

## Ontario Fair Hydro Plan (OFHP) – Phase 1 Charge Types

### 1. Charge Type 2470

**Charge Type Name:** “MOE – Ontario Electricity Support Program Balancing Amount”

**Related program:** Ontario Electricity Support Program (OESP)

**Applicable:** Ministry of Energy (MOE)

**Description:** This charge code will be used to balance OESP payments made to Local Distribution Companies (LDCs), Unit Sub-meter Providers (USMPs) and the Central Service Provider (CSP) each month. The LDCs, USMPs and the CSP submit requests for reimbursement of OESP payments through the IESO portal. The IESO pays out these amounts (as claimed) under charge type 1420. These payments will be balanced by a charge to the Ministry of Energy under charge type 2470 when OESP paid by provincial revenues comes into force on a day to be named by proclamation of the Lieutenant Governor. This is expected just prior to deletion of the OESP variance account held by the IESO.

NOTE: As noted by the OEB in Decision and Order EB-2017-0135, “the credit balance in the OESP Variance Account as at December 31, 2016 is sufficient to enable the continued funding of the program for a number of months.” -

**Tax Treatment:** 0%

### 2. Charge Type 1142

**Charge Type Name:** “Ontario Fair Hydro Plan Eligible RPP Consumer Discount Settlement Amount”

**Related program:** Regulated Price Plan (RPP)

**Applicable:** LDCs and eligible IESO market participants

**Description:** As per the Ontario Fair Hydro Plan (OFHP) and the Fair Hydro Act, 2017, the OEB has determined RPP rates that reflect initial reductions in the price of electricity for eligible RPP consumers, effective May 1, 2017 with further reductions to take effect July 1, 2017. LDCs and the IESO will use these OFHP-adjusted RPP rates to charge their RPP customers. Charge type 1142 will be used to settle the difference in the price of electricity

between the OFHP-adjusted RPP rates and the Commodity price (Hourly Ontario Energy Price (HOEP) and Global Adjustment) for the eligible RPP consumers. LDCs submit claims for reimbursement of this difference through 3 separate forms on the IESO portal (RPP-Variance for Conventional Meters, RPP - Variance for Smart Meters and RPP - Final Variance Settlement), depending on the type of rate applicable to the regulated consumer. The OFHP-adjusted RPP rates are available on the OEB's website.

The IESO will settle RPP-eligible market participants under the same charge type. This charge type will first be seen on the June 30, 2017 Preliminary Settlement Statements (PSS) and the June 2017 invoices.

**Tax Treatment:** 13%

### **3. Charge Type 1192**

**Charge Type Name:** "Ontario Fair Hydro Plan Eligible RPP Consumer Discount Balancing Amount"

**Related program:** Regulated Price Plan (RPP)

**Applicable:** IESO

**Description:** Payments made to LDCs or IESO market participants under charge type 1142 are balanced by a charge to the IESO under charge type 1192 (variance account). This charge type will first be seen on the June 30, 2017 Preliminary Settlement Statements (PSS) and the June 2017 invoices.

**Tax Treatment:** 0%

### **4. Charge Type 1143**

**Charge Type Name:** "Ontario Fair Hydro Plan Eligible Non-RPP Consumer Discount Settlement Amount"

**Related program:** N/A

**Applicable:** Ministry of Energy

**Description:** As per the Ontario Fair Hydro Plan (OFHP) and the Fair Hydro Act, 2017, certain non-RPP consumers are also eligible for the OFHP discount through a reduction in their Global Adjustment charges. This is offered through a “dollar per

megawatt-hour” adjustment known as the GA Modifier. LDCs, USMPs and the IESO will apply the GA Modifier as a credit when settling their eligible non-RPP customers. Charge type 1143 will be used to settle the GA Modifier. LDCs and USMPs submit claims for reimbursement of the GA Modifier through a form on the IESO portal (OFHP for Eligible Non-RPP Customers). The GA Modifier is determined by the OEB and is posted on the IESO’s website, alongside Class B GA rates.

The IESO will settle eligible non-RPP market participants under the same charge type. This charge type will first be seen on the June 30, 2017 Preliminary Settlement Statements (PSS) and the June 2017 invoices.

**Tax Treatment:** 13%

## **5. Charge Type 1193**

**Charge Type Name:** “Ontario Fair Hydro Plan Eligible Non-RPP Consumer Discount Balancing Amount”

**Related program:** N/A

**Applicable:** IESO

**Description:** Payments made to LDCs, USMPs or IESO market participants under charge type 1143 are balanced by a charge to the IESO under charge type 1193 (variance account). This charge type will first be seen on the June 30, 2017 Preliminary Settlement Statements (PSS) and the June 2017 invoices.

**Tax Treatment:** 0%