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October 23, 2009

VIA E-MAIL

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

Dear Ms. Walli

Re: EB-2007-0722
NOTICE OF REVISED PROPOSAL TO AMEND CODES
REVISED PROPOSED AMENDMENTS TO THE DISTRIBUTION SYSTEM CODE, THE
RETAIL SETTLEMENT CODE AND THE STANDARD SUPPLY SERVICE CODE

Comments of Vulnerable Energy Consumers Coalition (VECC)

Please find below the comments submitted on behalf of VECC.

Applicability to Low income/Vulnerable Consumers

As the Board's NOAC notes:

"As indicated in the Minister's letter, the government plans to implement a province-wide integrated program for low-income energy consumers. As a result, the Board does not consider it appropriate to proceed with development of a definition of who qualifies as an eligible low-income electricity customer, before the government policy in this area is known. The revised proposed amendments no longer contain any special rules for low-income customers and therefore there is no practical need to continue with a definition of an eligible low-income electricity customer. The proposed definition and use of this term is dropped throughout the proposed revised code amendments".

Intent to Follow Through on the Boards Code Amendments

VECC would like confirmation that the intent is to continue, after the government policy is known, to develop a definition of who qualifies as an eligible low-income electricity customer that is consistent with government policy, as well as to proceed with corresponding specific service code accommodations for such customers.

Comments on Revised Code Amendments

The comments that follow are provided with the caveat that the amendments are not specifically designed to address the special needs of low income/vulnerable energy consumers. That is to say, VECC has further, specific views on what code amendments are required to address the needs of vulnerable consumers, which comments are out of scope pending the issuance of the Ministry's policy.

VECC has made prior comments on these issues and as such, for the most part, has tried to refrain from duplicating those comments here, relying on their having been previously filed.

Yours truly,

Original signed

Michael Buonaguro
Counsel for VECC

REVISED PROPOSED AMENDMENTS TO THE DISTRIBUTION SYSTEM CODE, THE RETAIL SETTLEMENT CODE AND THE STANDARD SUPPLY SERVICE CODE

Comments of Vulnerable Energy Consumers Coalition (VECC)

II. Revised Proposed Amendments to the Codes for Customer Service

A. Definition of Eligible Low-Income Electricity Customer

As indicated in the Minister's letter, the government plans to implement a province-wide integrated program for low-income energy consumers. As a result, the Board does not consider it appropriate to proceed with development of a definition of who qualifies as an eligible low-income electricity customer, before the government policy in this area is known. The revised proposed amendments no longer contain any special rules for low-income customers and therefore there is no practical need to continue with a definition of an eligible low-income electricity customer. The proposed definition and use of this term is dropped throughout the proposed revised code amendments.

VECC Comment

VECC would like confirmation that the intent is to continue, after the government policy is known, to develop a definition of who qualifies as an eligible low-income electricity customer that is consistent with government policy, as well as to proceed with corresponding specific service code accommodations for such customers.

B. Bill Issuance and Payment

1. Payment Period

The (proposed) 16 day-rule is a minimum which distributors remain free to extend. Some utilities voluntarily extend the due date for customers who receive fixed monthly government payments.

VECC Comment

The lack of standard approach and provision of distributor discretion may result in non-uniform allocation.

A key issue relates to provision of grace periods for customers on fixed incomes, should the monthly pension or social assistance check be delayed; the code should recognize that in some instances customers are both willing and able to pay, but that the timing of that payment is simply beyond their control.

4. Emergency Credit Card Payments

The Board notes that it plans to examine specific service charges in the future and believes it is best to deal with the costing of the various service charges in an integrated manner.

VECC Comment

VECC agrees that it is appropriate that no new service charge for acceptance of emergency credit card payments from residential customers will be approved at this time.

C. Allocation of Payments between Electricity and Non-electricity Charges

3. Duration of Under or Over billing Subject to Recovery or Refund

Section 7.7 of the RSC presently provides that in cases of over-billing, the adjustment period is six years for all customers regardless of rate classification. To harmonize with the changes proposed above, the Board will adjust the period for over-billing adjustments to two years in proposed new section 7.7.7 of the RSC.

