



## **LOW-INCOME ENERGY NETWORK**

# **Addressing energy poverty in Ontario: LIEN's decade of advocacy**

***LIEN Annual Conference  
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# 2002 – electricity restructuring

- ◆ Opening of retail and wholesale competitive electricity market on May 1st
- ◆ Market prices and demand increase over record hot summer – consumer outcry!
- ◆ Ontario government freezes electricity price for residential consumers at 4.3 cents per kWh effective December 1, 2002



## 2003 – electricity price review

- ◆ Ontario government announces on October 30<sup>th</sup> that the 4.3 cents per kWh price freeze is being reviewed – moving to “true cost of electricity”
- ◆ ACTO & ISAC flag concerns to Energy Minister about impact of price increase on low-income consumers – recommend comprehensive assistance program
- ◆ Interim pricing plan announced on November 25<sup>th</sup>, effective April 1, 2004 – OEB to develop new pricing mechanism by May 1, 2005



## 2004 - LIEN gets its start



- ◆ First meeting on March 10<sup>th</sup> of what becomes the Low-Income Energy Network
  - **CELA, Share the Warmth, ACTO, ISAC, CSPC-Toronto, TDRC and TEA** (interim steering committee members)
- ◆ Environmental, anti-poverty and affordable housing advocacy groups already working independently on energy issues (e.g. ACTO & CELA at OEB)
- ◆ Realization of the need to work together and develop a shared response to energy crisis

## 2004 – energy poverty on the public agenda

- ◆ **“Since this new pricing plan will not take effect until April, consumers have the opportunity to review their energy use, take conservation measures, and, as a result, limit the impact of the price change on their electricity bills.”** – Energy Minister Dwight Duncan, Feb. 3, 2004
- ◆ CELA meets with Energy Minister on March 12<sup>th</sup> – Premier asking for advice on putting programs in place to assist low-income electricity consumers
- ◆ **“We certainly hope that the increases won’t be much, but when we talk about low-income people, a very minimal increase in a bill can have a big impact. It can just be the last straw and we have to recognize that.”** - Sandra Pupatello, Toronto Star, March 25<sup>th</sup>

## 2004....

- ◆ March 29<sup>th</sup> - LIEN holds 1<sup>st</sup> media conference to highlight April 1<sup>st</sup> electricity price increase - and propose emergency assistance & energy conservation solutions
- ◆ Also on March 29<sup>th</sup> - Minister of Community & Social Services announces one-time \$2 million provincial Emergency Energy Fund
- ◆ April 14<sup>th</sup> – CELA & TEA release report with key recommendations for low-income energy conservation and assistance
- ◆ April 15 & 19 – Ontario gov't announces electricity sector reform (creation of OPG, Conservation Secretariat) and "Culture of Conservation" to reduce energy use by 7% by 2007

## 2004....

- ◆ May 31<sup>st</sup> – Energy Minister requests LDCs to develop and deliver electricity conservation programs; OEB encourages LDCs to include low-income/social housing in three-year CDM plans
- ◆ About 40 LDCs respond - \$9 million budget
- ◆ LIEN receives TAF & Min. of Energy funding to develop a low-income energy efficiency program to be piloted by LDCs in 2005 – report released December 3, 2004

## 2005

- ◆ Brantford Power pilots **Conserving Homes** - a low-income conservation program based on LIEN's "template" (\$100,000, 100 homes)
- ◆ April 7<sup>th</sup> – LIEN holds 1<sup>st</sup> conference – Fighting Pollution & Poverty
- ◆ May 1<sup>st</sup> – OEB's new pricing plan (Regulated Price Plan) takes effect
- ◆ May 5<sup>th</sup> – LIEN releases ***Zapping Tenants*** report on smart metering in residential rental sector



## 2005....

- ◆ October 6<sup>th</sup> – Energy Minister directive to OPA, reduce energy consumption/demand for residents of low-income/social housing by 100MW
- ◆ LIEN adopts mission statement and outreach grows membership to about 40 organizations
- ◆ LIEN submits funding application to Ontario Trillium Foundation – successful!

