



**PUBLIC INTEREST ADVOCACY CENTRE**  
**LE CENTRE POUR LA DEFENSE DE L'INTERET PUBLIC**

**ONE Nicholas Street, Suite 1204, Ottawa, Ontario, Canada K1N 7B7**

Tel: (613) 562-4002. Fax: (613) 562-0007. e-mail: [piac@piac.ca](mailto:piac@piac.ca). <http://www.piac.ca>

Michael Janigan  
Counsel for VECC  
(613) 562-4002 x26

February 19, 2014

**VIA MAIL and E-MAIL**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge St.  
Toronto, ON  
M4P 1E4

Dear Ms. Walli:

**Re: Vulnerable Energy Consumers Coalition (VECC)**  
**EB-2014-0198**  
**Proposed Amendments to the Distribution System Code**

Please find enclosed the comments of VECC in the above notes proceeding.

Yours truly,

Michael Janigan  
Counsel for VECC  
cc: Mr. Vince Mazzone, Ontario Energy Board  
e-mail: [vince.mazzone@ontarioenergyboard.ca](mailto:vince.mazzone@ontarioenergyboard.ca)

**ONTARIO ENERGY BOARD**

**Proposed Amendments to the Distribution System Code  
Residential Customer Bill Practices and Performance**

**INTRODUCTORY COMMENTS**

1. The Vulnerable Energy Consumers Coalition (VECC) had made comments on the Board's Report which preceded the proposed amendments. These comments were made on October 8, 2014.
2. The Board had invited comment on its Draft Report, Electricity and Natural Gas Distributors' Residential Customer Billing Practices and Performance (Draft Report). In the draft report the Board has articulated the purpose of the policy "*to assist customers in better understanding their energy consumption so that they can manage that consumption and control their costs<sup>i</sup>*". The proposed amendment includes changes to billing frequency as well as proposed changes for estimated billing and target performance measures for billing accuracy.
3. VECC supports the DSC amendments with respect to estimated billing and billing accuracy performance measures. In our view both changes are a logical consequence of the mandated smart metering.
4. With respect to billing frequency VECC's comments were, in summary, that no evidence had been presented that would show that the proposed changes would be cost effective or meet the stated policy objective. VECC further argued that the Board should only force the change of billing cycle in conjunction with rate applications and so as to adjust the cost to consumers appropriately.

5. The proposed Code amendment does not address the substance of VECC's concerns. We note that OEB Act 70.2 (2) (f) requires a description of the anticipated costs and benefits of the code. In our respectful submission that requirement has not been met. Section E of the proposed code amendment simply notes that there will be expected costs and that some of these costs may be mitigated. In our view the Board has at its disposal a wealth of data related to billing costs and the change from bi-monthly to monthly billing garnered through rates cases over the last 5 years. No effort has been made to marshal this data into a rigorous analysis of the costs and benefits of this proposed change.
6. The Board has consistently stated that the RRFE framework is to be "customer focused." Yet we can find no collection of customer data or its analysis which would argue that customers support this change. Since the Board requires electricity distributors to survey their customers such information could easily be gathered, if not already available.
7. VECC does not object per se to the movement to monthly billing. We believe that it is important to understand the costs and benefits of such a policy and the preferences of customers for it. We simply find no evidence of that in the process leading up to this proposal.
8. VECC submits that the Board should delay the implementation of the monthly billing (proposed section 2.6.1) until the end of 2018. In conjunction with this change filing requirements should be amended so as to require bi-monthly billing utilities to provide a monthly billing cycle proposal. Such a proposal should include the estimated costs and steps taken to mitigate the costs of moving to more frequent billing. All utilities moving to monthly billing should be required to undertake a lead/lag study based on bi-monthly billing and

include an estimate of the change in working capital requirements due to changes in billing frequency.

9. All of which is respectfully submitted.

**DATED AT TORONTO, FEBRUARY 19, 2015**

---