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October 25, 2010

Ms. Kirsten Walli Board Secretary Ontario Energy Board P.O. Box 2319 2300 Yonge Street, Suite 2700 Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: Updated Proposed Low-income and Other Customer Service Amendments to the Distribution System Code, the Retail Settlement Code and the Standard Service Supply Code – Board File No. EB-2007-0722

Oakville Hydro Electricity Distribution Inc. (Oakville Hydro) supports the Board's initiative to address the issue of energy affordability for low-income consumers. In accordance with the Board's guiding principles, Oakville Hydro plans to implement the assistance program in such a way as to minimize administration costs and increase the efficiency of arrears management and disconnection. In order to do so, Oakville Hydro plans to upgrade its customer information system to automate many of the changes in processes. While Oakville Hydro has not yet been able to assess the costs, it anticipates that they will be significant. In addition, Oakville Hydro will incur increased costs due to the requirement for additional staff to perform manual processes until such time as the upgrades are complete and ongoing costs for any processes that cannot be automated.

In its Report on the *Low-Income Energy Assistance Program EB-2008-0150* issued March 10, 2009, the Board stated that one of its guiding principles was to develop policies regarding low-income energy consumers for which the regulatory processes for reporting and for obtaining cost recovery should not be overly burdensome.

"The assistance program should not be overly costly or complicated to administer. Some of the benefits of implementing assistance programs for low-income energy consumers may be reduced or lost if the administration costs to the distributor are disproportionately high. Two elements are important in relation to the costs of

administration: the regulatory processes for reporting and for obtaining cost recovery should not be overly burdensome; and, a social service agency partner should carry out much of the program's administration."

In accordance with this guideline, Oakville Hydro requests that the Board approve a deferral and variance account to allow distributors to recover prudently incurred costs to implement the Board's *Low-Income Energy Assistance Program*.

Respectfully Submitted,

Maryanne Wilson, CGA

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