

**Office of
Legislative Counsel**

Suite 3600, Whitney Block
99 Wellesley Street West
Queen's Park
Toronto Ontario M7A 1A2

Tel (416) 326-2841
Fax (416) 326-2806

**Bureau des
conseillers législatifs**

Bureau 3600, Édifice Whitney
99, rue Wellesley ouest
Queen's Park
Toronto (Ontario) M7A 1A2

Tél. (416) 326-2841
Télécopieur (416) 326-2806



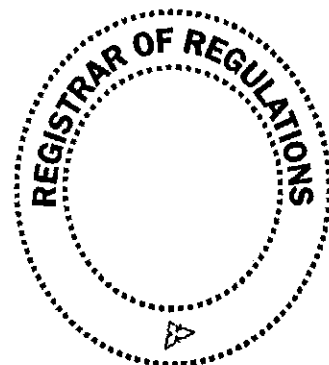
Date : January 31, 2018

Re : ENE

Proposed regulation under the Ontario Energy Board Act, 1998

ONTARIO ELECTRICITY SUPPORT PROGRAM
reg2017.0631.e15

This proposed regulation has been sealed under the authority of the Registrar of Regulations.





Ontario

Executive Council
Conseil exécutif

Order in Council Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

the appended Regulation be made under the Ontario Energy Board Act, 1998.

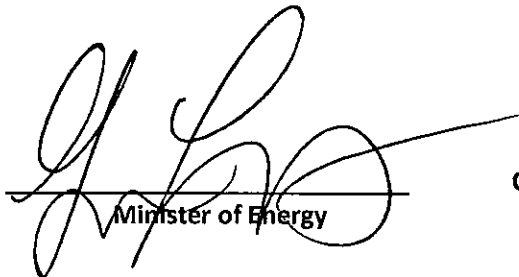
Sur la recommandation de la personne soussignée, la lieutenant-gouverneure, sur l'avis et avec le consentement du Conseil exécutif, décrète ce qui suit :

Le règlement ci-annexé est pris en vertu de la *Loi de 1998 sur la Commission de l'énergie de l'Ontario*.

Recommandé par : Le ministre de l'Énergie,

Appuyé par : La présidente du Conseil des ministres,

Recommended


Minister of Energy

Concurred

Chair of Cabinet

Approuvé et décrété le

La lieutenant-gouverneure,

Approved and Ordered

Date

Lieutenant Governor

R.O.C./Décret (R)

CONFIDENTIAL
Until filed with the
Registrar of Regulations

REG2017.0631.e
15-TK

ONTARIO REGULATION
made under the
ONTARIO ENERGY BOARD ACT, 1998
ONTARIO ELECTRICITY SUPPORT PROGRAM

Interpretation

1. (1) In this Regulation,

“account-holder” means a consumer,

- (a) who has an account with a licensed distributor that falls within a residential-rate classification as specified in a rate order made by the Board under section 78 of the Act, and who lives at the service address to which the account relates for at least six months in a year,
- (b) who has an account with Dubreuil Lumber Inc. or Cornwall Street Railway Light and Power Company Limited for electricity service at a dwelling, and who lives at the dwelling for at least six months in a year, or
- (c) who has an account with a unit sub-meter provider for electricity service at a dwelling, and who lives at the dwelling for at least six months in a year; (“détenteur de compte”)

“centralized service provider” means the entity engaged by the Board to administer the OESP on the Board’s behalf; (“fournisseur de service centralisé”)

“electricity-intensive medical device” means an oxygen concentrator, a mechanical ventilator or a kidney dialysis machine; (“appareil médical à forte consommation d’électricité”)

applicant eligible for basic financial assistance under that Act or who is a member of such a recipient's or applicant's benefit unit, as defined in that Act,

"household" has the same meaning as "benefit unit" in the *Ontario Works Act, 1997*.

(4) For the purposes of this Regulation,

- (a) Hydro One Remote Communities Inc. is deemed to be an embedded distributor and Hydro One Networks Inc. is deemed to be its host distributor;
- (b) Cornwall Street Railway Light and Power Company Limited is deemed to be an embedded distributor and Canadian Niagara Power Inc. is deemed to be its host distributor; and
- (c) Dubreuil Lumber Inc. is deemed to be an embedded distributor and Algoma Power Inc. is deemed to be its host distributor.

(5) Subsection (4) ceases to apply with respect to an entity that is deemed to be an embedded distributor if the entity ceases to be a licensed distributor.

Rate-assisted consumers

2. The account-holders set out in Schedule 1 are prescribed as rate-assisted consumers for the purposes of subsection 79.2 (7) of the Act.

Rate assistance

3. (1) Rate assistance shall be provided to rate-assisted consumers on a monthly basis.

