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For Immediate Release

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OEB Adjusts Electricity Prices for Residential and Small Business Consumers

Toronto – Today the Ontario Energy Board released Regulated Price Plan (RPP) electricity commodity prices that take effect May 1, 2012.

RPP prices are reviewed twice each year and appear on the “Electricity” line of residential and small business consumer bills. The price changes only apply to RPP-eligible consumers who buy electricity directly from their local utility.

Time-of-use (TOU) prices are changing as follows:

On-peak (from 11 a.m. to 5 p.m. weekdays)	= 11.7 ¢/kWh (↑0.9 cents)
Mid-peak (from 7 a.m. to 11 a.m. and 5 p.m. to 7 p.m. weekdays)	= 10.0 ¢/kWh (↑0.8 cents)
Off-peak (from 7 p.m. to 7 a.m. weekdays and all day on weekends and holidays)	= 6.5 ¢/kWh (↑0.3 cents)

The price change for consumers on TOU pricing is an increase of approximately \$3.99 on the “Electricity” line, or about 3.3% on the total monthly bill, for a residential consumer with a typical consumption pattern who uses 800 kWh per month.

Residential consumers typically consume about 64% of their electricity during off-peak hours, and about 18% in each of mid-peak and on-peak hours.

As of February 29, 2012, there were about 3.9 million (81%) residential and small business customers on TOU billing. The remaining customers are expected to be switched to TOU from tiered prices by mid 2012.

Consumers who are not yet paying TOU prices pay tiered prices, which are changing as follows:

- For consumption up to the tier threshold (Tier 1 prices): 7.5 ¢/kWh (↑0.4 cents)
- For consumption above the tier threshold (Tier 2 prices): 8.8 ¢/kWh (↑0.5 cents)

On May 1, the threshold below which the lower Tier 1 price applies will change from 1,000 kWh to 600 kWh per month for residential consumers. For non-residential consumers, the threshold stays at 750 kWh throughout the year.

The price change for consumers paying tiered prices is an increase of approximately \$5.80 on the “Electricity” line, or about 5.1% on the total monthly bill, for a consumer using 800 kWh per month.

Prices are changing principally because the forecast supply cost is changing. As coal generation continues to decline, it is being replaced with natural gas, nuclear and renewable generation. This includes refurbished units at the Bruce Nuclear Generating Station along with more wind and solar generation.

Overall bill increases during the past year remain within the province's Long-Term Energy Plan cost projections.

RPP prices are based on a 12-month forecast. They are designed to provide stable and predictable electricity pricing and to ensure the price residential and small business consumers pay recovers the payments made to generators that supply the electricity they consume.

The Ontario Energy Board regulates the province's electricity and natural gas sectors in the public interest. It envisions a viable and efficient energy sector with informed consumers served by responsive regulatory processes that are effective, fair and transparent.

For more information, please refer to the attached backgrounder, visit the OEB website at www.ontarioenergyboard.ca or contact our Consumer Relations Centre at 416-314-2455 or toll-free at 1-877-632-2727.

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For more information, please contact:

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