



LOW-INCOME ENERGY NETWORK

LIEN advocacy update

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Presentation overview

- ◆ Brief introduction to LIEN
- ◆ Energy costs and low-income consumers
- ◆ LIEN at Queen's Park and Ontario Energy Board
- ◆ Going forward – emerging issues

Ontario's energy crisis - 2003



- ◆ Need to refurbish, rebuild, replace or conserve 25,000 MW of generating capacity by 2020.
- Liberals promised to shut down Ontario's five coal-burning plants (worst polluters) by 2007
- ◆ Need a price regime that better reflects the true cost of electricity.

2004 - LIEN gets its start



- ◆ First meeting on March 10th 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 (i.e. ACTO & CELA at OEB)
- ◆ Realization of the need to work together and develop a shared response to rising energy costs

Where do low-income consumers live?

790,375 LIM-AT households (2011 NHS)

- Disproportionately single mothers, new immigrants, racialized communities, seniors, disabled
- ◆ 479,405 are tenant households (61%)
 - Live in private sector rental or social housing – most in multi-residential buildings
 - Approx. 85% of multi-residential buildings are bulk-metered for electricity service
- ◆ 310,970 are homeowners (39%)
 - Majority live in single-detached homes (200,920 households)

Low-income energy burden



- ◆ Energy burden refers to the amount of total household income spent on energy costs
- ◆ LIEN's position is that **6%** is an affordable burden

Rising energy prices....

- ◆ 2013 Long-Term Energy Plan (LTEP), forecasted typical residential bills increasing on average by 5.1% per year in the short-term (2015-2019) and 2.2% per year in the long-term (2015-2032)
- ◆ 2017 Long-Term Energy Plan to be released this spring



At Queen's Park

- ◆ *Climate Change and Low-Carbon Economy Act, 2016*
 - CELA successfully advocates for amendment requiring Energy Minister to consider the needs of low-income households and vulnerable communities in their transition to a low-carbon economy when deciding how to use cap and trade auction revenues
 - Low income provisions were also included in the Climate Action Plan including energy efficiency retrofits, reducing impact on low income tenants from cap and trade, and some vehicle rebates
- ◆ *Protecting Vulnerable Energy Consumers Act, 2017*
 - LIEN on record of recommending disconnection moratoriums since 2004 – but legislative amendment was required to give the OEB authority to do so

At Queen's Park

- ◆ *Rural and Remote Rate Protection Plan*
 - LIEN first alerted to distribution rate differential through First Nations; Global TV media stories highlighted inequity in summer 2016; wrote to Justice Policy Committee which was holding hearings on Bill 13, *Ontario Rebate for Electricity Consumers Act, 2016* (implementing 8% rebate on electricity bills – provincial portion of HST)
- ◆ *Ontario Fair Hydro Plan – announced March 2nd*
 - LIEN meeting with Premier Wynne and Energy Minister Glen Thibeault on February 3, 2017
 - LIEN provided recommendations for improving current energy rate mitigation programs, the kinds of solutions that could be adopted and the need to increase access to these programs for more Ontarians

Energy marketers/retailers and low-income consumers

- ◆ **OEB Review of Part II of the *Energy Consumer Protection Act, 2010***
 - report to Energy Minister included recommendation banning door-to-door sales
 - Bill 112 - *Strengthening Consumer Protection and Electricity System, 2015*
 - New rules came into effect January 1, 2017

Energy conservation and low-income consumers

- ◆ IESO's 2015 results report on **six-year CDM plans** (2015-2020)
 - budgets and energy savings targets are far lower than those for HAP in the LDCs' CDM plans under the 2011-2014/15 framework
 - inequitable access to retrofits to help reduce electricity consumption and costs – and maximize OESP impact
 - LDCs to re-submit CDM plans by May 31, 2017
 - LIEN meeting with IESO
 - Minister's December 16, 2016 directive to IESO
 - Delivery of certain province-wide CDM programs

At the OEB

Regulatory Framework for Natural Gas Cap and Trade Compliance Plans

- Cost consequences of plans; mechanism for cost recovery from rates

OEB Consumer Charter Initiative

- Posted on web site for public comment; pulls together rules and obligations in codes and licenses; LIEN participated in December 15, 2016 stakeholder consultation

OEB review of Customer Service Rules

- Announced with OEB's implementation of their new temporary rules around winter disconnection of service
- LIEN's recommendation for arrearage forgiveness

Emerging issues at OEB

- ◆ Chair's Consumer Advisory Roundtable
- ◆ OEB hearings and public meetings in affected communities – LDC rate applications

<https://www.oeb.ca/participate/community-meetings>

- ◆ Regulated Price Plan review – Advisory Committee
 - Changes to RPP and TOU structure
 - Pre-Pay pilot
- ◆ Implementation of the Fair Hydro Plan