

ONTARIO ENERGY BOARD

BOARD STAFF FINAL SUBMISSION

Just Energy Ontario L.P. Applications for Gas Marketer Licence and Electricity Retailer Licence Renewals

> EB-2010-0152 EB-2010-0153

July 28, 2010

THE PROCEEDING

On March 30, 2010 Just Energy Ontario L.P. ("Just Energy") filed an application with the Ontario Energy Board under section 50 of the *Ontario Energy Board Act, 1998* (the "Act"), S.O. 1998, c. 15, Schedule B to renew its gas marketer licence Just Energy also filed an application under section 60 of the Act to renew its electricity retailer licence. The standard term for an electricity retailer and gas marketer licence is five years.

The Board issued a Notice of Application and Written Hearing on May 3, 2010. No parties responded to the Notice. On May 27, 2010, the Board issued Procedural Order No. 1 providing for an interrogatory and submission phase, in order to gather additional information required for the Board's final determination of the renewal applications.

On June 10, 2010, Board staff filed interrogatories. On June 24, 2010, Just Energy filed responses to Board staff interrogatories. In its filing, Just Energy requested that certain portions of interrogatory responses 2 (c), 5 and 7 be held in confidence, due to their proprietary nature. On July 7, 2010, Board staff filed a submission supporting Just Energy's request for confidentiality. On July 16, 2010, the Board issued a decision accepting Just Energy's confidentiality request, on the basis that the interrogatory responses contained customer numbers and sales related information, that is proprietary to Just Energy and commercially sensitive.

THE APPLICANT

Just Energy is a marketer of natural gas and electricity retailer to residential and commercial customers under long-term fixed-price contracts in North America. Just Energy is part of a group of companies that offer natural gas in Ontario, Manitoba, Alberta, Quebec, British Columbia, New York, Illinois, Indiana, Michigan, Ohio, and California, and electricity in Ontario, Alberta, New York, and Texas.

STAFF SUBMISSION

In assessing electricity retailer and gas marketer licence applications, Board Staff considers the entire application and in particular the following categories of information:

- 1. Financial Viability The applicant's ability to meet its financial obligations;
- Conduct The applicant's past conduct in the Ontario market as well as other jurisdictions, and its ability to comply with applicable statutory and regulatory obligations; and

3. Technical Capability – The applicant's experience in the energy sector.

Staff's review of Just Energy in these areas is addressed in detail below.

Financial Viability

Having reviewed the evidence provided, Staff submits that Just Energy appears to be in a strong financial position and is able to meet its financial obligations, enabling it to participate in Ontario's energy market.

<u>Conduct</u>

Gas marketers and electricity retailers in Ontario are required to comply with the Act, regulations under the Act, and the Electricity Retailers Code of Conduct and the Code of Conduct for Gas Marketers (the "Codes").

Board staff is of the view that Just Energy has the appropriate systems, policies, procedures and controls in place, to comply with its statutory and regulatory obligations as well as the provisions set out in the Board's Codes.

Technical Capability

As noted in its applications Just Energy employs technical personnel with experience and qualifications adequate to provide responsive and quality support for systems and processes in gas and electricity markets where Just Energy does business. Board staff notes that all key individuals identified in these applications have extensive experience in the energy sector.

CONCLUSION

In consideration of the evidence filed, Board staff is of the view that Just Energy has the adequate technical and financial capabilities to operate effectively in the Ontario market. Board staff submits that there is no evidence to suggest that Just Energy has not conducted itself in a manner consistent with the Board's Codes and Rules. Board staff supports the renewal of Just Energy's electricity retailer licence and gas marketer licence for a 5 year term.

All of which is respectfully submitted.