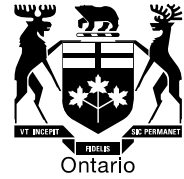


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August 13, 2009

To: All Licensed Distributors

**Re: Changes in Eligibility for the Regulated Price Plan ("RPP")
Board File No. EB-2009-0317**

As of November 1, 2009, the consumers eligible for the RPP will change as per Ontario Regulation 95/05 — *Classes of Consumers and Determination of Rates* (made under the *Ontario Energy Board Act, 1998*) (altogether, the "Regulation"). A complete list of which consumers are still eligible for the RPP can be found in the above noted Regulation.

As a group, the consumers that will cease to be eligible for the RPP on November 1, 2009 are the "designated consumers". The term "designated consumers" is defined in section 56 of the *Ontario Energy Board Act, 1998* and includes the MUSH sector (i.e., municipalities, universities, schools, and hospitals). While "designated consumers" are no longer eligible as a group, some of those consumers may still be eligible for the RPP under the other eligibility provisions of the Regulation. For the list of the provisions under which consumers will be eligible for the RPP after November 1, 2009, please see Appendix A.

The Board expects distributors to ensure, in a timely manner, that their affected customers are informed of the forthcoming changes to their electricity pricing. The Board also expects distributors to assist their affected customers in understanding the implications of the forthcoming changes to their electricity pricing. Distributors are expected to provide the affected consumers with information regarding: the pricing that the consumer will be subject to based on the consumer's metering and the final settlement variance the consumer would be subject to. Distributors are also expected to inform affected consumers of their option to request an interval meter, if they do not currently have one, for the purpose of receiving the hourly Ontario energy price.

To that end, the Board is requiring distributors to file a report with the Board confirming that the distributors have notified all of their affected customers of the upcoming

change. The distributors' reports must include information on what steps the distributor took in order to notify their affected customers, and should include a sample of any written communications provided to consumers. The reports must be filed with the Board no later than September 9, 2009. The subject line should state: "[Distributor Name]: Report on Notification re Eligibility for the Regulated Price Plan".

Parties must file two paper copies and one electronic copy. The electronic copy should be in searchable Adobe Acrobat (PDF), and be filed through the Board's web portal at www.errr.oeb.gov.on.ca. If the Board's web portal is not available, electronic copies of submissions may be filed by e-mail to boardsec@oeb.gov.on.ca, or on a CD. All submissions must quote file number **EB-2009-0317**, include your name, address, e-mail address, telephone number, and fax number and be received by the Board Secretary by **4:45 pm** on the required date.

The IESO has developed a number of consumer information tools in order to assist distributors. The Board encourages distributors to make use of these materials. The IESO's consumer information pamphlet is available at <http://www.ieso.ca/imoweb/pubs/bi/public-sector-2009.pdf>.

Should a distributor have questions regarding this matter, they are encouraged to direct those questions to the Market Operations hotline at market.operations@oeb.gov.on.ca.

Yours truly

Original Signed By

Kirsten Walli
Board Secretary

Attachment

Appendix A

Ontario Regulation 95/05

Classes of Consumers and Determination of Rates

Definitions

1. In this Regulation,

“generation station service” has the same meaning as in the market rules;

“interval meter” means a meter that measures and records electricity use on at least an hourly basis or a time-of-use meter that is capable of providing data on at least an hourly basis. O. Reg. 95/05, s. 1.

2., 3. Revoked: O. Reg. 58/08, s. 1.

Class of consumers, s. 79.16

4. (1) Before November 1, 2009, the following are prescribed as the class of consumers for the purposes of subsection 79.16 (1) of the Act:

1. Designated consumers.
2. Low-volume consumers. O. Reg. 58/08, s. 1; O. Reg. 115/09, s. 1 (1).

(2) On and after November 1, 2009, the following are prescribed as the class of consumers for the purposes of subsection 79.16 (1) of the Act:

