



Ontario Energy Board Commission de l'énergie de l'Ontario

DECISION AND ORDER

EB-2017-0318

Amending Electricity Distributor Licences to Prohibit the Disconnection of Residential Customers and Related Matters

BY DELEGATION, BEFORE: Brian Hewson
Vice President,
Consumer Protection & Industry Performance

November 2, 2017

INTRODUCTION AND SUMMARY

The Ontario Energy Board (OEB), of its own motion, initiated this proceeding to amend the licences of all electricity distributors. As set out in this Decision and Order, the amendments prohibit the disconnection of residential customers by reason of non-payment from November 15th in one year to April 30th in the following year (Disconnection Ban Period), and address related matters.

BACKGROUND

On February 22, 2017, amendments to section 70 of the *Ontario Energy Board Act, 1998* (OEB Act) came into force that makes it clear that:

- i. licences issued to electricity distributors (among others) may include provisions prohibiting the disconnection of low-volume consumers during certain periods; and
- ii. the OEB's regulatory requirements prevail over anything to the contrary in section 31 if the *Electricity Act, 1998* regarding disconnection for non-payment.

On February 23, 2017, the OEB issued a [Decision and Order](#) that amended the licences of all electricity distributors to prohibit the disconnection of residential customers from February 24, 2017 to April 30, 2017. The new licence conditions were intended to be an interim measure to cover the balance of the 2016/17 winter, pending the OEB's comprehensive review of the customer service rules that apply to both electricity and natural gas distributors. That review, details of which are set out in the OEB's [letter](#) dated May 16, 2017, is ongoing.

This Decision and Order is being issued by Delegated Authority without a hearing pursuant to section 6(4) of the OEB Act.

DECISION

The OEB finds it to be in the public interest at this time to amend the licences of all electricity distributors in order to ensure that residential customers are not disconnected for non-payment during a Disconnection Ban Period.

The new licence conditions, which are effective immediately, are set out in Attachment A to this Decision and Order. They replace the licence conditions that were introduced in February 2017, and are in many respects identical to the February 2017 licence

conditions in scope and effect. Unlike the February 2017 licence conditions, however, the new conditions apply on a going forward basis rather than for a single winter period. Rules relating to disconnection are a key part of the OEB's customer service rules review referred to earlier. Once that review is complete, revisions to the licence conditions may ensue.

By way of overview of the new licence conditions:

- i. During a Disconnection Ban Period, no electricity distributor may disconnect a residential customer solely on the grounds of non-payment or issue a disconnection notice to a residential customer solely by reason of non-payment.
- ii. During a Disconnection Ban Period, no electricity distributor may install a load control device in respect of a residential customer's premises solely by reason of non-payment. After consideration of questions received on the February 2017 licence conditions, all load control devices are being captured by the new licence conditions rather than simply load limiter devices.
- iii. All residential customers who have had their service disconnected solely by reason of non-payment or who have had their service restricted through a load control device must be reconnected or have their service fully restored. For the 2017/2018 Disconnection Ban Period, all reconnections and full return to service must be completed as soon as possible, and distributors will be required to report on their progress in this regard in accordance with new reporting requirements to be issued in the near term. In each subsequent Disconnection Ban Period, reconnections and the full return to service must be completed by November 15th.
- iv. When reconnecting or returning a customer to full service in accordance with paragraph (iii), any otherwise applicable reconnection charge or charge for the removal of a load control device must be waived. As well, any Collection of Account charges that could otherwise be charged to residential customers shall be waived during a Disconnection Ban Period.
- v. As was the case with the February 2017 licence conditions, new or continued disconnection or the installation or continued use of a load control device may still occur at the written and unsolicited request of the customer. The OEB understands from its work with representatives of low-income customers that some customers experience longer-term bill management benefits through

- the installation of a load control device. While distributors should not encourage a customer to have a new load control device installed or an existing one maintained during a Disconnection Ban Period, nothing in the new licence conditions should be read as precluding a distributor from explaining the bill management implications associated with having such a device.
- vi. Electricity distributors must continue to respect all applicable safety requirements or standards.

As noted in paragraph (iii) above, the OEB will be issuing new reporting requirements in the near term. In addition to assisting the OEB in monitoring reconnections and the full restoration of service for the purposes of the 2017/2018 Disconnection Ban Period, the new reporting requirements will also address the monitoring of customer arrears.

During a Disconnection Ban Period, the OEB expects distributors to focus efforts on promoting solutions for customers that have substantial arrears, including offering arrears management plans; increasing awareness of assistance or support that may be available through the Low-Income Emergency Assistance Program, the Ontario Electricity Support Program or other sources; and providing information about available conservation measures.

