancing electricity support and conservation programs and removing costs from electricity bills. Eligible consumers will receive additional funding through assistance programs including:
 - A new Affordability Fund which will support Ontarians who have difficulty paying their electricity bills to be able to access energy efficiency improvements.
 - Broadening Rural or Remote Rate Protection (RRRP) to provide distribution charge relief for the customers of the costliest local distribution companies (LDC's).
 - Expanding the Ontario Electricity Support Program (OESP) to ensure the program uptake is as close as possible to 100%.
 - Establishing a new On-Reserve First Nations Delivery Rate.
3. **3. Improving the electricity system's efficiency and modernizing Ontario's electricity market,** resulting in the largest restructuring of Ontario's electricity system in 20 years.

These actions will provide immediate and significant relief for all Ontarians. For more details on the plan, please find attached the following products:

- * The Premier's statement from today
- * Technical briefing deck
- * News Release
- * Media Q&A
- * Backgrounders (4 in total) and one-pager
- * 'We've heard you' letter
- * Template petition
- * Sample Hydro Bills

We've provided a variety of sample hydro bills in this package to show what effect the proposed actions will have on different types of consumers. An explanation of these bills, as well as Key Messages, can be found below.

Additional materials, including Echo materials, to follow later today and tomorrow.

Please direct any media inquiries to our office: Colin Nekolaichuk, Colin.Nekolaichuk@ontario.ca, 416-325-2690

Feel free to pass along any other questions to me.

Regards,

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Sample Bills

These models have been developed by Alectra Utilities, and Hydro One. There are five customers modeled:

- * A remote rural customer on electric heat (Rural – Low Density Area)
- * A typical rural customer (Rural – Medium Density Area)
- * A typical 905 household (Urban – Typical 905 Home)
- * A low-income house eligible for the OESP credit (Urban – Low-Income Home)
- * A typical small downtown business, like a family hardware store (Urban – Mainstreet Small Business)

Each customer has a before bill (based on what they would have been charged in December), and an after bill (based on a bill in July, after all our changes are anticipated to be in effect).

Average bill impact in Ontario will be 25%; note that these customers all happen to be receiving more than this amount of support. Customers who receive less than the 25% will typically be customers who don't use much electricity (owner of an efficient downtown Toronto condo, for example).

Key Messages

§ Ontario is committed to keeping electricity in Ontario clean, reliable and affordable.

§ We've been making important investments in a cleaner and more reliable energy system, but these investments have led to higher electricity bills.

§ We have heard from Ontarians across the province that the costs of these new investments have grown too quickly, which is why we are moving forward with a plan that will ensure costs are shared more evenly.

§ The new Rate Relief Plan will bring in more savings now through new initiatives that will cut costs directly on your energy bill.

§ Ontario's Rate Relief Plan includes:

- Refinancing the Global Adjustment (GA) over a longer term period for Regulated Price Plan (RPP) eligible consumers, including families, small businesses and farms.
- Helping vulnerable electricity consumers by enhancing electricity support programs and shifting costs off the electricity bill. Eligible consumers will receive additional funding through assistance programs including:
 - o Establishing a new Affordability Fund which will support Ontarians who are not eligible for the Home Assistance Program and who have difficulty paying their electricity bills.
 - o Broadening Rural or Remote Rate Protection (RRRP) to provide distribution charge relief for the customers of the local distribution companies (LDC's) with the highest distribution charges.
 - o Expanding the Ontario Electricity Support Program (OESP) to increase participation and provide further assistance to eligible participants.
 - o Establishing a new On-Reserve First Nations Delivery Rate.
- Improving sector efficiency and modernizing Ontario's electricity market, working in collaboration with the Independent Electricity System Operator (IESO) and the Ontario Energy

Board (OEB).

§ If passed, proposed legislation would mean that starting in the summer of 2017, the average residential electricity bill would be 25% lower.

§ We'll do this by changing the way electricity costs are recovered and moving funding for assistance programs off of hydro bills.

§ This plan is the biggest rate reduction in Ontario's history. It recognizes that the decision to invest in a clean, modern and reliable was the right one – but that the costs of this decision should not be put on today's electricity bills alone.

– § Last year, we offered Ontarians much needed relief by introducing a series of measures to help make life more affordable. This includes:

– o Introducing the Ontario Electricity Support Program

o Introducing a rebate equal to the provincial portion of the HST to reduce bills by 8% pre-tax

o Additional relief for eligible rural customers, and

o Expanding the Industrial Conservation Initiative so more businesses can take advantage of it.

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