Today, Glenn Thibeault, Minister of Energy, issued the following statement regarding the Financial Accountability Officer's (FAO) assessment on Ontario's proposed Fair Hydro Plan:

We welcome the FAO's report on our government's plan that would bring significant and sustained relief on electricity bills for Ontario families this summer, if the proposed Fair Hydro Act, 2017 is passed. We expanded the FAO's oversight last fall, which improved the office's access to information, making it even easier to provide important analysis.

We are pleased that the FAO's analysis supports the goal of our proposed legislation. This includes dramatically lowering electricity bills now by sharing costs more fairly with future generations of electricity ratepayers. The report also affirms our commitment that any increases to electricity bills would be held to the rate of inflation for four years ensuring predictability and stability over the medium term. The FAO's projection of electricity costs reflects a point-in-time estimate that demonstrates how we can ensure greater fairness in our electricity system. Later this summer, our government will release the next Long-Term Energy Plan (LTEP). In the 2017 LTEP, we will focus on taking additional costs out of our electricity system, and address affordability beyond the short and medium term for all Ontario ratepayers.

The FAO's estimate that the proposed Fair Hydro Act, 2017, while lowering electricity rates in the near and medium term, will have a net cost of $21 billion over 30 years is consistent with what we've always said: this proposed legislation will cost more, but it will share the costs of electricity systems investments we've made more fairly and appropriately over time. We also appreciate that the FAO has gone to the lengths of considering outlier scenarios, such as increased interest rates and borrowing the full balance of funds needed for the Fair Hydro Act, 2017, which he outlines could result in higher costs. This is extremely unlikely, however, and does not factor in government action being taken to reduce electricity system costs, electricity market renewal, or technological developments.

Since Premier Wynne announced the Fair Hydro Plan nearly 80 days ago, we've been clear and transparent about our plan that would cut electricity rates by 25 per cent on average for all residential consumers and as many as half a million small businesses and farms across the province, with any increases being held to the rate of inflation for four years. Through our proposed plan, low-income Ontarians and those living in eligible rural and Northern communities would see savings of up to 40 to 50 per cent. Families in the province have asked for real and immediate relief on their electricity bills and that's why we would deliver the largest rate reduction in Ontario's history.

Over the past several months we have been working carefully and thoughtfully with external and government legal and accounting firms, the Provincial Controller and other experts to ensure our proposed legislation would deliver the savings and fairness in our electricity system that we committed to.

Premier Wynne committed to providing significant and real relief on hydro bills for people across

Ontario, and our government would deliver on this pledge, if the proposed Fair Hydro Act is passed.