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October 5, 2016

BY COURIER

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON, M4P 1E4

Dear Ms. Walli:

EB-2015-0268 – Revised Proposed Amendments to the Retail Settlement Code to Implement Recommendations in the OEB’s *Consumers Come First* Report and Support Approved Amendments to the ECPA Regulation

Hydro One Networks Inc. (“Hydro One”) supports the measures being taken by the Ontario Energy Board (“the Board”) to increase consumer understanding of retail contracts, provide better education to consumers on their energy supply choices and ensure that consumers are provided with greater protection against unfair business practices at the door. In response to the Board’s proposed amendments to the Retail Settlement Code (“RSC”) outlined in its Notice of Revised Proposal, issued on September 8, 2016 (“Notice of Revised Proposal”), Hydro One submits the following comments for the Board’s consideration.

Revised Proposed Amendments to the RSC Mandating a Written Notice to Consumers of the Switch to a Supplier

In the Board’s initial Notice of Proposal, dated October 5, 2015, it had proposed to amend Section 10.5.4A of the RSC to require that distributors provide written notice to low volume consumers who switch to a supplier. The Board had agreed to prepare a standard form of letter that distributors may use for the purposes of meeting this requirement.

In its Notice of Revised Proposal, the Board has not moved from its position that distributors should be required to provide low volume consumers with written notice reminding them that their supply arrangements are changing when they switch to an energy retailer. The proposed

amendments to Section 10.5.4A of the RSC were revised by the Board to mandate that all distributors use the OEB-approved common form of notice included as Attachment D in the Notice of Revised Proposal. The Board also noted that distributors will be able to recover the transactional cost of sending the notice of the switch from the energy retailer that has contracted with the consumer.

Hydro One supports the Board's overall revised proposal requiring distributors to provide written notice to low volume consumers who switch to an energy retailer. Regarding the Board's proposed standard form of notice in Attachment D, Hydro One believes that some modifications and discretion in the wording is required in order to account for certain aspects of the billing process, as described below:

- Hydro One bills most of its seasonal customers on a quarterly basis. For the statement that reads "We will be sending you your electricity bill every month", distributors should be permitted to replace the word 'month' with 'quarter', as required, depending on a customer's billing cycle.
- Clarification should be provided to inform customers that a supply switch can only occur following an actual meter read. It is suggested that the statement "You should start to see the new contract price on your next electricity bill" be changed to read "You should start to see the new contract price on your next electricity bill *following an actual reading of your meter*". Providing this clarification would help prevent potential customer confusion in instances where the effective date of the supply switch is delayed because the customer's last bill is based on an estimate.

Based on the Board's revised proposed amendments to the RSC and the standard form of notice provided in Attachment D, Hydro One seeks further clarification from the Board as to whether it would be appropriate for a distributor to provide written notice in the following instances:

- a) the consumer switches from one retailer to another retailer;
- b) the consumer switches back from a retailer to standard service supply.

If the Board believes that written notice should be sent to the consumer in these cases, different versions of the common form of notice provided in Attachment D may need to be developed to address each of these cases.

Revised Proposed Amendments to the RSC to Make Retail Contracts More Visible on the Bill

In the Board's initial Notice of Proposal, dated October 5, 2015, it had proposed to amend section 7 of the RSC by adding a new section 7.2.3 that would require the distributor who issues

a bill to a low volume consumer served by a retailer to: (a) specify on the part of the bill that relates to the commodity price who the consumer is buying electricity from, along with specific contact information for the retailer and (b) allocate up to 500 text characters on the bill for the provision of this information.

In its Revised Notice of Proposal, the Board has stated that it will proceed in requiring that a mandatory statement appear on the consumer's bill indicating that their energy supply is being provided under contract. However, based on feedback from stakeholders, the Board has decided to revise its proposed amendments to the RSC by not mandating the number of text characters that must be made available for this purpose. Instead, the Board now requires that only the energy retailer's telephone number and website address be included on the bill. The Board remains of the view that the commodity line of the bill is the most appropriate location for the mandatory statement. Revised proposed amendments to the RSC reflecting the above changes have been included as Attachment E in the Notice of Revised Proposal and will be enforced as of July 1, 2017.

Hydro One confirms that it has the capability to include the mandatory retailer information specified in the revised proposed amendments to section 7.2.3 of the RSC on the bill line item for electricity. However, given that Hydro One is currently in the midst of a major bill redesign project that is not expected to be completed until sometime in Q4 2017, Hydro One does not believe that it can become compliant with the amendments by the proposed enforcement date of July 1, 2017. From both a work efficiency and cost-effectiveness standpoint, Hydro One would like to be able implement any billing-related changes stemming from the revised proposed amendments to section 7.2.3 of the RSC as part of its bill redesign project. To allow for this, Hydro One requests that distributors be provided until January 1, 2018 to comply with these amendments.

Hydro One would like to thank the Board for providing distributors with the opportunity to comment on the proposed amendments discussed in the Revised Notice of Proposal.

Sincerely,

ORIGINAL SIGNED BY ODED HUBERT

Oded Hubert