(2) The monthly amount of rate assistance for each class of rate-assisted consumer set out in Schedule 1 is,

- (a) \$35 for account-holders in Class A;
- (b) \$40 for account-holders in Class B;
- (c) \$45 for account-holders in Class C;
- (d) \$51 for account-holders in Class D;
- (e) \$52 for account-holders in Class E;
- (f) \$57 for account-holders in Class F;
- (g) \$60 for account-holders in Class G;

(3) The IESO shall provide to the Minister, at the times and in the form and manner specified by the Minister, the total amounts reported to the IESO under subsection (2) in respect of the last month ending before the day the information is to be provided.

(4) Based on the information provided under this section for a month,

- (a) the Minister shall pay to the IESO, in keeping with the IESO timelines for invoice payments, sufficient amounts to compensate licensed distributors for lost revenue resulting from the provision of rate assistance for the month to rate-assisted consumers who have accounts with licensed distributors, subject to any adjustments to be made in respect of earlier months;
- (b) the IESO shall pay to each licensed distributor who is a market participant a sufficient amount to compensate,
 - (i) the licensed distributor for lost revenue resulting from the provision of rate assistance for the month to rate-assisted consumers who have accounts with the licensed distributor, subject to any adjustments to be made in respect of earlier months, and
 - (ii) embedded distributors of which the licensed distributor is the host distributor for lost revenue resulting from the provision of rate assistance for the month to rate-assisted consumers who have accounts with the embedded distributors, subject to any adjustments to be made in respect of earlier months; and
- (c) a host distributor shall, before the date specified by the Board if any, pay to every embedded distributor of which it is a host distributor a sufficient amount to compensate the embedded distributor for lost revenue resulting from the provision of rate assistance for the month to rate-assisted consumers who have accounts with the embedded distributor, subject to any adjustments to be made in respect of earlier months.

(5) Despite subsection (4), the amount of compensation to which a licensed distributor is entitled is subject to such subsequent adjustments as may be required by reason of,

- (a) the provision to a person to whom information is given under this section of additional information; or
- (b) a determination made by an inspector who conducts an inspection or inquiry under section 79.8 of the Act that relates to the licensed distributor.

(6) Despite subsections (4) and (5), no amount is payable as compensation to a licensed distributor who fails without reasonable cause to provide any information required to be provided under this section within the time it is required to be provided.

(6) Payments required under this section by a person or entity and any subsequent adjustments may be made, at the option of the person or entity, by way of set-off against any applicable accounts maintained by the person or entity with the person or entity to whom the payments are to be made.

OESP administrative costs

7. (1) In this section,

“quarter” means, in relation to a year, the three-month period that begins on January 1, April 1, July 1 or October 1.

(2) The Board shall provide to the Minister, at the times and in the form and manner specified by the Minister, a report for each quarter in a year forecasting the OESP administrative costs the Board reasonably expects to incur during the quarter, and specifying both the amount and type of each expected cost.

(3) Following receipt of a quarterly report under subsection (2), the Minister shall, with respect to each OESP administrative cost listed in the report,

- (a) approve the cost, in whole or in part; or
- (b) decline to approve the cost.

(4) The Board may, during a quarter for which it has provided a quarterly report under subsection (2), provide to the Minister an updated quarterly report containing any additional OESP administrative costs not included in the original quarterly report or any revisions in respect of the amount or type of any OESP administrative cost listed in the original quarterly report, so long as the additional or revised cost has not yet been incurred.

(5) Subsection (3) applies with respect to an updated quarterly report provided to the Minister under subsection (4), but only in relation to each additional or revised cost.

(6) For every month in which the Board incurs OESP administrative costs for which it wishes to be reimbursed, the Board shall provide to the IESO, at the times and in the form and manner specified by the Minister, information respecting the amount and type of each such OESP administrative cost, and any adjustments to be made in respect of earlier months.

(7) The IESO shall provide to the Minister, at the times and in the form and manner specified by the Minister, the information provided to the IESO under subsection (6).

(8) Based on the information provided under subsection (7) for a month, the Minister shall pay to the IESO a sufficient amount to reimburse the Board for the OESP administrative costs it incurred during the month that were approved by the Minister under subsection (3), subject to any adjustments to be made in respect of earlier months.

2. The number of account-holders who were entitled to receive rate assistance for any period during the year, but who were no longer rate-assisted consumers on December 31.