1. Low-volume consumers.
2. A consumer who has a demand of 50 kilowatts or less.
3. A consumer who has an account with a distributor, if the account relates to,
 - i. a dwelling,
 - ii. a property as defined in the *Condominium Act, 1998*,
 - iii. a residential complex as defined in the *Residential Tenancies Act, 2006*,
or
 - iv. a property that includes one or more dwellings and that is owned or leased by a co-operative as defined in the *Co-operative Corporations Act*.
4. A consumer who annually uses at least 150,000 but not more than 250,000 kilowatt hours of electricity and who is not otherwise eligible for treatment under clause 79.16 (1) (b) of the Act pursuant to a regulation made under the Act.
5. A consumer who has an account with a distributor if,
 - i. the consumer carries on a farming business within the meaning of the *Farm Registration and Farm Organizations Funding Act, 1993*,

- ii. either the consumer holds a valid registration number assigned under the *Farm Registration and Farm Organizations Funding Act, 1993* or the consumer's obligation to file a farming business registration form was waived pursuant to an order made under subsection 22 (6) of that Act, and
- iii. the consumer is not otherwise eligible for treatment under clause 79.16 (1) (b) of the Act with respect to its farming business pursuant to a regulation made under the Act. O. Reg. 58/08, s. 1; O. Reg. 115/09, s. 1 (2).

Prescribed date, s. 79.16

5. April 1, 2005 is the prescribed date for the purpose of clause 79.16 (1) (b) of the Act. O. Reg. 95/05, s. 5.

Determining rates, s. 79.16

6. (1) For the purpose of clause 79.16 (1) (b) of the Act, the Board shall determine rates in the following manner:

- 1. The Board shall determine rates in a manner that is consistent with the Standard Supply Service Code issued by the Board.
- 2. The first rates determined by the Board shall remain in effect for not less than 12 months. The Board shall determine separate rates after that time for periods of not more than 12 months or for such shorter time periods as the Minister may direct.
- 3. In determining the rates, the Board shall forecast the cost of electricity to be consumed by the consumers to whom the rates apply, taking into consideration adjustments required under section 25.33 of the *Electricity Act, 1998* and shall ensure that the rates reflect those costs. O. Reg. 95/05, s. 6 (1).

(2) In making its forecast under paragraph 3 of subsection (1) for the purpose of determining its first rates, the Board shall take into account any potential rebate payment from Ontario Power Generation Inc. that results from Order-in-Council 207/2005, dated February 16, 2005. O. Reg. 95/05, s. 6 (2).

Exemptions, s. 79.16

7. (1) Clause 79.16 (1) (b) of the Act does not apply to a consumer in respect of electricity retailed to the consumer by Fort Frances Power Corporation Distribution Inc. pursuant to its obligations under section 29 of the *Electricity Act, 1998* for the volume of electricity supplied to Fort Frances Power Corporation Distribution Inc. by Abitibi-Consolidated Inc. O. Reg. 95/05, s. 7 (1).

(2) Clause 79.16 (1) (b) of the Act does not apply to a designated consumer described in paragraph 8 of subsection 1 (2) of Ontario Regulation 161/99 (Definitions and Exemptions) made under the Act for that portion of electricity consumption identified in the signed declaration provided to the distributor or retailer under clause 3.1.1 (4) (b) of Ontario Regulation 339/02 (Electricity Pricing) made under the Act as not relating to farming business. O. Reg. 95/05, s. 7 (2).

(3) Subsection 79.16 (1) of the Act does not apply to a consumer with respect to generation station service. O. Reg. 95/05, s. 7 (3).

Criteria for purpose of s. 79.16 (4) (b)

8. (1) For the purposes of clause 79.16 (4) (b) of the Act,

(a) the criterion is that the consumer must file a written statement in accordance with clause 79.16 (4) (a) of the Act, if before November 1, 2009, the consumer is not a low-volume consumer or a consumer otherwise referred to in subsection 4 (2); or

(b) the criteria are, if the consumer is a low-volume consumer or a consumer otherwise referred to in subsection 4 (2),

(i) the consumer must file a written statement in accordance with clause 79.16 (4) (a) of the Act, and

(ii) the statement must relate to a property for which an interval meter, that measures the amount of electricity used, is used for billing purposes.
O. Reg. 115/09, s. 2.

(2) A consumer who on or before March 31, 2005 meets the criteria of subsection 79.4 (2) of the Act shall be deemed to meet the criteria set out in subsection (1).
O. Reg. 95/05, s. 8 (2).

9. Omitted (provides for coming into force of provisions of this Regulation).
O. Reg. 95/05, s. 9.