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For Immediate Release

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OEB Announces New Electricity Prices

Toronto – Today the Ontario Energy Board (OEB) released electricity commodity prices that take effect November 1, 2008.

Regulated Price Plan (RPP) prices, reviewed semi-annually, are reflected on the “Electricity” line of residential consumer bills. They will be:

- 5.6 cents per kilowatt hour (kWh) up to 1,000 kWh each month; and
- 6.5 cents per kWh above that.

For a residential consumer using 1,000 kWh per month, the new RPP prices will result in a bill increase of approximately \$2.40 per month. This takes into account the change in the threshold to 1,000 kWh per month.

The increase in electricity prices is due to a number of factors including:

- New renewable and natural gas generation projects coming into service;
- The expected cost of Ontario Power Authority (OPA) conservation initiatives;
- A decrease in the variance account surplus, which reduces the amount of the credit included in RPP prices;
- The end of the OPG Rebate as of April 30, 2009;
- The estimated impact of the Government’s directive to reduce carbon dioxide emissions from coal fired generation by a further 1/3 by 2011, which equates to meeting a limit of 19.6 million tonnes in 2009; and
- An allowance to reflect Ontario Power Generation’s (OPG) application for increased payments for electricity generated by nuclear and large hydro plants.

These upward price pressures are partially offset by a forecast of lower electricity market prices primarily due to a decline in expected natural gas prices. Natural gas is used as a fuel to generate close to 10 percent of Ontario’s electricity.

RPP prices are based on a 12-month forecast and are designed to provide stable and predictable electricity pricing as well as ensure the price consumers pay better reflects the price paid to electricity generators.

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.oeb.gov.on.ca or contact the Consumer Relations Centre at 416-314-2455 or toll-free at 1-877-632-2727.

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Ce document est aussi disponible en français.