



October 4, 2016

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

via RESS and courier

Dear Ms. Walli:

RE: EB-2015-0268
Revised 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 September 8, 2016, the Ontario Energy Board (the “Board” or the “OEB”) issued a *Notice of Revised Proposal to Amend a Code and Rule* (“Proposal”) in relation to amendments to the *Energy Consumer Protection Act, 2010* (Ontario Regulation 241/16) contained in the *Strengthening Consumer Protection and Electricity System Oversight Act, 2015* (Bill 112) which comes into force January 1, 2017.

This submission by the Coalition of Large Distributors (the “CLD”) is in response to the Proposal. 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. The submission has been filed via the Board’s web portal and three (3) requisite paper copies have been couriered to the Board.

General Comments

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

The CLD is supportive of the enhanced consumer protection objectives envisioned in the *Energy Consumer Protection Act, 2010* (“ECPA”). Specifically, ensuring that consumers have the information they need to make informed decisions regarding retail energy contracts. Recognizing that many of the proposed amendments are associated with retailing activities, the comments offered by the CLD are limited to distributor-to-retailer, or, distributor-to-consumer interactions. Further, during this consultation period the provincial government announced the removal of the provincial portion of the HST on electricity bills. These changes, alone, could lead to further bill presentment requirements and may, therefore, influence the options currently under consideration.

The comments offered are guided by the OEB Renewed Regulatory Framework for Electricity (“RRFE”) objectives of operational effectiveness and customer focus.

Written Notice to low volume consumers of switch to an energy retailer

The CLD supports the OEB’s proposal that distributors be permitted to recover the associated costs of issuing a written notice to low volume consumers who are switching to an energy retailer via the market participant invoice Electronic Business Transaction (“EBT”). This approach ensures that all ratepayers do not cross-subsidize the costs associated with a consumer’s choice to change suppliers.

With respect to the written letter of notification outlined in Attachment D, the CLD is concerned that reference to price implies that customers will be able to see their retail commodity price on the bill. Electricity distributors receive and apply a dollar amount from the Retailer; therefore, reference to price could be misleading. To avoid confusion, the CLD proposes that the second paragraph read *“We will still be sending you your electricity bill every month. Once your contract starts, you will see your electricity Retailer’s name on your bill along with the electricity charge from your retail contract”. This charge includes the cost of the electricity that you use and may include other service charges from the Retailer, in accordance with your contract. It does not cover all of the charges on your bill. The Global Adjustment will appear as a separate line item on your bill.”*

In alignment with the provisions of the RSC, Section 10.5.4A, the CLD proposes that the written notice reflect the potential for the new contract to start beyond the next bill. As written in the Notice, this option is not apparent. The CLD proposes that the sentence *“You should start to see the new contract price on your next electricity bill”* be replaced with *“You will see your new electricity charge upon receipt of your first bill following the effective date of your Retailer contract”*. For example, this will accommodate circumstances where a Service Transaction Request (“STR”) is received before the next standard service supply (“SSS”) bill is issued, due to the ten business-day timeframe required for distributors to receive weighted average hourly spot pricing, prior to releasing their bills.

The CLD supports directing the consumer to the Retailer for questions regarding their contract and the provision of the OEB contact information for general electricity contract information and the Global Adjustment.

For consumers who have selected electronic billing, the CLD proposes the flexibility to issue this notice electronically at the distributor’s discretion.

The CLD wishes to confirm that this notification protocol applies to all SSS-to-Retailer and Retailer-to-Retailer switches only and does not apply when a consumer switches from a Retailer to SSS.

Making retail contract more visible on the bill

The CLD acknowledges and appreciates the refined proposal for Section 7.2.3 which now aligns more closely with the CLD’s recommendations in its previous submissions. However, some distributors may still have insufficient space on the bill line.

For example, some distributors have an 80-character limit. In order to accommodate this requirement, as proposed, material programming changes may have to be undertaken, particularly for those distributors with bilingual requirements. Due to timing and cost considerations alone, this course of action is not recommended.

Further, as noted in the *Consumers Come First*¹ report, bill presentation was identified as an obstacle for consumers when comparing prices. Consumers also have issues with the amount of information on their electricity bills. Typically, all bill line items are associated with billing charges, per Ontario Regulation 275/04. The added verbiage on the bill component area may further frustrate the consumer's ability to understand and comprehend their bill.

While the CLD is supportive of placing the telephone number and website of the Retailer on the bill, the additional flexibility to determine the exact location of this information is recommended for electricity distributors, as already proposed for natural gas distributors.

This could be achieved by allowing distributors to include the statement "YOU ARE BUYING YOUR ELECTRICITY FROM (RETAILER) on the line item, followed by an asterisk (*) which can provide the Retailer's toll-free telephone number and website address on another area of the bill, such as the bill message section. In many cases, this latter information is already provided on the consumer's bill.

Timing

As noted previously, the recent government announcement to rebate the provincial portion of the HST for low-volume consumers is expected to have an impact on bill presentment priorities and customer information system functionality. As well, any changes to business systems or processes typically require a minimum six-month lead time to ensure a smooth transition.

The CLD respectfully proposes the final bill presentment and switching Notices both come into force no earlier than July 1, 2017.

Conclusion

Thank you for the opportunity to provide feedback. Should you have any questions or require further information, please do not hesitate to contact the undersigned.

Yours truly,

(Original signed on behalf of the CLD)

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¹ Report to the Minister of Energy, *Consumers Come First: A Report of the Ontario Energy Board on the Effectiveness of Part II of the Energy Consumer Protection Act, 2010*, May 28, 2015, Page 8.

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