

October 25, 2010

Ms. Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge St. Suite 2700 Toronto, ON M4P 1E4

Dear Ms. Walli,

Re: <u>Updated Proposed Low-Income and Other Customer Service Amendments to</u>
<u>The Distribution System Code, the Retail Settlement Code and the Standard Supply Code</u>

Please find enclosed two (2) hard copies of Halton Hills Hydro Inc.'s comments in regards to the proposed code amendments issued September 30, 2010.

These comments have been electronically submitted through the OEB RESS.

Any questions or concerns can be directed to Tracy Rehberg-Rawlingson, Regulatory Affairs Officer, (519) 853-3700 extension 257, <a href="mailto:tracyr@haltonhillshydro.com">tracyr@haltonhillshydro.com</a>.

Yours truly,

Tracy Rehberg-Rawlingson Regulatory Affairs Officer Halton Hills Hydro Inc. Original signed

Cc: Arthur A. Skidmore, President & CEO David J. Smelsky, Chief Financial Officer



#### Ontario Energy Board File Number: EB-2007-0722

# Updated Proposed Low-Income and Other Customer Service Amendments to the Distribution System Code, the Retail Settlement Code and the Standard Supply Code

Halton Hills Hydro Inc. ("HHHI") thanks the Board for the opportunity to comment on the updated proposed low-income and other customer service amendments to the Distribution System Code ("DSC"), the Retailer Settlement Code ("RSC") and the Standard Supply Code ("SSC"). HHHI has reviewed the proposed amendments and following the organization of the notice, offers the following comments:

# <u>Section II – Updated Proposed Low-Income Customer-Service Amendments to the Codes</u>

#### Part A – Definition of Eligible Low-Income Electricity Customer

HHHI welcomes the opportunity to work with local social service agencies and/or government agencies to identify eligible low-income electricity customers. Will the Board be providing each LDC with a list of acceptable agencies or is HHHI to approach the Board with a list of potential local agencies?

Additionally, could the Board please confirm that it is the customer's responsibility to contact the social services agency directly.

# Part B - Deferred Payment Date Option

HHHI can provide a deferred payment date option subject to addition Customer Information System ("CIS") programming. At this time, HHHI cannot commit to an April 1, 2011 implementation date pending further consultation with our CIS provider.

## Part C - Correction of Billing Errors

HHHI can implement an insert into corrected bills immediately. However, HHHI would like to note that the re-payment timelines would require a manual process specific to low-income customers and could impact operating expenses and have a negative effect on cash flow.

#### Part D - Equal Billing Plan Option

While HHHI could provide an equal billing plan option with additional programming of the CIS, HHHI would prefer to suggest an alternative that would minimize programming and the complexity of maintaining customer accounts.

The purpose of equal billing is to provide a "smoothing" effect for low-income customer bills. HHHI would like to suggest that the Board consider not including the equal billing plan option in the proposed amendments, but instead, propose a change to the equal payment plan option allowing only low-income customers the option of the plan without the necessity of the automatic withdrawal. The equal payment plan would remain a monthly payment for all customers thus providing a greater "smoothing" effect for low-income customers, including those that are billed bi-monthly.

#### Part E- Disconnection for Non-Payment Notice

HHHI will be able to provide the additional information on disconnect notices as previously directed by the July 2, 2010 amendments. While HHHI will be able to also provide the expanded low-income provisions, HHHI is concerned about the January 1, 2011 timeline and the potential time necessary to gather the details of financial assistance programs. The social agencies may be overwhelmed with evaluation requests. HHHI has always provided assistance information and arrears management options to all customers.

#### Part F – Security Deposits

The value of holding security deposits is the application of the funds to final bills. There is little value if the deposits are being applied to accounts on a regular basis. This process would require additional time and cost to re-bill a deposit and monitor the collection period. HHHI is also concerned about the perceived fairness of waiving security deposits for only low-income customers.

HHHI would also like to request the Board specify that in the event of a security deposit being refunded to a low-income customer, the amount will be credited against any current balance on the customer's account before any funds are returned to the customer by cheque.

#### Part G - Arrears Payment Agreements

While HHHI understands the motivation of the Board for extending the arrears payment agreement provisions for low-income customers, HHHI's CIS would require extensive programming and testing. In particular, the CIS system would need to be programmed to allow for late payment charge exemption for low-income customers, default limits and billing period timelines. At this time, HHHI cannot commit to a January 1, 2011 implementation date pending further consultation with our CIS provider.

HHHI would also appreciate the Board noting that the allowable timeframe (over 2 billing periods) for defaults could result in a customer not making any payments for a four (4) month duration in the case of bi-monthly billed customers when the customer is already in arrears and thus in an arrears agreement. HHHI would recommend an amendment that would state two (2) defaults within a 2 month timeframe.

HHHI is also concerned about the waiving of standard service charges for low-income customers. Standard service charges are intended to recover costs from the individual customers who incur the costs, without other customers bearing the extra cost burdens. In waiving the standard service charges, the Board would be, indirectly, forcing the burden of these extra costs on all the distributor's ratepayers as the costs would still exist and need to be recovered. It is also possible that a low-income customer who may have previously opted to be reconnected during office hours the day after a disconnection, my instead request reconnection after hours (at a much higher cost to the distributor).

# Section III - Amendments to July 2, 2010 Customer Service Rules

#### Part A – Proposed Implementation Amendments

HHHI re-iterates its comments concerning the allowable timeframe (over 2 billing periods) for defaults and the possible result of a customer not making any payments for a four (4) month duration in the case of bi-monthly billed customers.

## Part B - Proposed Load Limiter Installation and Removal Amendments

HHHI has no comments on the proposed load limiter installation and removal amendments.

Finally, HHHI would like to note that these proposed amendments could require significant CIS programming changes as well as additional incremental personnel to monitor and implement business process changes. In the interim, to comply with the proposed amendments, incremental personnel will need to be used to perform all the manual operations and monitoring necessary.