Ontario Energy Board P.O. Box 2319 27th. Floor 2300 Yonge Street Toronto ON M4P 1E4 Telephone: 416- 481-1967 Facsimile: 416- 440-7656 Toll free: 1-888-632-6273 Commission de l'énergie de l'Ontario C.P. 2319 27e étage 2300, rue Yonge Toronto ON M4P 1E4 Téléphone: 416-481-1967 Télécopieur: 416- 440-7656 Numéro sans frais: 1-888-632-6273



## BY EMAIL AND WEB POSTING

March 27, 2017

To: All Licensed Electricity Distributors All Licensed Unit Sub-Metering Providers

## Re: Proposed Changes to the Ontario Electricity Support Program and Related Changes to System Requirements

As part of the Government's proposed Fair Hydro Plan announced on March 2, 2017, a proposal to expand the Ontario Electricity Support Program (OESP) was posted by the Ministry of Energy on the Regulatory Registry on March 9, 2017. The proposal would, if approved, amend Ontario Regulation 314/15 (Ontario Electricity Support Program) (O. Reg. 314/15) as described below.

The Ontario Energy Board (OEB) is writing all licensed electricity distributors and unit submetering providers (USMPs) to ensure that they are aware of the proposed changes to the OESP and of the OEB's expectation that they should be taking steps to prepare for those changes in the event that they are approved. The OEB understands that, if the amendments to O. Reg. 314/15 are approved, the changes may be implemented as early as May 1, 2017. When the OESP was being implemented, the OEB made it clear that the household income levels and corresponding monthly credit amounts were subject to change over time. The OEB therefore expects that distributors and USMPs have designed their systems in such a way that the proposed changes can be easily accommodated by May 1, 2017 if required.

The proposed amendments to O. Reg. 314/15 would, if approved: (i) increase the monthly credit amounts for eligible consumers by 50 per cent; and (ii) expand the income eligibility thresholds for some household sizes. The expanded eligibility will require the addition of 4 new Tariff Values (T10 to T13) to the existing Utility Tariff Table on page 29 of the attached OESP Utility Interface Specifications document. The associated credit amount for each Tariff Value (both existing and new) will also need to be changed. These changes are highlighted in the chart on the following page:

Tariff	Current Monthly OESP Credit Amount	Proposed New Monthly OESP Credit Amount
Т0	0	0
T1	30	<mark>45</mark>
T2	34	<mark>51</mark>
T3	38	<mark>57</mark>
T4	42	<mark>63</mark>
T5	45	<mark>68</mark>
T6	50	<mark>75</mark>
T7	55	<mark>83</mark>
T8	60	<mark>90</mark>
Т9	75	<mark>113</mark>
<mark>T10</mark>		<mark>35</mark>
T11		<mark>40</mark>
T12		<mark>52</mark>
T13		<mark>60</mark>

The OEB is currently working with both the OESP Central Service Provider (CSP) and the Ministry of Finance on system and interface changes required to support the proposed changes on a timely basis.

As with the initial OESP implementation, the CSP will be undertaking system to system testing with 2 distributors and will provide a self-validation tool for all other distributors and USMPs to confirm their ability to receive the proposed new Tariff Values and apply the proposed new monthly OESP credit amounts to customer bills. The CSP is also updating the Utility Interface Specifications document to reflect these proposed changes.

The OEB will be holding a webinar for all distributors and USMPs on March 29, 2017 at 2:30 p.m. to address any questions related to the above. Co-ordinates are:

Number: 1-855-344-7755 or 416-933-3852 Conference ID: 6398850

Revisions to distributor rate orders, the Distribution System Code and the Unit Sub-Metering Code as may be required if the proposed amendments to O. Reg. 314/15 are approved will be addressed separately.

Any questions regarding this letter should be directed to <u>oespadmin@ontarioenergyboard.ca</u>.

Yours truly,

Original signed by

Brian Hewson Vice President, Consumer Protection & Industry Performance