

Media Call Summary: July 28, 2017

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Date: Fri, 28 Jul 2017 17:13:21 -0400

Ministry: 1 inquiry

Topic: Delivery charge on condo owner's hydro bill

Reporter & Outlet: John Musselman, CTV News

Response Type: Ministry spokesperson

Reporter's Questions:

We are doing a story with a condo owner. Usage was 17 dollars. Delivery charge 31. He's wondering why so high on delivery.

Can we get a statement on this?

Response:

John reached out to Toronto Hydro.

Agencies: 1 inquiry

Agency: OEB ***updated to include responses***

Topic: Seasonal Hydro Customers, Rates and FHP impact

Reporter & Outlet: Alex Roslin, Cottager Magazine

Response Type: OEB spokesperson

Questions & Responses:

How much has the average monthly electricity bill increased for Ontarians since 2002?

With numbers we have readily available, we can confirm that over the five-year period from 2011 to 2016, the average electricity bill for a typical residential customer using 750 kWh per month was about \$104/month in 2011 and about \$150/month in 2016. The average growth in electricity bills between 2011 and April 2016 is 8.6% a year

If pushed we can advise that additional data from 2002 could be sourced if deadline was extended by two weeks.

A detailed chart on the history of Time of Use and Tiered rates in Ontario which affect the electricity line of the hydro bill can be viewed at [this page](#) on the OEB website.

Why have rates increased so much in recent years?

The OEB helps control costs for all customers by reviewing and often limiting rate increases by Ontario Power Generation, Hydro One and other electricity distributors through an open, robust and inclusive rate review process.

Since 2009, the OEB has reviewed more than 130 distribution rate applications and reduced requested rate increases by an average of about 40 per cent. Overall, we have kept the annual growth in average distribution rates to about 2% - close to the rate of inflation during the same period. We encourage all consumers to get involved and have their say in our rate decision-making. We also make funding available to ensure that cost is not a barrier to participating in our proceedings

In Ontario, government energy policy supports a cleaner, smarter, more modern electricity system. Ontario is no longer using coal power. It is replacing it with more wind and solar and natural gas. For more information about Ontario's energy policies, please contact the Ministry of Energy.

What is your response to this document from the Ontario Clean Air Alliance (<http://www.cleanairalliance.org/wp-content/uploads/2017/05/prices-MAY3.pdf>) – specifically (a) the claim that the price of nuclear power increased 60% from 2002 to 2016 and (b) the argument that nuclear power is the key contributor to Ontarians' high electricity bills?

The OEB could if helpful provide data on payment amounts (rates) we set for OPG's nuclear facilities since 2008. For questions about energy policy we believe the Ministry of Energy is best able to respond.

What impact will there be on residential electricity rates from OPG's proposed 180% price increase for nuclear power, as detailed in this document:

<http://www.cleanairalliance.org/nuclear-costs-go-up-and-up/>?

The OEB has not yet made a decision about OPG's rate application.

The forecast costs for electricity supplied by Ontario Power Generation's regulated assets are included in the OEB's calculation of RPP prices. In its May 1, 2017 RPP price setting, the OEB took into account some effect of OPG's current payment amounts application for its regulated generation facilities. Consistent with one of the objectives of the RPP which is to smooth changes in prices over time, 50% of OPG's requested payment amount was used for the purpose of calculating RPP prices for May 1.

New RPP prices were set by the OEB for July 1, 2017, in accordance with the Fair Hydro Act, and these prices will be in effect until April 30, 2018. At that time, the OEB will reset prices in a way that holds increases to the rate of inflation in accordance with legislation.

Click on [this link](#) for a plain language description of how the Fair Hydro Act, 2017 affects different parts of the electricity bill.

5) Low-use seasonal customers of Hydro One will see a 50% hydro bill increase this year due to changes in distribution charges (see for example, this letter:

https://foca.on.ca/wp-content/uploads/2016/10/FOCA-response_April5_2017_pricing-2.pdf),

yet they will benefit little from Premier Wynn's 25% rate cut. What is your response to Hydro One's increased charges to low-use seasonal customers? How do you justify the fact that low-use seasonal customers will benefitting little from the 25% rate cut?

Hydro One's rate application is currently before the board and a decision on this application will be announced in early 2018.

Questions about how the Fair Hydro Plan was designed are best directed to the Ministry of Energy.

Click on [this link](#) for a plain language description of how the Fair Hydro Act, 2017 affects different parts of the electricity bill.

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Minister's Office: 0 inquiries