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BY EMAIL AND WEB POSTING

December 14, 2020

To: Respondents to the Stakeholder Engagement on GA Pricing for EB-2016-0201
All Other Interested Parties

Re: **Meetings with Non-RPP Class B Customers on Alternative Electricity Price
Designs – OEB File No. EB-2016-0201**

Over the past several years the OEB has been pursuing the objectives laid out in its [Regulated Price Plan \(RPP\) Roadmap](#). The *Roadmap* sets out a multi-year plan to redesign the RPP to better respond to policy objectives, improve system efficiency, enhance consumer literacy and understanding to better empower customers and give them greater control.

A key element of the *Roadmap* is evaluating how to improve the way in which Global Adjustment (GA) costs are collected through electricity prices paid by customers. To this end, in February 2019, the OEB released a staff research paper entitled [Examination of Alternative Price Designs for the Recovery of Global Adjustment from Class B Consumers in Ontario](#). The paper describes analytical research evaluating a variety of generic GA pricing options on the basis of economic efficiency and consumer cost impact.

Following the release of the staff research paper, the OEB invited stakeholders to provide feedback through an open technical meeting on March 21, 2019 and through written feedback. Since that time, the OEB has combined that stakeholder feedback with in-house analysis of historical demand patterns, consumer cost impacts based on sector-specific load profiles and the results of a number of pilot projects testing alternative RPP price plans to arrive at two alternative pricing models for the purposes of discussion with non-RPP Class B customers. These two alternative pricing models exhibit several characteristics that are expected to better achieve the goals outlined in the *Roadmap*. OEB staff intend to meet directly with participants in this engagement to discuss the policy and economic merits of new alternative price designs for non-RPP

Class B customers, highlighting sector-specific analysis that is relevant to the participant. Such discussions and feedback will help to further inform considerations, both practical and policy-related, regarding alternative price designs.

As indicated in the *Roadmap*, the OEB is committed to working with the government and the Independent Electricity System Operator (IESO) to put in place a pricing framework for all Class B customers that better supports policy objectives, promotes efficiency and enhances customer control.

Meeting Details

OEB staff recognizes that changes in pricing approaches can have different impacts on different business sectors. In order to discuss, in detail, the sector-specific merits, challenges and considerations that relate to alternative electricity price designs, OEB staff will schedule a two-hour virtual meeting with individual interested consumer groups and their members. These discussions will be informed by OEB analysis tailored to the participant's specific business sector(s).

Stakeholders interested in scheduling such a meeting are asked to email notice of their interest to classpricing@oeb.ca by January 8, 2021. Emails should include "EB-2016-0201 Alternative Class B Price Designs" in the subject line and provide the following information

- Participant / organization name;
- Name(s) of attendees; and
- A contact name, telephone number and email address.

OEB staff will respond to all interested parties to schedule a time for the virtual meeting and to provide further direction and preparatory material.

Cost Award Matters

Cost awards will be available to eligible participants under section 30 of the *Ontario Energy Board Act, 1998* for participation in the stakeholder meeting. Any participant already found to be eligible for cost awards for this engagement under the OEB's March 21, 2019 [Decision on Cost Eligibility](#) or the OEB's April 11, 2019 [Supplemental Decision on Cost Eligibility](#) will be eligible for cost awards for the stakeholder meeting. Any participant who hasn't already applied for eligibility under this engagement may include a request for cost award eligibility when they reply to the OEB to indicate their interest in having a meeting.

Cost awards¹ for eligible participants will be available for up to 3 hours of preparation for and attendance of the stakeholder meeting. Costs awarded will be recovered from all licenced electricity distributors.

Any questions relating to this letter should be directed to Dr. Justin Malecki at Justin.Malecki@oeb.ca. The Board's toll-free number is 1-888-632-6273.

Yours truly,

Original Signed By

Christine E. Long
Registrar

¹ When determining the amount of the cost awards, the OEB will apply the principles set out in section 5 of its [Practice Direction on Cost Awards](#). The maximum hourly rates set out in the Cost Awards Tariff will also be applied. In accordance with section 12 of its Practice Direction on Cost Awards the Board will Act as a clearing house for all payments of cost awards in this process. For more information on this process, please see the OEB's Practice Direction on Cost Awards.