IT IS ORDERED THAT:

1. The electricity distribution licence of each electricity distributor is amended by deleting the conditions of licence imposed under the OEB's February 23, 2017 Decision and Order (EB-2017-0101) and replacing them with the licence conditions set out in Attachment A to this Decision and Order.

DATED at Toronto November 2, 2017

ONTARIO ENERGY BOARD

Original Signed By

Brian Hewson
Vice President, Consumer Protection & Industry Performance

**Attachment A
To
Decision and Order dated November 2, 2017
EB-2017-0318**

Licence Conditions

Note: For most electricity distributors, the relevant section of the licence is section 23. The section and paragraph numbers will be revised when integrated into any licence where the relevant section is other than section 23.

23 Winter Disconnection, Reconnection and Load Control Devices

23.1 Subject to paragraph 23.4, the Licensee shall not, during a Disconnection Ban Period:

- a) disconnect an occupied residential property solely on the grounds of non-payment;
- b) issue a disconnection notice in respect of an occupied residential property solely on the grounds of non-payment; or
- c) install a load control device in respect of an occupied residential property solely on the grounds of non-payment.

Nothing in this paragraph shall preclude the Licensee from (i) disconnecting an occupied residential property during a Disconnection Ban Period in accordance with all applicable regulatory requirements, including the required disconnection notice, or (ii) installing a load control device in respect of an occupied residential property during a Disconnection Ban Period, in each case if at the unsolicited request of the customer given in writing for that Disconnection Ban Period.

23.2 Subject to paragraph 23.4,

- (a) for the 2017/2018 Disconnection Ban Period, if the Licensee had disconnected a residential property on or before November 2, 2017 solely on the grounds of non-payment, the Licensee shall reconnect that property, if an occupied residential property, as soon as possible, and shall do the same in respect of any such property that may be disconnected by Licensee between

that date and the commencement of the Disconnection Ban Period. The Licensee shall waive any reconnection charge that might otherwise apply in respect of that reconnection; and

- (b) for each subsequent Disconnection Ban Period, the Licensee shall ensure that any residential property that had been disconnected solely on the grounds of non-payment is, if an occupied residential property, reconnected as at the commencement of the Disconnection Ban Period. The Licensee shall waive any reconnection charge that might otherwise apply in respect of that reconnection.

Nothing in this paragraph shall require the Licensee to reconnect an occupied residential property in respect of a Disconnection Ban Period if the customer gives unsolicited notice to the Licensee not to do so in writing for that Disconnection Ban Period and has not rescinded that notice.

23.3 Subject to paragraph 23.4,

- (a) for the 2017/2018 Disconnection Ban Period, if the Licensee had installed a load control device in respect of an occupied residential property on or before November 2, 2017 either for non-payment or at the customer's request, the Licensee shall remove that device and restore full service to the property as soon as possible, and shall do the same in respect of any load control device installed in respect of any such property between that date and the commencement of the Disconnection Ban Period. The Licensee shall waive any charge that might otherwise apply in respect of such removal; and
- (b) for each subsequent Disconnection Ban Period, the Licensee shall ensure that any load control device installed in respect of an occupied residential property either for non-payment or at the customer's request is removed and full service is restored to the property as at the commencement of the Disconnection Ban Period. The Licensee shall waive any charge that might otherwise apply in respect of such removal.

Nothing in this paragraph shall (i) require the Licensee to remove a load control device in respect of a Disconnection Ban Period if the customer gives unsolicited notice to the Licensee not to do so in writing for that Disconnection Ban Period and has not rescinded that notice; or (ii) prevent the Licensee from installing or maintaining a load control device if the customer makes an unsolicited request in

writing for the Licensee to do so for that Disconnection Ban Period and has not rescinded that request.

23.4 Nothing in paragraphs 23.1 to 23.3 shall:

- a) prevent the Licensee from taking such action in respect of an occupied residential property as may be required to comply with any applicable and generally acceptable safety requirements or standards; or
- b) require the Licensee to act in a manner contrary to any applicable and generally accepted safety requirements or standards.

23.5 The Licensee shall waive any collection of account charge that could otherwise be charged in relation to an occupied residential property during a Disconnection Ban Period.

23.6 For the purposes of paragraphs 23.1 to 23.5:

“Disconnection Ban Period” means the period commencing at 12:00 am on November 15th in one year and ending at 11:59 pm on April 30th in the following year;

“load control device” has the meaning given to it in the Distribution System Code; and

“occupied residential property” means an account with the Licensee:

- a) that falls within the residential rate classification as specified in the Licensee’s Rate Order; and
- b) that is:
 - i. inhabited; or
 - ii. in an uninhabited condition as a result of the property having been disconnected by the Licensee or of a load control device having been installed in respect of the property outside of a Disconnection Ban Period.

23.7 Paragraphs 23.1 to 23.5 apply despite any provision of the Distribution System Code to the contrary.