



May 19, 2009

Via E-Mail and Canada Post

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

Re: LEAP Implementation Working Groups EB-2008-0150

Dear Ms. Walli

I am writing to register Direct Energy's interest in participating in the Low-Income Energy Assistance Program (LEAP) Financial Assistance and Conservation Working Groups. Direct Energy (DE) will be representing the collective interests of the marketers and retailers that are members of the Ontario Energy Association. Although retailers and marketers were not explicitly mentioned in the Board's invitation letter, this group is a significant component of Ontario's energy markets touching millions of consumers every day across the Province. DE in particular is well placed to represent the marketer and retailer group given its extensive experience from different programs in North America, as well as Centrica's significant involvement in the UK. This experience highlights the effective contribution that marketers and retailers can make to assisting low-income consumers:

1. DE, and its UK parent, Centrica, have a long history of successfully developing and implementing programs targeted at assisting low-income consumers. In Texas, where retailers bill their customers directly, DE has implemented a program called 'Neighbor-to-Neighbor'. This is an energy bill-payment assistance program designed to help customers experiencing financial difficulties. Each year, DE donates funds to local community action agencies. DE's customers can also help support their neighbours by making a contribution to the program through an option on their monthly bill. Since 2003, DE has donated more than \$2.5 million to the program and has helped more than 10,000 Texans with their home energy expenses.
2. DE also has experience in implementing energy efficiency programs targeted at low-income consumers. Direct Energy has been working with the City of Houston since 2007, providing weatherisation services to Houston's oldest and most vulnerable neighborhoods as part of the City's Residential Energy Efficiency Program (REEP). As a lead service provider and marketing partner, Direct Energy has weatherized more than 3,000 homes, helping reduce average energy usage by 19% per household. Weatherization measures included as part of REEP, and delivered by DE, include an initial home energy audit, replacement of incandescent lights with compact fluorescent light bulbs (CFLs), replacement/installation of ceiling fans, sealing of the building envelope, including duct work, windows, and doors, and insulation top-ups, to name a few.

DE is also an active participant in the Ontario marketplace generally. It has a thorough understanding of the legal and regulatory framework under which natural gas and electricity distributors operate, including the DSM requirements. DE is also very familiar with the role of the Ontario Energy Board within the Ontario marketplace and has intervened in a number of proceedings in relation to the regulation of natural gas and electricity distribution companies. Our research and participation in this proceeding to assist low income consumers has also ensured we have a thorough understanding of the agencies already operating in the field and the challenges faced by this group of consumers.

Furthermore, the Board itself has included marketers and retailers within the scope of the program. In its LEAP report, the Board has indicated that the *"low-income energy consumer assistance may include temporary relief from amounts owing for commodity purchased from electricity retailers and natural gas marketers"*. The report also says that *"the Board strongly encourages these licencees to offer contributions to a distributor's LEAP in areas where they have customers"*.

In sum, we strongly feel that retailers and marketers must be included in discussions regarding the implementation of the LEAP including funding arrangements, conservation program designs and reporting requirements along with other market participants.

Direct Energy will not be requesting a cost award for participating in this process.

We thank the Board for this opportunity to participate and look forward to providing Direct Energy's input on this important issue.

Yours faithfully,



Chantelle Bramley
Senior Director
Government & Regulatory Affairs
Direct Energy Marketing Limited