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**BY E-MAIL & WEB POSTING**

**December 11, 2007**

**To: All Natural Gas Distributors  
All Licensed Natural Gas Marketers  
All Participants in Proceeding RP-2000-0001  
All Participants in Proceeding EB-2006-0198  
All Participants in Proceeding EB-2007-0685  
All Other Interested Parties**

**RE: Notice of Amendments to Form of Service Agreement to Accommodate  
Amendments to the Gas Distribution Access Rule Regarding Bill-ready  
Gas-distributor Consolidated Billing**

On July 16, 2007, the Board issued a Notice of Proposal (the "July Notice") in which the Board proposed to amend the Gas Distribution Access Rule ("GDAR") to eliminate the need for gas distributors to accommodate a bill-ready form of gas distributor-consolidated billing ("bill-ready DCB") as of January 1, 2008. Instead, the Board proposed to treat bill-ready DCB in the same manner as split billing and gas vendor-consolidated billing.

In the July Notice, the Board noted that the proposed amendments to the GDAR trigger the need to amend the form of Service Agreement currently approved by the Board. Attached to the July Notice was a description of the amendments that the Board proposed to make to the Service Agreement in that regard. Interested parties were invited to comment on the Service Agreement amendments at the same time as they provided their comments on the proposed amendments to the GDAR. One gas vendor submitted comments on the Service Agreement amendments.

In the July Notice, the Board also indicated that it would not publish the final amendments to the GDAR until such time as the Board adopted the necessary amendments to the Service Agreement.

The Board is now giving notice of the amendments to the Service Agreement that it has adopted, and will also today issue its Notice of Amendment attaching the amendments to the GDAR as adopted by the Board.

- 2 -

The amendments to the Service Agreement are set out in Appendix A, and will be incorporated into the approved form of Service Agreement that is posted on the Board's website. The amendments reflect those described in the attachment to the July Notice. As noted above, one gas vendor provided comments on the amendments described in the July Notice. Some of those comments reflected the gas vendor's views about the manner in which bill-ready DCB should be addressed, which is the subject-matter of the GDAR amendments. Another comment related to the implementation of bill-ready DCB on a standardized basis for all gas vendors and gas distributors, which is addressed in the Board's Notice accompanying the final GDAR amendments. A final comment was that, if the amendments to the Service Agreement were to be adopted by the Board, the Board should not require existing Service Agreements to be re-signed. The Board's approach to this issue is set out below.

The amended form of the Service Agreement is to be used by all gas vendors and gas distributors in the future. To facilitate implementation of the amendments by gas vendors and gas distributors that have already signed Service Agreements, the Board has prepared a form of Amending Agreement which is attached as Appendix B. Gas vendors and gas distributors that have signed a Service Agreement must execute a revised form of Service Agreement that embodies the amendments set out in Appendix A, or if they consider it more expedient they may execute an amending agreement substantially in the form of the Amending Agreement set out in Appendix B (parties may deviate from the form, but may not deviate from the provisions that detail the amendments to the Service Agreement). The Board expects gas vendors and gas distributors to attend to this matter before year end. In the interim, no gas distributor can be required by a gas vendor to accommodate bill-ready DCB based on the existing form of Service Agreement.

Yours truly,

*Original signed by*

Kirsten Walli  
Board Secretary

Attachments:

Appendix 'A' – Amendments to the Service Agreement  
Appendix 'B' – Form of Amending Agreement

## APPENDIX 'A'

### Amendments to the Service Agreement

The form of Service Agreement approved by the Board on November 15, 2005 is amended as follows effective December 11, 2007:

1. Section 1.1 of the Service Agreement is amended by deleting the definition of "Bill-ready Date".

2. Section 4.1(a) of the Service Agreement is amended by deleting the second sentence and replacing it with the following:

"On and after the date on which the Gas Distributor implements the change in billing option referred to in section 4.1(g), the Gas Distributor shall provide rate-ready and bill-ready forms of gas distributor-consolidated billing on an individual customer account basis."

