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October 16, 2009

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-2007-0722 – LPMA Comments on Revised Proposed Amendments to the Distribution System Code, the Retail Settlement Code and the Standard Supply Service Code

These are the comments made on behalf of the London Property Management Association (“LPMA”) on the Proposed Amendments to the Distribution System Code, the Retail Settlement Code and the Standard Supply Service Code dated October 1, 2009.

These comments are made in response to the Board’s October 1, 2009 letter inviting participants in the EB-2007-0722, EB-2007-0635 and EB-2008-0150 processes to provide comments on the Revised Proposed Amendments.

LPMA generally supports the revised proposals. Specific comments are provided below on a number of areas.

Bill Issuance and Payment

In its original submissions on this issue, LPMA suggested that it would be better for the distributors to absorb any impact related to their cash flow in moving to a 21 day payment period for low income residential customers. The alternative would be an enhanced billing system at a substantial cost. This submission was based on the

assumption that there would be a relatively small number of low income residential customers relative to the total number of residential customers.

LPMA supports the 16 day rule as proposed by the Board for all residential customers. Moving this to a higher number of days, such as 21, could have a substantial impact on the working capital requirements, and hence on the revenue requirement of the distributors that would ultimately lead to higher residential rates. This is because the increase in the payment days would increase for the largest rate class that most distributors have, rather than for a small subset of that class.

Emergency Credit Card Payments

LPMA agrees with the Board that no new service charge should be imposed at this time for emergency credit card payments. While there may be an additional cost for accepting this type of payment, there may also be reduced costs for payment made by automatic deposits. The distributors should not be able to add a charge in one instance without determining if a credit is appropriate in another instance.

Allocation of Payments between Electricity and Non-electricity Charges

LPMA supports the new proposed section 2.6.7.2 of the DSC that will preclude distributors from imposing late payment charges, issuing a disconnection notice or proceeding to disconnect when there are sufficient funds paid by the customer to cover the electricity costs. There should be no consequences to the electricity customer if they have paid their “electricity charges” but have failed to pay some non-electricity charge.

LPMA also supports the addition of Board-approved late payment fees and specific service charges to the proposed definition of “electricity charges” as being appropriate since these costs are directly related to the use of electricity distribution services.

Correction of Billing Errors

LPMA supports the revised proposed changes. LPMA believes the changes proposed should minimize the costs for distributors while at the same time providing equitable treatment to standard supply and retailer residential customers.

Equal Payment Plans

In general, LPMA supports the proposals related to the equal payment plans.


The Board has indicated that distributors will be required to allow all residential customers the option of joining an equal monthly payment plan, while allowing distributors the option of requiring such customers to agree to an automatic monthly payment withdrawal arrangement if the billing cycle of the distributor is less frequent than monthly. While LPMA supports this proposal, it is suggested that distributors should routinely remind customers that have opted for this plan that they will have money withdrawn on a monthly basis, even when they do not receive a bill. LPMA further notes that under such an arrangement, it would be that customers would be pre-paying their electricity bill. The Board may want to consider, as part of the costing of the various specific service charges in the future. Customers that prepay on a monthly basis and are billed on a bi-monthly or quarterly basis are improving the cash flow of the distributor and this should be reflected in rates.

Disconnection for Non-Payment

Section 4.2.2.2 of the DSC has been revised to add the “written” request of a residential customer to provide a copy of the disconnection notice to any third party designated by the customer. LPMA has two comments related to this revision. First, it is not clear if a request by e-mail from the customer would be considered “written”. Second, it is unclear whether the written request of a residential customer can be made on an as forward basis. In other words, the provision as currently worded appears to deal with the request following the issuance of a disconnection notice. LPMA believes that it may be helpful if customers have the option to provide a written request to provide a copy of the disconnection notice prior to any such notice being provided. This “pre-approval” might be more efficient in terms of timing and may be of benefit to certain groups of customers, such as seniors, vacationers, etc. In such circumstances, the notice of disconnection would be provided to the third party at the same time as is the residential customer.

Please contact me if the Board requires any further information related to these comments.

Sincerely,


Randy Aiken
Aiken & Associates