



April 12, 2010

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

Re: EB-2007-0722 -Further Revised Proposed Amendments to the Distribution System Code, the Retail Settlement Code and the Standard Supply Service Code

Dear Ms. Walli:

Chatham-Kent Hydro Inc. ("Chatham") and Middlesex Power Distribution Corp. ("Middlesex") welcomes the opportunity to provide the Ontario Energy Board ("OEB") with its comments on the proposed amendments to the Distribution System Code (DSC), the Retail Settlement Code ("RSC"), and the Standard Supply Service Code ("SSS") pertaining to customer service, issued March 12, 2010.

The attached comments provide a summary of concerns with the implications of the particular proposals.

Sincerely yours,

Cheryl Decaire
Co-ordinator of Regulatory and Rates
(519) 352-6300 ext 405
Email: cheryldecaire@ckenergy.com

CC: Dave Kenney, President of Middlesex Power Distribution
Chris Cowell, Chief Financial and Regulatory Officer



Proposed Amendments to the Distribution System Code, the Retail Settlement Code and the Standard Supply Service Code

Reply Submission

EB- 2007-0722

Chatham-Kent Hydro Inc. (“Chatham”) and Middlesex Power Distribution Corporation (“Middlesex”) provide the following comments on the outstanding proposed amendments to the Distribution System Code that were outline in the Board’s letter dated March 12, 2010.

Sections 4.2.2(g), 4.2.4(b) and 4.2.4(c)

We have similar concerns related to three of the proposed new sections. These sections are as follows:

1. Proposed new section 4.2.2(g) of the DSC will require a disconnection notice issued to a residential customer to state that, in order to avoid disconnection when the distributor attends at the customer’s property to execute the disconnection, a customer will only be able to pay by credit card issued by a financial institution, unless the distributor, in its discretion, will accept other forms of payment at that time and the distributor should so advise the customer in the disconnection notice.
2. Proposed new section 4.2.4(b) of the DSC will require a distributor to ensure that facilities or staff is available to accept a credit card payment of the amount outstanding any time the distributor attends at the residential customer’s premises to execute a disconnection, whether during or after regular utility operating hours.
3. Proposed new section 4.2.4(c) of the DSC will require that, where a customer was not successfully contacted 48 hours before the scheduled date of disconnection as required to be attempted under proposed revised section 4.2.2.4, a distributor must make a reasonable attempt to speak to the customer to advise him or her that the disconnection will be executed and that payment by credit card can be accepted.

Our concerns fall into three categories: personal safety of our employees, impact on efficiency and the environment and additional investment in technology. These concerns are explained more fully below:

Personal Safety of Employees

The above proposals promote face-to-face interaction at the time of disconnection. Chatham and Middlesex believe that such contact creates increased risk of physical violence and or verbal assaults against our field representatives. Not only could this result in personal injuries, but also increased anxiety and stress. Our field staff would be entering uncontrolled and potentially charged situations/environments. Currently Chatham and Middlesex field reps work individually to perform disconnects. To provide additional safety for our employees, we will need to re-evaluate this practice and potentially have the field reps work in pairs. In addition, Chatham and Middlesex would need to consider the adequacy of the current level of Personal Safety Training with respect to such situations. These last two points will impact on the efficiency of the LDCs which is discussed in more detail below.

Impact on Efficiency and the Environment

Not only would efficiency be impacted by requiring field reps to work in pairs as noted above, but the proposals seem to counter current trends in the industry toward increased use of technology to improve efficiency and lessen our impact on the environment. Chatham recently received approval in its 2010 Cost of Service submission for investments in remote disconnect capabilities. Such capabilities improve efficiency of the LDC and reduce our carbon footprint. The proposals noted above, seem to ignore the trend toward increased use of technology such as remote disconnects.

Additional Investment in Technology

Additional investments in technology will be required to accept credit card payments in the field and to ensure that any communication of credit card data is safe and secure.

For the above reasons, Chatham and Middlesex believe the field representatives should not have face-to-face contact with the customers at the time of disconnection. We propose that customers be contacted by telephone the day before disconnection to give a final opportunity to pay the outstanding balance. The Chatham and Middlesex recommendation also fits better in the event that the LDC uses remote disconnection devices.

Section 2.7.2

Chatham and Middlesex also have some concerns with respect to section 2.7.2 of the DSC. It is proposed that section 2.7.2 be changed to add the current bill amount to the total amount owing under an arrears payment agreement.

Chatham and Middlesex disagree with the proposal to add the current bill amount to the arrears owing under the arrears payment agreement. To proceed with such a program will further increase bad debt write-offs. We believe that the amendments as they already exist will result in a significant increase in bad debt write-offs. The proposed change will further increase potential write-offs and therefore is not in the best interest of the vast majority of customers.