

Message

**From:** Macpherson, Robin (ENERGY) [Robin.Macpherson@ontario.ca]  
**Sent:** 2017-05-16 11:53:52 AM  
**To:** Chris Ciaravino [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=8f9ee5c0adfa45739eedb7072d93bf38-Chris Ciara]  
**CC:** Joyce Poon [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=3093c75378834fd195c6a07d2c0aded1-Joyce Poon]  
**Subject:** RE: OFHP query

Hi Chris,

The dividing factor is to account for the 8% rebate being treated as a tax credit, and therefore the HST and rebate have the combined effect of being a 4.76% tax on the post-tax bill. I have provided simple worked example below:

|                                             |        |
|---------------------------------------------|--------|
| Pre tax bill                                | 100    |
| 8% rebate (100 x .08)                       | -8     |
| HST (100 x .13)                             | 13     |
| Post tax bill (100 + 13 + -8)               | 105    |
| Total tax (105-100)                         | 5      |
| Effective tax rate on post-tax bill (5/105) | 0.0476 |

Give me a call if you would like to discuss further.

Thanks,  
Robin

---

**From:** Chris Ciaravino [mailto:Chris.Ciaravino@ieso.ca]  
**Sent:** May 16, 2017 9:51 AM  
**To:** Macpherson, Robin (ENERGY)  
**Cc:** Joyce Poon  
**Subject:** OFHP query

Hi Robin

We just spoke on the phone and as mentioned I am working with Joyce Poon on forecasting residential bills and the impact of the Ontario Fair Hydro Plan.

My question is towards the model provided to us "GA Financing – by RPP period 170404" on tab "Res Bill Biennial". The cells in the lines for row 20 and 21 "HST on OFHP bill (\$/month)" and "8% Rebate on OFHP bill (\$/month)" are being divided by a factor of 1.05. If you could follow up and provide an explanation as to why this factor is reducing the HST and HST rebate amounts that would be great.

I appreciate your time and it was a pleasure meeting you

Chris

---

**From:** Macpherson, Robin (ENERGY) [mailto:Robin.Macpherson@ontario.ca]  
**Sent:** May 11, 2017 1:06 PM  
**To:** Joyce Poon  
**Subject:** RE: OFHP query

The partial tax-basing of the RRRP is effective from July 1<sup>st</sup> 2017 and OESP ended May 1<sup>st</sup> 2017.

To confirm on the RRRP, ratepayers will continue to pay approximately 40 c\$/MWh (exact amount to be confirmed by the OEB) with the remainder of the charge being moved to the tax base.

Feel free to call me on Justin's old number if you have any further queries.

Thanks,  
Robin

---

**From:** Joyce Poon [<mailto:Joyce.Poon@ieso.ca>]

**Sent:** May 11, 2017 12:39 PM

**To:** Macpherson, Robin (ENERGY)

**Subject:** RE: OFHP query

Sorry one more question.

When is this RRRP new rate to take effect? And the elimination of OESP. Is it effective, July 2017? Half year for 2017?

---

**From:** Macpherson, Robin (ENERGY) [<mailto:Robin.Macpherson@ontario.ca>]

**Sent:** May 11, 2017 12:20 PM

**To:** Joyce Poon

**Subject:** OFHP query

Hi Joyce,

I couldn't find your number to call back on but in answer to your question the charges will be reduced directly through regulatory line on the bill – i.e. not as a credit as per the 8%.

Let me know on any other queries.

Thanks,  
Robin

Robin Macpherson  
Electricity Policy, Economics & System Planning Branch  
Ministry of Energy  
Cell: 647-680-8626  
Direct: 416-325-6916

This e-mail message and any files transmitted with it are intended only for the named recipient(s) above and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient(s), any dissemination, distribution or copying of this e-mail message or any files transmitted with it is strictly prohibited. If you have received this message in error, or are not the named recipient(s), please notify the sender immediately and delete this e-mail message.