

July 1 RPP Price Setting Draft Communications Rollout

Rose we have drafted key messages but these are still making their way through internal reviews. We will have these completed by early next week and ensure that there is consistency between these messages, FHP and HONI application messages since they will be in play over the same period.

Rollout

While the July 1st rate setting is not your usual RPP announcement, the Ontario Energy Board will try to mirror, as much as possible, its past communications practices and standards for changes in RPP prices.

The new prices will be announced on June 21st and go into effect on July 1st.

Components:

There will be a **news release** that will be distributed through the usual channels, and posted on the OEB website. The release will be similar in style, but not in content, to past releases on RPP/TOU rates.

The big change will be news that the reductions coming into effect on July 1 will affect more than just RPP customers. They will also benefit customers on retail contracts, as well as those who pay the HOEP and the WASP. While this is a big change from the Board's usual sort of pricing announcement, it will be unlikely to attract a lot of attention. Information of how and why the prices for retail contract, HOEP and WASP customers are being reduced will be in the accompanying backgrounder, not in the release.

Because the April 20th release introduced the concept that the *Fair Hydro Act* reductions are on what prices otherwise would have been, this latest release does not need to repeat it and can use only two sets of numbers:

- One set with the new on-peak, mid-peak and off-peak TOU prices.
- Another set with the Tier 1 and 2 prices.

Including the changes to the tiered rates will be of interest to two groups of customers: rural households who have felt especially hard hit by electricity prices, and cottage owners, who will want to know how the reductions are benefitting them this summer.

The presentation of the new prices will be similar to what was done for the April 14, 2016 [release](#).

The most frequently asked question for this price setting will be whether it fulfills the government's promise to reduce electricity bills by 25%. We will use a line graph to answer the question, showing the changes as of Nov. 1, 2016, May 1, 2017 and July 1, 2017.

Nancy Marconi is currently working on two different options for the graph.

- The first one would show the reductions in the average RPP for three points in time: Nov. 1, 2016, May 1, 2017 and July 1, 2017. This graph would also include a separate line showing what average RPP prices would have been without the *Fair Hydro Act*.
- The other graph would show the average bill impact for the typical customer for the same three points in time: Nov. 1, 2016, May 1, 2017 and July 1, 2017. This one could contain some statistical noise due to changes in distribution rates for local utilities.

There's been no decision yet on which chart will be used.

On its own, this announcement is unlikely to get a lot of attention. As there is no uncertainty to it, it is a "plane lands safely" type of announcement. Most journalists, if they right about it at all, will write it from the release.

If it as slow news day, there is a possibility that journalists will use the price setting to revisit the issue of the Hydro One rate application. This would be a bit of a reach though, as the announcement really is about the 25% price reduction, and not about keeping bill increases to the rate of inflation in the future. A seperate communications package is being developed for FHP and HONI's application.

One again, there will be no news conference. If there are any requests for interviews, **Nancy Marconi** will be the **OEB's spokesperson**. Nancy will do individual interviews with reporters, if required. Nancy is responsible for the RPP process as Manager of Supply and Infrastructure and is very well-versed in the details. An engineer, Nancy is an established and credible professional within the electricity sector who is able to explain the rate-setting in a plain-spoken and understandable manner. Nancy will be provided with key messages and sample question and answers, and go through media training to prepare her for the types of questions that journalists may ask.

Lars Hansen will handle the logistics of setting up the interviews. An appropriate room will be set aside for radio and television interviews. Nancy should do them in front of, and to one side of, a banner that has the OEB logo on it.