VECC Comment

Standardization is appropriate and given the mobility of customers the two year period seems appropriate for general application.

4. Interest Rate Applicable on Under Billing Amounts

An amendment to this section proposed in the March 10th 2009 Notice provided that customers should pay interest at a similar rate on under-billed amounts, when the under billing resulted from tampering, willful damage or unauthorized energy use by a customer.

VECC Comment

VECC notes that the distributor bears the onus of proof issue regarding the application of this provision.

E. Equal Payment Plans

The Board will revise the proposed amendments to section 2.6.2 of the SSSC to allow increased customer choice and to lower administration costs. Under revised proposed section 2.6.2 of the SSSC, the distributor will be required to allow all residential customers the option of joining an equal monthly payment plan.

VECC Comment

VECC disagrees with the option of allowing customers supplied by competitive electricity retailers the use the distributor's equal billing plan, unless there has been an examination of the impact on bad debt and/or distributors are indemnified for any and all such costs by the retailer. The provisions under the GDAR and proposed EGD open bill access should be reviewed prior to finalizing this provision.

F. Disconnection for Non-Payment

1. Form and Content of Disconnection Notice

As the low-income customer financial assistance framework contemplated when the March 10th Notice was issued will not proceed, the Board will amend 4.2.2 (f) of the DSC to provide that the disconnection notice include a statement that a Board-prescribed arrears management program is available to all residential customers, and that other voluntary bill payment, disconnection and financial assistance may be available, and include contact information for the distributor where the customer can obtain further information about available financial assistance.

VECC Comment

VECC specifically supports the addition of this general provision.

2. Timing and Duration of Disconnection Notice

To simplify the revised proposed code amendments while still rendering their effect fair to residential customers in a variety of financial circumstances, the Board will revise the amendments to propose 14 days as the minimum rule for all residential customers (revised proposed section 4.2.3(b) of the DSC) the Board proposes to add requirements in new proposed section 4.2.2.6 of the DSC that upon notification (within the 14-day disconnection notice period noted above) by a registered charity, government agency or social service agency that the party is assessing a residential customer for the purposes of determining whether he or she may receive bill payment assistance, or where a residential customer had requested prior to the issuance of the notice that the distributor provide a copy of any disconnection notice to another third party and the third party (within the 14-day disconnection notice period noted above) notifies the distributor that it is attempting to arrange assistance with bill payment, the distributor must suspend any disconnection action for a period of 21 days.

VECC Comment

VECC supports these changes as directionally appropriate without prejudice to any future amendment that may be required specifically for Low Income/vulnerable energy consumers.

3. Customer Contact Prior to Disconnection

4. Additional Recipients of Disconnection Notice

5. Reconnection

VECC Comment

VECC supports these changes as directionally appropriate without prejudice to any future amendment that may be required specifically for Low Income/vulnerable energy consumers.

G. Security Deposits

The Board proposes to revise the proposed amendments in sections 2.4.20A, 2.4.25A and 2.4.26B to provide a single time period applicable to all residential customers. The Board considers an increase from four months to six months in the minimum time period available to all residential customers who elect to pay their security deposits in equal monthly installments to be a reasonable new common rule for the entire class. The proposed right of residential customers to pay in equal installments over six months shall also apply to any required increase in a security deposit and to the repayment of a deposit applied against arrears.

VECC Comment

This proposal does not address the issue of ability to pay and for some residential customers a longer period of up to 12 months would be appropriate especially if the requirement for a security deposit occurs in the winter period.

H. Arrears Management Programs

The Board proposes to codify a standard minimum arrears management program that must be made available to all residential customers across the province. The proposed amendments will be renumbered as section 2.7 of the DSC.

VECC Comment

VECC supports the move to a standard arrears management program.

Coming Into Force

VECC Comments

Distributors should be directed to advise customers of the code amendments and provide a Board-Approved Summary that details how the amendments affect customers.