

Electricity Bill Relief

Changes announced on March 2, 2017

Ontario introduced plans to lower costs and balance customer delivery charges on electricity bills starting this summer:

- Lower Global Adjustment charges by 20 per cent
- Limit any bill increase to maximum of inflation rate for 4 years
- Lower medium and low-density customer delivery charges (R1, R2, GS, farm, small rural business)
- Introduce an Affordability Fund to help customers in need, and
- Introduce a First Nations electricity rate

The changes will impact Rural, Northern and fixed-income Residential customers and small businesses. Bills won't increase beyond the rate of inflation for at least four years.

- All residential and small business customers will see a 29% reduction in the electricity commodity line, equal to the GA reduction, the HST equivalent rebate, and removal of social assistance program costs
- Rural medium density (R1) customers will also see an average decrease of 22% in combined delivery charges to align with the provincial average
- Rural low density (R2) customers will also see an average decrease of 44% in combined delivery charges to align with the provincial average
- Rural customers will see further delivery charge declines if they use more electricity than the average Ontario customer in their service class.
- Customers facing acute hardship will have greater access to support programs

Customer Bill Change Examples

Farmer (2930 kWh) Low Density

	December 2016 Charge	New Charge	Savings	Change
Electricity	\$326.37	\$233.23	\$93.14	29%
Delivery	\$229.15	\$108.15	\$121.00	53%
Other	\$40.88	-\$46.51	\$87.39	
Total Savings			\$301.53 (51%)	

Electricity: GA decrease and HST equivalent rebate. **Delivery:** Customer receives 53% charge decrease to align with Ontario average residential delivery charge. The discount is larger because some delivery costs are based on cents per kWh and this example is for a high load customer. **Other:** HST rebate and removal of some regulatory and social assistance costs. In the above example, total Other charges will become a credit rebate.

R2 (2400 kWh) Low Density High Volume

	December 2016 Charge	New Charge	Savings	Change
Electricity	\$267.34	\$191.04	\$76.30	29%
Delivery	\$196.92	\$94.92	\$102.00	52%
Other	\$81.01	\$26.76	\$54.25	
Total Savings			\$232.55 (43%)	

Electricity: GA decrease and HST equivalent rebate. **Delivery:** Customer receives 52% decrease to align with Ontario average residential delivery charge. The discount is larger

because some delivery costs are based on cents per kWh and this example is for a high volume customer. **Other:** HST rebate and removal of some social assistance cost

R2 (1200 kWh) - Low Density Average Volume

	December 2016 Charge	New Charge	Savings	Change
Electricity	\$133.67	\$95.52	\$38.15	29%
Delivery	\$123.95	\$68.95	\$55.00	44%
Other	\$40.20	\$14.59	\$25.61	
Total Savings			\$118.76 (40%)	

Electricity: GA decrease and HST equivalent rebate. **Delivery:** Customer receives 44% charge decrease to align with Ontario average residential delivery charge. **Other:** HST rebate and removal of some social assistance cost

R1 (1000 kWh) - Medium Density Average Volume

	December 2016 Charge	New Charge	Savings	Change
Electricity	\$111.39	\$79.60	\$31.79	29%
Delivery	\$78.59	\$61.59	\$17.00	22%
Other	\$33.25	\$12.20	\$21.05	
Total Savings			\$69.84 (31%)	

Electricity: GA decrease and HST equivalent rebate. **Delivery:** Customer receives 22% charge decrease to align with Ontario average residential delivery charge. **Other:** HST rebate and removal of some social assistance cost

Ontario also established the **Affordability Fund** to help consumers suffering from acute hardship. This fund will provide the tools customers need to reduce and conserve energy as they get back on track. Electricity distributors will partner with the government to design the trust and administer the fund. More information will be available soon.

Ontario also lowered the threshold for eligibility to participate in the **ICI Demand Response** program to 500kW average monthly demand.