



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

DECISION AND INTERIM ORDER

EB-2017-0371

Unit Sub-Meter Provider Charges

**BEFORE: Ken Quesnelle
Vice Chair and Presiding Member**

March 15, 2018

INTRODUCTION AND SUMMARY

Amendments to section 78 of the *Ontario Energy Board Act, 1998* (OEB Act) come into force on April 1, 2018 that prohibit a unit sub-meter provider (USMP) from charging for unit sub-metering except in accordance with an order of the Ontario Energy Board (OEB).

Also as of April 1, 2018, amendments to the OEB Act provide the OEB with the authority to regulate what USMPs charge for unit-sub-metering services.

The OEB has begun a consultation to establish the OEB's method(s) for regulating USMPs charges (EB-2017-0371). However, that consultation is in its early stages and will not be completed before April 1, 2018. As a result, the OEB has determined that it will issue an Interim Order to authorize USMPs to charge for sub-metering services until the OEB has completed the consultation and established its method for setting the charges for USMPs.

The OEB, of its own motion, initiated this proceeding to set the charges that USMPs can charge their customers. As set out in this Decision and Order, USMPs may, on an interim basis, apply the charges set out in any agreements with their customers, until new charges are approved by the OEB.

BACKGROUND

In many multi-unit complexes, (e.g. apartment buildings, condominiums and commercial properties), the owner of the complex, also known as the “master consumer”, distributes and retails electricity to consumers in individual units based on consumption measured through unit sub-meters (unit sub-metering), in accordance with the requirements of the *Energy Consumer Protection Act, 2010*. Anyone who engages in unit sub-metering must be licensed by the OEB under section 57(c.1) of the OEB Act.

When the master consumer is engaged in distributing and retailing electricity, it is operating as an “exempt distributor” and an “exempt retailer”. Exempt distributors and exempt retailers are not rate-regulated by the OEB. There are a number of criteria a master consumer must meet in order to maintain the status of exempt distributor and exempt retailer. These criteria are set out in sections 4.0.1(1) and 4.1(1) of Ontario Regulation 161/99 (Definitions and Exemptions) made under the OEB Act, respectively. Nothing in this order relieves a master consumer of having to meet the criteria necessary to maintain the status of exempt distributor and/or exempt retailer.

DECISION

Given the initiative to establish the OEB's method(s) for regulating USMPs charges will not be completed before April 1, 2018, the OEB finds it to be in the public interest at this time to issue an interim order establishing the charges a USMP may apply for its services as of that date.

Currently, USMPs are charging their customers based on contracts that were agreed to between the USMPs and customers in a competitive marketplace. At this time, the OEB finds it reasonable to allow USMPs to continue to do so, on an interim basis. However, this determination is made without prejudice to the OEB's ultimate decision on regulating USMP charges. This decision should not be construed as predictive, in any way whatsoever, of the OEB's final determination of those charges, or of the effective date of such charges. To be clear, when the OEB establishes USMP charges on a final basis, it may decide to make them retroactive to April 1, 2018, in which case the revenue difference between the interim and final charges would be recovered from, or refunded to, the USMP's customers, as the case may be.

IT IS ORDERED THAT:

1. Effective April 1, 2018, on an interim basis, licensed USMPs may apply the charges set out in any agreement with its customers, until new charges have been approved by the OEB.

DATED at Toronto March 15, 2018

ONTARIO ENERGY BOARD

Original Signed By

Ken Quesnelle
Vice Chair and Presiding Member