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## **For immediate release**

January 17, 2005

### **OEB Issues New and Revised Codes to Support Implementation of the Regulated Price Plan**

**Toronto** – Today the Ontario Energy Board issued a proposed new Standard Supply Service Code and proposed amendments to the Retail Settlement Code for public comment. These proposals instruct licensed distributors and licensed retailers on implementation of the Board's Regulated Price Plan (RPP) under which the Board will set electricity prices for eligible consumers. The Government of Ontario is expected to announce who is eligible in the coming weeks. The RPP may come into effect as early as April 1, 2005. The Board will announce on or before March 15, 2005 the prices for the RPP.

Legislation requires the Board to establish a new pricing plan for electricity to replace the current price structure. The RPP prices that will be set by the Board will blend the various prices paid to generators into prices that ensure consumers pay the full cost of the electricity they use over time. The RPP is also designed to support conservation, smart metering and load shifting initiatives.

In September 2004, the Board commenced a consultation process to obtain input in relation to the design of the RPP. On December 7, 2004, the Board issued for comment, a Proposal entitled *Regulated Price Plan for Electricity Consumers* which set out the key elements of the RPP. The proposed new Standard Supply Service Code and amendments to the Retail Settlement Code reflect, and in some cases build upon or modify, the elements of the RPP set out in the Board's December Proposal. Features of the proposed RPP include:

- A volume threshold for consumers with conventional meters that may vary by season for residential consumers. Electricity prices will be higher for use above the threshold than for use below it.
- Three time-of-use periods for consumers with smart meters that may vary by season. Electricity prices will be higher during high-demand periods of the day and lower during low-demand periods. Electricity distributors have the option of offering the smart meter price plan in the first year. After that the smart meter price will be mandatory for consumers with smart meters.

- The RPP price on consumers' bills will be fixed for at least one year, although volume thresholds and time of use periods may change by season.

The methodology for setting and adjusting RPP prices, including adjustments for differences between the forecast prices used to set the RPP for a term and the actual prices paid to generators during that term, will be addressed in a manual to be issued by the Board.

Interested parties have an opportunity to make submissions on these proposals until January 31, 2005.

The Ontario Energy Board regulates the province's electricity and natural gas sectors in the public interest. It envisions a healthy and efficient energy sector with informed consumers, and works towards this vision through regulatory processes that are effective, fair and transparent.

For more information on the Board or the above announcement, please visit our website at [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca) or contact the Customer Service Centre at 416-314-2455 or toll-free at 1-877-632-2727.

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