## 2006

- ◆ LIEN's full-time coordinator hired, web site launched, LIEN ***Currents*** newsletter
- ◆ May 1<sup>st</sup> – LIEN releases proposal for ratepayer-funded ***Ontario Home Energy Affordability Program***, with multiple components
- ◆ LIEN submits ***Program*** for consideration in the 2007 rates hearings for Union Gas & Enbridge Gas Distribution
- ◆ OEB's DSM generic hearing – Union Gas & Enbridge to spend 14% of residential DSM budgets on low-income programs (2007-09); then extended to 2011

## 2007

- ◆ March 25 – launch of OPA/GCC pilot low-income **Energy Efficiency for Houses** pilot (2200 homes, \$2.3 million funding)
- ◆ April 26 – OEB releases decision that it does not have the jurisdiction to implement a rate affordability program for low-income consumers – BUT, vice-chair dissents!
- ◆ LIEN appeals OEB decision to Divisional Court
- ◆ LIEN sponsored by CAMPUT to attend their annual conference – bringing low-income issues to the attention of Canada's energy regulators

## 2008 – Precedent Court case

- ◆ February 25 – LIEN argues at Divisional Court that the OEB does have the authority to set affordable gas rates for low-income energy consumers
- ◆ May 16 – Divisional Court issues decision **in favour** of LIEN, but waivers on how, and the manner by which, the Board should exercise the jurisdiction to consider ability to pay in rate setting
- ◆ July 2 – OEB announces a consultation to examine energy issues associated with low-income energy consumers
- ◆ September 22-25 – LIEN participates in four days of oral hearings at the OEB, and makes written submissions

## 2009 – one step forward, one back

- ◆ March 10 - OEB announces decision on consultation – dismissed rate affordability program, but recognized energy poverty as a significant problem needing a comprehensive and province-wide approach!
- ◆ OEB's LEAP (Low-Income Energy Assistance Program) to be in place by November 2009:
  - temporary financial assistance for consumers in need
  - access to more flexible customer service rules on matters such as bill payment and disconnection notice periods
  - targeted conservation and demand management programs
- ◆ OEB sets up Conservation Working Group and Financial Assistance Working Group to put LEAP in place – LIEN representatives appointed to both groups
- ◆ September 8 - Energy Minister requests OEB to halt LEAP

## 2010 – back on track

- ◆ July 5 – Energy Minister requests OEB to resume work on LEAP and directs OPA to roll out electricity CDM program targeted specifically for low-income consumers
- ◆ November 23 – Ontario's 20-year Long-Term Energy Plan released – estimates electricity bills will increase by 46% in first five years
- ◆ December 8 – Ontario Clean Energy Benefit - takes 10% off electricity bills over five years from 2011-2015



## 2011 – LEAP rolls out

- ◆ January 1 – LEAP EFA grant fund in place
- ◆ LIEN's Energy Poverty Toolkit released at annual conference
- ◆ Summer – launch of OPA's **saveONenergy HOME ASSISTANCE PROGRAM** (HAP) for low-income consumers
- ◆ October 1 – LEAP low-income electricity consumer service rules come into effect



## 2012 – more challenges

- ◆ In face of rising electricity prices, LIEN repeats call for rate affordability program – prepares cost estimate for Energy Minister's consideration
- ◆ Ontario Budget eliminates CSUMB and Home Repairs Benefit for people on social assistance
- ◆ ACTO & ISAC successfully apply to LAO's Poverty Law Client Service coordination fund





## 2013

- ◆ January 1 – low-income gas consumer customer service rules come into effect
- ◆ January 1 – Provincial Emergency Energy Fund consolidated into CHPI (Community Homelessness Prevention Initiative)
- ◆ March 15 – low-income electricity customer service rules for suite metered tenants come into effect
- ◆ December – new Ontario Long-Term Energy Plan released, electricity prices still projected to rise – just not as much as estimated in 2010 LTEP



## Looking back...

- ◆ Energy poverty on the policy & public agenda
- ◆ LIEN has over 60 members
- ◆ Recognized intervenor at the OEB
- ◆ Contributed to progress on a comprehensive approach to reducing energy poverty in Ontario

# Looking forward



- Monitoring the effectiveness of the LEAP initiatives and improving delivery (LEAP reviews; release of new Conservation Framework)
- Continuing to advocate for a permanent low-income rate affordability program
- Continue to build the capacity of other organizations to carry out LIEN's work