ENERGY Review of Updated Renewable Energy Initiative Report "Review of Effectiveness of Investments in Renewable Energy for Social and Affordable Housing"		
Page	**Wording**	**Recommendation**
31	"The second issue was that fuel costs are not fixed in time. The provincial government's Long Term Energy Plan (LTEP) estimated the increase in electricity prices looking outward to 2032. However, recent legislative changes have lowered the cost of electricity. This is discussed in Appendix C. This report considered two electricity cost scenarios. The high electricity cost scenario simply used the 2013 LTEP forecast. The low cost scenario applied corrections to the LTEP based on estimated average savings resulting from the Fair Hydro Plan (FHP) and the rebate for the provincial portion of the HST paid on electricity bills."	"The second issue was that fuel costs are not fixed in time. The provincial government's 2013 Long-Term Energy Plan (LTEP) estimated the increase in electricity prices looking outward to 2032. We note that recent legislative changes will impact the future cost of electricity. This is discussed in Appendix C."
52	Second item in Table 3-11: "See Appendix C. Note that there is both a high electricity cost and a low electricity cost scenario."	"See Appendix C."
91	Under Utility Connections it states: "In other cases, housing providers suggested that initial issues in obtaining generation agreements with local distribution companies resulted in delays in them obtaining FIT contracts."	"In other cases, housing providers suggested that initial issues in obtaining connection agreements with local distribution companies resulted in delays in them obtaining FIT contracts."

Recommended tracked edits for pages 170-172 – Appendix C – Electricity Cost Estimate

Commented [CD(1]: Overall comment: ENERGY recommends using only one electricity cost scenario (LTEP 2013) for the long-term forecast of electricity prices in your analysis, instead of two scenarios. We suggest simply mentioning that the Fair Hydro Plan is being implemented but that a long term forecast won't be available until the next LTEP is released later this year.

The RE technologies evaluated in this report reduced the consumption of electricity and natural gas in the social and affordable housing buildings. To evaluate the lifetime financial impacts of reduced energy consumption, it was necessary to forecast the future value of energy. The most recent Long-Term Energy Plan (LTEP), from 2013, provides a forecast for the future cost of electricity. This was converted to a value in units [$/kWh] in the analysis. However, significant changes to electricity costs implemented in 2017 were not included in the 2013 LTEP projections.

As of January 1st 2017, electricity consumers are provided a full rebate equal to the provincial portion of the HST (8%) on their electricity bills. On March 2nd 2017, the Province announced Ontario's Fair Hydro Plan(OFHP) under which, starting in summer 2017, the average household electricity bill will be reduced by 25%.

The reduction includes the 8% rebate introduced in January.

The OFHP will reduce electricity bills through:

- Refinancing a portion of the Global Adjustment (GA);
- an Affordability Fund to help customers undertake energy efficiency improvements;
- a reduction in distribution charges for consumers in low- and medium-density areas;
- an On-Reserve First Nations delivery Credit; and
- enhancements to the Ontario Electricity Support Program (OESP).
- Funding electricity support programs (Rural or Remote Rate Protection and Ontario Electricity Support Program) through provincial revenues instead of electricity bills.

Commented [AL2]: This is not an accurate figure. We have not published a percentage for GA refinancing alone

Commented [AL3]: The fund is for lower income consumers who don't qualify for existing home energy efficiency programs for low-income Ontarians

The OFHP will also ensure that the electricity bills will not increase beyond the rate of inflation for four years. While 25% is being reported by the Province as the average electricity bill savings, a
different level of savings will be experienced by different types of consumers depending on their consumption and electricity distributor. Low-income consumers may receive even greater savings on their electricity bills but this may be due a credit provided by the OESP that is a constant amount on their monthly bill. While many social and affordable housing residents may qualify for the program, it should be noted that electricity bill savings from the OESP are not relevant when trying to valuate avoided costs from the reduced energy consumption associated with the use of RE technologies. This is because a fixed credit is applied based on household income and size, and not electricity consumption.

Within this report, the cost of electricity forecasted using the 2013 LTEP was adjusted to take into account the provincial HST rebate and the OFHP.

~~The Province estimated that the average residential electricity bill savings from the OFHP is 25%, which includes the provincial HST rebate of 8%.~~

Commented [AL4]: As mentioned above, the 25% includes the 8%