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January 18, 2019

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli,

RE: EB-2017-0183- Comments of London Property Management Association

Please find attached the comments of the London Property Management Association ("LPMA") in the above noted consultation.

Sincerely,

Randy Aiken

Randy Aiken
Aiken & Associates

**REVIEW OF CUSTOMER SERVICE RULES FOR
ELECTRICITY AND GAS (PHASE 2)**

**COMMENTS
OF THE
LONDON PROPERTY MANAGEMENT ASSOCIATION**

A. INTRODUCTION

As a result of the review of its customer service rules and associated service charges for licensed electricity distributors, rate-regulated natural gas distributors and unit sub-meter providers, the Ontario Energy Board (“OEB”) has proposed a number of amendments to the Distribution System Code (“DSC”), Standard Supply Service Code (“SSSC”), Unit Sub-Metering Code (“USMC”) and the Gas Distribution Access Rule (“GDAR”). The OEB gave notice of the proposal to amend these codes and rules in its letter of December 18, 2018.

The OEB also initiated a proceeding on its own motion under sections 19(4), 36 and 78 of the OEB Act to implement the OEB’s proposed changes to service charges related to non-payment of accounts by of a rate order. The specific changes that resulted from the OEB’s review of customer service rules and associated service charges include:

- Eliminating the Collection of Account charge and Install/Remove Load Control Device charge,
- Updating the Late Payment charge as 1.5% per month (effective annual rate of 19.56% per annum or 0.04896% compounded daily rate), and
- Renaming the OEB-approved charges relating to reconnection of customers who had been disconnected for non-payment to “Reconnection” and listing it under Non-Payment of Account Charges.

Through the December 18, 2018 Notice, the OEB invited written comments on the code/rule amendments and the proposed changes to service charges.

The following are the comments of the London Property Management Association (“LPMA”) related to the code and rule amendments and the proposed changes to service charges.

B. GENERAL COMMENTS

The majority of LPMA members are residential or small business customers (non-residential in a less than 50 kW demand rate class) of electricity and residential or small commercial customers of natural gas, consuming less than 50,000 m³ per year. These customers are the type of customer most likely to be impacted by the proposed amendments to the codes and rules and changes to service charges.

LPMA supports the proposed amendments to the DSC, SSC, USMC and GDAR. Specific comments on the changes are included in the following section.

LPMA also supports the proposed changes in customer service rules and the associated service charges.

As customers of both electricity and natural gas distributors, LPMA members have an expectation that the customer service rules would be the same regardless of the fuel type being consumed with the only differences being driven by fuel specific requirements. The proposed changes, in the view of LPMA, will bring the customer service rules more in line between the two sectors. This will make it easier for customers to deal with the electricity and gas distributors. LPMA members have generally had good relations with both electricity and natural gas distributors when it comes to customer service. Some of the difficulties that have arisen in the past were due to different rules or requirements between the two sectors that have caused customer confusion. The movement toward a more harmonized customer service approach should eliminate, or at least significantly reduce, this confusion on a going forward basis.

Rates remain the most significant issue for LPMA members. These rates are driven by costs and cost savings. LPMA notes that through the Notice of Proposal, the OEB has highlighted comments from distributors with respect to the potential for higher costs resulting from the proposed amendments and changes. An example is the potential need for a larger working capital requirement of increasing the minimum payment period from 16 to 20 days.

LPMA also notes that in all cases, the OEB has indicated that it did not believe *at this time* (emphasis added) the impact of any of the proposed changes would be material and that any increase in costs could be offset by cost savings through operational efficiencies.

LPMA agrees with the OEB that any cost increases should not be material and will likely be offset by cost savings through operational efficiencies. However, LPMA is concerned that distributors may factor in cost increases resulting from the proposed amendments and changes to service charges in cost of service rebasing applications without taking into account operational efficiencies. This would lead to higher rates for customers.

LPMA believes that the OEB should require distributors to identify any material cost increases and associated cost savings resulting from the amendments and changes to service charges in a rebasing application as a driver of costs.

C. SPECIFIC COMMENTS

a) Consistency of Definitions Across Codes and Rules

LPMA notes that the OEB is proposing new or revised definitions of “business day” and “holiday”. Specifically, the OEB is proposing these new or revised definitions in Section 1.2 of the DSC, Section 1.2.1 of the USMC and Section 1.2.1 of the GDAR.

However, LPMA notes that there is no proposal to change the definition of “business day” in the SSSC or add a definition of “holiday” in the SSSC.

The definition of “business day” is found in Section 1.2.1 of the SSSC and it means “any day that is not a Saturday, a Sunday, or a legal holiday in the Province of Ontario”. This is the same definition currently used in both the DSC and the USMC that is proposed to be replaced with “any day other than a Saturday or a holiday”. There is currently no definition of a “business day” in the GDAR.

LPMA believes that the definition of both “business day” and “holiday” should be consistent across these codes and rules. In particular, LPMA suggests that the OEB change the definition of “business days” in Section 1.2.1 of the SSSC and to add the definition of “holiday” in Section 1.2.1 of the SSSC to match those used in the DSC, USMC and GDAR.

b) Disconnection Notice Sent by Mail

The OEB has proposed to change the rules related to the timing of when a customer is deemed to have received a disconnection notice if it was sent by mail. In particular, the proposed change is that such notice is sent by mail, the disconnection notice shall be deemed to have been received by the customer on the fifth calendar day after the date on which the notice was printed by the utility. This is a change from the current timeline of the third business day. This proposed change is found in Section 4.2.3.1 of the DSC, Section 4.2.6A of the USMC and in the addition of Section 9.8.12 of the GDAR.

i) Purpose

LPMA is unsure of the purpose of the change from the third business day to the fifth calendar day. If the purpose was to give the customer subject to the disconnection notice additional time to deal with the issue, the proposed change is not likely to achieve this outcome in the majority of cases.

While disconnection notices printed on a Monday or Tuesday would be deemed to be received by the customer at a later point in time under the proposed five calendar days than under the current three business days, there is no such increase for any disconnection notices printed on Wednesday through Friday. The deemed date of receipt by the customer is the same under the five calendar day proposal as under the current three business days.

ii) Printed vs. Mailed

LPMA notes that the disconnection notice is deemed to have been received by the customer after five calendar days (proposed) or three business days (current) from when it is printed by the utility. This in turn, starts the notice period for the customer.

LPMA believes that the customer should be deemed to have received the disconnection notice when it is actually mailed by the utility, not when it was printed by the utility. It is likely that not all disconnection notices are mailed on the same day that they are printed. Even a one day difference can have a significant impact on the deemed date of receipt by the customer. A one day difference reduces the time by 20% (i.e. four calendar days instead of five). If a disconnection notice is printed on a Friday but not mailed until Monday, the customer is deemed to have received the notice on Wednesday, only two days after it was actually mailed. In such a circumstance, it is unlikely that the customer actually received the notice by the deemed date.

LPMA submits that the OEB should change the wording in Sections 4.2.3.1 of the DSC, 4.2.6A of the USMC and 9.8.13 of the GDAR from “printed” to “mailed”.

Yours very truly,

Randy Aiken

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