

On March 26, 2015, the Minister of Energy announced a proposed support program for low-income electricity consumers in Ontario. At the Minister's request, the Ontario Energy Board (OEB) provided recommendations on a program design that would provide ongoing, and on-bill, rate assistance and we are pleased that the Minister largely endorsed our plan. Dubbed the Ontario Electricity Support Program, or OESP, it's one of several programs to help customers with limited financial resources.

Over the past year, we consulted with social service agencies, utilities, low-income advocates, First Nations and Métis communities among others in the design of this new rate program. We also looked at programs in other jurisdictions.

Now, we are moving forward towards the full design and implementation of the OESP, set to be available on January 1, 2016.

How it Works - Those in Greatest Need Will Get the Most Support

The OESP could benefit more than 500,000 low-income Ontario households. The recently updated Statistics Canada Low-Income Measure (LIM) will be used to determine eligibility for consumers of electric utilities, unit sub-meter providers and retail energy companies.

Consumers must apply, or opt-in, to the program which would be administered by a central service provider. Ontarians requiring assistance with the application process would be supported by local social agency partners, to be determined. A tailored process for communications and intake assistance will be developed for First Nations and Métis communities to help address their unique needs.

Once qualified, consumers will continue to also have access to a suite of low-income conservation programs to encourage reduced electricity use.

Funding for the program would come through a per kilowatt-hour charge on electricity bills. The Independent Electricity System Operator would manage the collection and distribution of funds to utilities (local electricity distributors and sub-meter providers). Utilities would apply OESP credits to customers' bills.

On-Bill Credits

A monthly credit would be applied to eligible customer bills. The average credit is estimated to be \$27, but will change depending on the number of residents and annual income per household.

A second funding level is also being considered for customers with special electricity requirements, such as electric heat, medical devices requiring electricity and First Nations and Métis consumers.

Designed With Efficiency in Mind

An efficient intake process will simplify the consumer experience. Consumers will be qualified for all energy relief programs simultaneously:

- OESP
- Special customer service rules for low-income consumers (e.g. Waiver of security deposit requirements)
- Low-income conservation programs
- Access to LEAP Emergency Financial Assistance (LEAP EFA) grants

They should only have to re-qualify every two years. Further, the requirement to re-qualify every two years could be extended for certain customers whose circumstances are unlikely to change e.g. some seniors and those with permanent disabilities on fixed incomes or medical assistance program clients.

LEAP EFA is Different

There is an important distinction between the OESP and the currently available LEAP EFA. Notably, the OESP is intended to provide *ongoing* support to low-income consumers struggling to pay their electricity bill while LEAP EFA offers *one-time* support for consumers who are temporarily unable to make ends meet due to emergency or illness and have received a disconnection notice.

Next Steps

The OEB will be working with the Ministry of Energy, IESO, electric utilities, unit sub-metering providers, energy retailers, low-income consumer advocates, social agencies and First Nations and Métis to facilitate a smooth program implementation. On-bill credits would begin for electricity consumption commencing January 1, 2016.