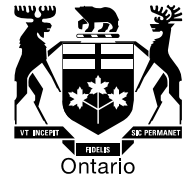


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BY E-MAIL AND WEB POSTING

September 21, 2010

**To: All Rate-Regulated Natural Gas Distributors
All Participants in EB-2010-0280, EB-2007-0722, EB-2008-0313 and
EB-2008-0150
All Other Interested Parties**

**Re: Customer Service Amendments to the Gas Distribution Access Rule
Board File No.: EB-2010-0280**

The purpose of this letter is to inform stakeholders that the Ontario Energy Board (the “Board”) will be seeking written comments on future proposed amendments to the Gas Distribution Access Rule (the “GDAR”) pertaining to customer service rules for gas distributors including customer service rules tailored to low-income customers.

This initiative will result in development, where appropriate, of customer service standards applicable to all customers of natural gas distributors similar to those developed for customers of electricity distributors. The new rules are expected to provide greater protection and certainty for customers while allowing natural gas distributors an appropriate measure of flexibility to allow them to account for operational considerations.

This letter sets out the scope of the consultation and the approach that the Board intends to use to amend the GDAR and provides information on how interested stakeholders can participate in this consultation.

Background

On July 2, 2010 the Board issued final customer service rules that are intended to assist all electricity customers as part of its consultation on “Electricity Distributors: Customer Service, Rate Classification and Non-Payment Risk” (EB-2007-0722).

In its July 22, 2010 letter, the Board informed stakeholders about the future initiatives that the Board would undertake as part of its low-income energy assistance program

including the development of rules for natural gas distributors similar to those developed for electricity distributors as part of EB-2007-0722, including customer service rules tailored to low-income customers.

Scope

As indicated above, the Board will develop customer service rules for natural gas distributors similar to those developed for electricity distributors including customer service rules tailored to low-income customers. Specifically, customer service rules are expected to be developed in the following areas:

- i. Bill issuance and payment;
- ii. Allocation of payments between gas and non-gas charges;
- iii. Correction of billing errors;
- iv. Equal payment and equal billing plans;
- v. Disconnection for non-payment;
- vi. Security deposits;
- vii. Arrears management programs; and
- viii. Management of customer accounts.

Approach

The Board is proposing to amend the GDAR by way of a notice and comment process and will be seeking written comments on the proposed amendments.

Cost Awards

Cost awards will be available to eligible persons under section 30 of the *Ontario Energy Board Act, 1998* in respect of their participation in this consultation. Costs awarded will be recovered from all rate-regulated natural gas distributors based on their respective distribution revenues.

Attachment A to this letter contains important information regarding cost awards for this consultation, including the process for making eligibility requests and objections.

Invitation to Participate and Filing Instructions

The Board encourages participation in this consultation process by all interested stakeholders. Those interested in participating should indicate their intent by letter addressed to the Board Secretary by **October 5, 2010**. The letter should include a statement as to whether the participant wishes to request cost eligibility. All requests for cost eligibility must be accompanied by the information specified in Attachment A under the heading "Cost Award Eligibility".

All filings to the Board in relation to this consultation must be addressed to the Board Secretary. Two paper copies of each filing must be provided. The Board asks that participants make every effort to provide an electronic copy of their filings in searchable/unrestricted Adobe Acrobat (PDF) format and to submit their filings through the Board's web portal at www.errr.oeb.gov.on.ca. A user ID is required to submit documents through the Board's web portal. If you do not have a user ID, please visit the "e-filing services" webpage on the Board's website at www.oeb.gov.on.ca and fill out a user ID password request. Additionally, interested stakeholders are asked to follow the document naming conventions and document submission standards outlined in the document entitled *RESS Documents Preparation – A Quick Guide* also found on the "e-filing services" webpage. If the Board's web portal is not available, electronic copies of filings may be filed by e-mail at boardsec@oeb.gov.on.ca. Those who do not have internet access should submit the electronic copy of their filing on CD.

Filings must be received by **4:45 pm** on the required date. They must quote file number **EB-2010-0280** and include your name, postal address, telephone number and, if applicable, an e-mail address and fax number.

All materials related to this consultation will be posted on the "Regulatory Proceedings" portion of the Board's website at www.oeb.gov.on.ca. The material will also be available for public inspection at the Board's office during normal business hours.

Questions relating to this consultation should be directed to Beverley Jaffray at 416-440-8101 or by e-mail at Beverley.Jaffray@oeb.gov.on.ca. The Board's toll free number is 1-888-632-6273, and the Market Operations Hotline is 416-440-7604.

Yours truly,

Original Signed By

Kirsten Walli
Board Secretary

Attachment

Attachment A

Cost Awards

Cost Award Eligibility

The Board will determine eligibility for costs in accordance with its *Practice Direction on Cost Awards*. Any person requesting cost eligibility must file with the Board a written submission to that effect by **October 5, 2010**, identifying the nature of the person's interest in this consultation and the grounds on which the person believes that it is eligible for an award of costs (including addressing the Board's cost eligibility criteria as set out in section 3 of the Board's *Practice Direction on Cost Awards*). An explanation of any other funding to which the person has access must also be provided, as should the name and credentials of any lawyer, analyst or consultant that the person intends to retain, if known. All requests for cost eligibility will be posted on the Board's website.

Rate-regulated natural gas distributors will be provided with an opportunity to object to any of the requests for cost award eligibility. If a distributor has any objections to any of the requests for cost eligibility, such objections must be filed with the Board by **October 19, 2010**. Any objections will be posted on the Board's website. The Board will then make a final determination on the cost eligibility of the requesting participants.

Activities Eligible for Cost Awards

Cost awards will be available for provision of written comments. Eligible hours per participant and other information pertaining to cost awards related to this consultation will be issued at a later date.

Cost Awards

When determining the amount of the cost awards, the Board will apply the principles set out in section 5 of its *Practice Direction on Cost Awards*. Groups representing the same interests or class of persons are expected to make every effort to coordinate their participation in this process. The Board will consider any lack of coordination when determining the amount of a cost award. The maximum hourly rates set out in the Board's Cost Awards Tariff will also be applied.

The Board will use the process set out in section 12 of its *Practice Direction on Cost Awards* to implement the payment of the cost awards. Therefore, the Board will act as a clearing house for all payments of cost awards in this process. For more information on this process, please see the Board's *Practice Direction on Cost Awards* and the October 27, 2005 letter regarding the rationale for the Board acting as a clearing house for the cost award payments. These documents can be found on the Board's website at www.oeb.gov.on.ca on the "Rules, Guidelines and Forms" webpage.