

Proposed electricity rebate bill ...

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Scott,

The purpose of this email to update you, for your information, on the proposed electricity rebate bill, which is being finalized today by the Ministry of Energy. I attach for your interest the nearly final version of the bill plus the draft compendium (which is subject to further changes) that would be provided to the members of the Legislature when the bill is introduced. (Spring external PW)

If approved by the Legislature, a new Act called the *Ontario Rebate for Electricity Consumers Act, 2016* would be enacted. The Act would authorize a rebate equivalent to the 8% provincial portion of the HST in respect of electricity costs relating to certain consumers, including homes, farms, eligible multi-unit residential buildings and eligible small businesses. Small schools, hospitals and other institutions could also potentially qualify for the rebate if their demand for or use of electricity was low enough. The Act itself does not refer specifically to the HST.

The new Act would incorporate the following policy decisions:

- Other than for specified accounts (such as farms, dwellings, eligible multi-residential buildings and certain other entities referred to in the definition of eligible account), the rebate would be limited to consumers whose demand for electricity is 50kw or less or whose annual electricity consumption is 250,000kw hours or less.
- The rebate would not be capped by electricity consumption; in addition, there would be no authority to prescribe a cap by regulation.
- There would be no end-date for the rebate and no authority to prescribe an end-date by regulation.
- There would be a limitation period on seeking the rebate. The ability to prescribe a cut-off date would also be added to the Ontario Clean Energy Benefit Act by way of a consequential amendment.
- The content of invoices would be prescribed by regulations.
- The Act would address for the purposes of the new rebate the concerns that Ministry of Energy staff had with the application of the OCEB to long-term care homes.
- LDCs would have until July 1, 2017 to get their systems updated to effect the

rebate.

Shannon Lewis of my branch as well as Tax Policy Division staff provided significant support to Energy in the drafting of the bill.

We're happy to answer any questions that you may have.

Thanks.

Michael

Michael Waterston

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