



October 21, 2015

**via RESS and email**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge St., Suite 2700  
Toronto, ON, M4P 1E4

Dear Ms. Walli:

**Re: EB-2015-0268: Proposed Amendments to the Electricity Retailer Code of Conduct, the Code of Conduct for Gas Marketers, the Retail Settlement Code and the Gas Distribution Access Rule**

On October 5, 2015, the Ontario Energy Board (“OEB”) posted the *Notice of Proposal to Amend a Code and to Amend a Rule* (“Proposal”) pursuant to the above noted documents.

This is the submission of the Coalition of Large Distributors (“CLD”)<sup>1</sup> regarding the Proposal. The submission has been filed via the Board’s web portal and three (3) requisite paper copies have been couriered to the Board.

The CLD welcomes and appreciates the opportunity to provide its views on the Proposal. Collectively, the member utilities service nearly 2.0 million Ontario ratepayers and distribute 45% of all electricity consumed in the Province.

**General Comments**

The CLD is supportive of the primary objective of the *Energy Consumer Protection Act, 2010* (“ECPA”): to enhance consumer protection in the retail energy markets. Nevertheless, the CLD does not take a position on any of the specific changes in this Proposal other than those discussed explicitly below. Historically, the CLD has not provided written submissions on matters related to the retailing aspects of the *Energy Consumer Protection Act, 2010* (“ECPA”)<sup>2</sup>. Its submissions on the Proposal are thus limited solely to issues that pertain to distributor-to-retailer or distributor-to-customer interactions.

The CLD welcomes this opportunity to present its views.

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<sup>1</sup> The CLD consists of Enersource Hydro Mississauga Inc., Horizon Utilities Corporation, Hydro Ottawa Limited, PowerStream Inc., Toronto Hydro-Electric System Limited, and Veridian Connections Inc.

<sup>2</sup> For example, EB-2010-0245 Implementation of Consumer Protection (Retailer/Marketer) Provisions of the *Energy Consumer Protection Act, 2010*.



## **Making retail contracts more visible on the bill**

The Proposal amends Section 7 of the Retail Settlement Code by adding a new section 7.2.3 (Retailer Information on the Bill). The new section specifies five pieces of information that must be presented on a low volume customer's bill:

- The phrase "YOU ARE BUYING YOUR ELECTRICITY FROM"
- The retailer's name in capital letters
- The retailer's phone number
- The retailer's website address
- The retailer's e-mail address

The new section further mandates that up to 500 text characters be made available for this purpose.

The CLD understands and is supportive of the OEB's intent in this regard. The CLD agrees that all consumers who contract with a retailer should be able to readily understand that they have done so.

However, the CLD notes the OEB's expressed interest in considering other billing changes for customers on retail contracts. Whether it is through incremental changes to section 7.2.3 of the Retail Settlement Code or otherwise, the CLD respectfully submits that it would be more efficient and effective to avoid multiple billing changes in quick succession related solely to retail customers. As identified below, the CLD submits that it has additional timing issues and concerns regarding the provision of on-bill space for messaging.

The CLD respectfully encourages the OEB to consider section 7.2.3 of the Retail Settlement Code concurrently with a broader conversation on retailer-related on-bill information. Aligning the timing of these changes would allow for a full discussion of objectives, benefits, costs and risks of any such changes, including on-bill commodity cost comparisons.<sup>3</sup>

The CLD welcomes this conversation soon.

### ***Provision of on-bill space for messaging***

The CLD respectfully submits its concerns that providing 500 characters for this purpose will necessitate the bill continuing onto a second sheet for some, and potentially all, of its members, thereby resulting in additional printing and billing costs. Some LDCs' systems have limits on the number of characters currently allowable for bill messages; this issue is compounded for LDCs that print on-bill messages in multiple languages. The CLD further submits that anticipated gains in clarity achieved by the Proposal would be at least partially offset by the additional complexity of the longer bill.

As a matter of regular course, CLD members already provide space that is typically dedicated to displaying the name and phone number of the retailer, information that the CLD submits is necessary for customers who are inclined to contact their retailer.

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<sup>3</sup> The CLD notes that the EDA's submission discusses some potential challenges of implementing on-bill commodity cost comparisons.



## ***Timing***

Implementing the new Section 7.2.3 in time for January 1, 2016 presents difficulties for LDCs.

First, the CLD submits that for some of its members the proposed changes would require code modifications to their CIS systems, making the proposed timelines potentially untenable. Moreover, the short window would not facilitate appropriate notice for customers that their bills would be changing. For some LDCs, a January 1, 2016 date is less than a full billing cycle from the likely finalization of this Proposal, and is concurrent with a suite of other changes that will impact the look and content of the electricity bill that are highly likely to drive customer inquiries, including:

- The removal of the Ontario Clean Energy Benefit and associated on-bill messaging.
- The exemption of specified customers from the Debt Retirement Charge, and on-bill messaging in support of this change.
- The implementation of the Ontario Electricity Support Program, as a benefit line item for eligible customers and the associated charge, as well as on-bill messaging in support of this change.

The CLD respectfully submits that January 1, 2016 is not an appropriate implementation deadline for this new section.

## **Written notice to consumers of the switch to a supplier**

The CLD is supportive of a requirement that a written notice separate from the bill be sent to consumers upon switching suppliers to inform them of this change. The CLD agrees that the improved customer agency provided by the notice outweighs any likely incremental costs in this regard, but also that those costs should not be cross-subsidized by ratepayers.

The Proposal would require LDCs to undertake the task of sending the notice. To avoid cross-subsidization, the CLD respectfully submits that either the notice come directly from the retailer itself, or that the cost of providing the message – namely one-time programming updates and the ongoing costs of producing and mailing the notices – be borne directly by the retailer. If the OEB ultimately prefers that the LDC send the notice, increased customer inquiries to LDCs' call centres may be an additional cost-driver, such as in circumstances where a customer receives the notice after already taking advantage of the prescribed "cooling off" cancellation period. Ultimately, this conversation would lead to an empowering outcome for the customer. Nevertheless, the CLD submits that these costs should also be borne by the retailer.

## **Conclusion**

The CLD appreciates the opportunity to provide comments on the Proposal. If you have any questions, please do not hesitate to contact the undersigned.



Sincerely,

*[original signed by]*

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