

RE: Fair Hydro Plan - businesses

From: "Daiene Vernile, MPP" <dvernile.mpp@liberal.ola.org>
To: "Ruttan, Craig (ENERGY)" <craig.ruttan@ontario.ca>
Cc: "Glenn Thibeault, MPP" <gthibeault.mpp@liberal.ola.org>, "Thibeault, Glenn (ENERGY)" <glenn.thibeault@ontario.ca>
Date: Wed, 19 Apr 2017 14:44:36 -0400

Craig, I want you to know that your quick return telephone call, and the information your forwarded on our electricity reductions really saved my back side today. Members at our local Chamber peppered me with questions on small business concerns... all of which I was able to answer, thanks to your fast, accurate, and useful information (...asked for, and delivered in less than 5 minutes!). The local examples were very impressive! I'm now your biggest fan.

Many, many thanks Craig,

Daiene Vernile, MPP
Parliamentary Assistant Minister of Transportation
Parliamentary Assistant Minister of Research, Innovation & Science

379 Queen Street South, Unit 3
Kitchener, ON N2G 1W6
T- 519-579-5460 F- 519- 579-2121
E — dvernile.mpp.co@liberal.ola.org

From: Ruttan, Craig (ENERGY) [mailto:Craig.Ruttan@ontario.ca]
Sent: Wednesday, April 19, 2017 12:24 PM
To: Vernile, Daiene MPP
Subject: Fair Hydro Plan - businesses

Hi MPP Vernile,

Please see messaging below. Feel free to call me if you have any further questions.

Regards,
Craig

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25% OFF ELIGIBILITY

- Starting this summer, the government will provide an average of 25 per cent off hydro bills for residential ratepayers, small businesses and farms – all customers that pay time-of-use rates.

- These cuts will be matched by a guarantee that for the next four years, total bill increases will be held to the rate of inflation – around 2 per cent.
- I want to provide some numbers of what this means in our area. **For Kitchener-Wilmot Hydro customers, it means more than 83,000 households, and nearly 8,000 (7,818) small businesses and farms, will see the 25% average reduction.**

ICI – SAVINGS OF UP TO ONE-THIRD FOR LARGE BUSINESSES

- The Industrial Conservation Initiative (ICI) provides a strong incentive for participating consumers to reduce their consumption during the year's highest peak hours, in order to reduce their costs by up to one-third.
- Currently, companies with a peak monthly load of 3MW or more are eligible to participate. Last fall, we announced a plan to expand the program to around 1000 new customers by lowering the threshold to 1MW and removing sector restrictions.
- In the Fair Hydro Plan, we have further expanded this. Starting this summer, manufacturing companies and greenhouses with a peak load between 500 kW and 1 MW will also be eligible to participate in ICI.
- This program is already helping companies in the area, including:
 - o Kuntz Electroplating in Kitchener
 - o Schaeffler Canada, Cooper-Standard Automotive, and Stackpole in Stratford
 - o Linamar and Polycon Industries in Guelph
- With the expansion, we expect even more local companies – including BWXT in Cambridge – will be eligible.

REDUCTIONS FOR ALL CUSTOMERS – TAX-BASING SOCIAL PROGRAMS

- All businesses will also benefit from our decision to shift two social programs from the electricity rate base to the tax base.
- Important rate mitigation efforts like the Rural or Remote Rate Protection plan, which helps to reduce distribution costs for those hard to serve customers; and the Ontario Electricity Support Program, which lowers rates for low income Ontarians, will be paid for by the Treasury.
- Shifting these costs to the tax base is a more appropriate funding source, and will also provide a modest reduction of **2-4%** on all customers' electricity bills.

Craig Ruttan

Policy Advisor (Energy Supply Policy)
 Office of the Hon. Glenn Thibeault | Minister of Energy
 900 Bay Street | Hearst Block | 4th Floor
 T: 416-314-2641
 M: 416-454-2557