(2) The Board shall provide to the Minister, at the times and in the form and manner specified by the Minister, the following information respecting the provision of rate assistance with respect to any period specified by the Minister:

1. The number of applications made for OESP during the period and, in respect of those applications,
 - i. the number of applications in which the applicant or any member of the account holder's family living within the household is an Indigenous person,
 - ii. the number of applications that stated that the account-holder or a member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates, and
 - iii. the number of applications that stated that the dwelling to which account relates is heated primarily by electricity.
2. The number of applications for OESP accepted for rate assistance during the period, and the number of applications declined.
3. The number of applications for OESP made to a person or entity authorized under section 79.2.1 of the Act to process OESP applications that,
 - i. were made during the period,
 - ii. were accepted during the period, and
 - iii. as of the last day of the period,
 - A. were being processed, or
 - B. were delayed in being processed due to an error or omission.

(3) The IESO shall provide to the Minister, at the times and in the form and manner specified by the Minister, the following information respecting the provision of rate assistance with respect to any period specified by the Minister:

1. For each electricity provider with whom a rate-assisted consumer had an account during the period,

(4) The following entities are prescribed for the purposes of clause 79.2 (11) (a) of the Act as entities to whom the IESO may be required to make payments as a deemed condition of its licence:

1. The Board.
2. The centralized service provider.

Transitional, variance account

13. For the purposes of subsections 79.2 (4) and (5) of the Act, in the month in which the money required for the OESP begins to be paid out of money appropriated by the Legislature under subsection 79.2 (4) of the Act, the credit balance in the variance account maintained by the IESO under the OESP as it existed before section 2 of Schedule 2 to the *Fair Hydro Act, 2017* came into force shall be fully applied first towards the reimbursement of OESP administration costs under section 7 of this Regulation and then, if any balance remains, to compensation for lost revenue resulting from the provision of rate assistance under subsection 79.2 (10) of the Act.

Amendments to this Regulation

14. Subsection 7 (15) and sections 12 and 13 are revoked.

Revocation

15. Ontario Regulation 314/15 (Ontario Electricity Support Program), made under the Act, is revoked.

Commencement

16. (1) Subject to subsection (2), this Regulation comes into force on the later of section 2 of Schedule 2 to the *Fair Hydro Act, 2017* comes into force and the day it is filed.

(2) Section 14 comes into force on the first anniversary of the day section 2 comes into force.

**SCHEDULE 1
CLASSES OF RATE-ASSISTED CONSUMERS**

The following are classes of rate-assisted consumers for the purposes of subsection 79.2 (7) of the Act and section 3 of this Regulation:

1. Class A is composed of the following account-holders, other than account-holders who also meet the requirements of Class E:
 - i. Account-holders with a household income of more than \$39,000 and no more than \$48,000 living in a household of three persons.

- i. Account-holders with a household income of \$28,000 or less living in a household of three persons.
 - ii. Account-holders with a household income of more than \$28,000 and no more than \$39,000 living in a household of four persons.
 - iii. Account-holders with a household income of more than \$39,000 and no more than \$48,000 living in a household of six persons.
- 5. Class E is composed of account-holders with a household income and household size described under Class A who also meet any of the following requirements:
 - i. The dwelling to which the account relates is heated primarily by electricity.
 - ii. The account-holder or any member of the account holder's family living within the household is an Indigenous person.
 - iii. The account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.
- 6. Class F is composed of the following account-holders, other than account-holders who also meet the requirements of Class K:
 - i. Account-holders with a household income of \$28,000 or less living in a household of four persons.
 - ii. Account-holders with a household income of more than \$28,000 and no more than \$39,000 living in a household of five persons.
 - iii. Account-holders with a household income of more than \$39,000 and no more than \$48,000 living in a household of seven or more persons.
- 7. Class G is composed of account-holders with a household income and household size described under Class B who also meet any of the following requirements:
 - i. The dwelling to which the account relates is heated primarily by electricity.
 - ii. The account-holder or any member of the account holder's family living within the household is an Indigenous person.
 - iii. The account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

intensive medical device at the dwelling to which the account relates.

11. Class K is composed of account-holders with a household income and household size described under Class F who also meet any of the following requirements:
 - i. The dwelling to which the account relates is heated primarily by electricity.
 - ii. The account-holder or any member of the account holder's family living within the household is an Indigenous person.
 - iii. The account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.
12. Class L is composed of account-holders with a household income and household size described under Class H who also meet any of the following requirements:
 - i. The dwelling to which the account relates is heated primarily by electricity.
 - ii. The account-holder or any member of the account holder's family living within the household is an Indigenous person.
 - iii. The account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.
13. Class M is composed of account-holders with a household income and household size described under subparagraph i or ii of the description of Class J who also meet any of the following requirements:
 - i. The dwelling to which the account relates is heated primarily by electricity.
 - ii. The account-holder or any member of the account holder's family living within the household is an Indigenous person.
 - iii. The account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.