3. Section 4.1 of the Service Agreement is amended by adding the following immediately after section 4.1(f):

"(g) Upon written request from the Gas Vendor for a bill-ready form of gas distributor-consolidated billing, the Gas Distributor and the Gas Vendor shall negotiate in good faith the necessary amendments to this Agreement, which shall be consistent with this Rule.

(h) Within 60 days of receipt by the Gas Distributor of the written request referred to in section 4.1(g), or within such longer period as the parties may agree, the Gas Distributor shall submit to the Board for approval the proposed amendments to this Agreement referred to in that section. At a minimum, the proposed amendments shall address all necessary changes to the EBT standards set out in Appendix D, including provision for testing and cutover to the implementation of bill-ready distributor-consolidated billing.

(i) If the Gas Distributor and the Gas Vendor cannot agree on the proposed amendments to this Agreement in respect of the requested billing option within 60 days of receipt by the Gas Distributor of the written request referred to in section 4.1(g), or within such longer period as the parties may agree, the Parties shall refer the dispute to the Board for determination and the Parties shall amend this Agreement accordingly.

(j) The Gas Distributor shall implement the change in billing option referred to in section 4.1(g) within the time period determined by the Board."

4. Appendix B of the Service Agreement is amended by adding the following to the end of the first paragraph:

“Where the Gas Vendor requests a change in billing option to a bill-ready form of gas distributor-consolidated billing, sections 4.1(g) to 4.1(i) shall apply”.

5. Appendix B of the Service Agreement is amended by deleting the second paragraph and replacing it with the following:

Nothing in this Appendix shall require a Gas Distributor to provide gas distributor-consolidated billing in a bill-ready form until the date on which the Gas Distributor implements the change in billing in accordance with sections 4.1(g) to 4.1(i).

6. Paragraph (d) of section B.2 of Appendix B of the Service Agreement is amended by deleting the phrase “Until the Bill-ready Date,” and replacing it with the following:

“Until the date on which the Gas Distributor implements the change in billing option referred to in section 4.1(g),”.

7. Paragraph (e) of section B.2 of Appendix B of the Service Agreement is amended by deleting the first sentence and replacing it with the following:

“On and after the date on which the Gas Distributor implements the change in billing option referred to in section 4.1(g), the Gas Distributor may provide additional bill line items to the Gas Vendor using a rate approved by the Board, if applicable.”

**APPENDIX 'B'**

**Form of Amending Agreement**

**(see attached document)**

**AMENDING AGREEMENT** made this \_\_\_\_ day of \_\_\_\_\_, 2007.

**BETWEEN:** \_\_\_\_\_ (the “Gas Distributor”)

**AND** \_\_\_\_\_ (the “Gas Vendor”)

(each a Party and collectively the Parties)

**WHEREAS** the Parties entered into a Service Agreement as required by the Ontario Energy Board’s (the “Board”) Gas Distribution Access Rule on \_\_\_\_\_;

**AND WHEREAS** section 7.4 of the Service Agreement contemplates that the Board may require amendments to the Service Agreement and that the Parties will, upon notice from the Board, do all things and take all actions necessary to amend the Service Agreement as specified by the Board and, where necessary, to give retroactive effect to such amendments;

**AND WHEREAS** the Board has notified the Parties that it requires amendments to the Service Agreement in relation to the requirement that the Gas Distributor accommodate a bill-ready form of gas distributor-consolidated billing.

**NOW THEREFORE** the Parties agree to amend the Service Agreement as follows:

1. Section 1.1 of the Service Agreement is amended by deleting the definition of “Bill-ready Date”.

2. Section 4.1(a) of the Service Agreement is amended by deleting the second sentence and replacing it with the following:

“On and after the date on which the Gas Distributor implements the change in billing option referred to in section 4.1(g), the Gas Distributor shall provide rate-ready and bill-ready forms of gas distributor-consolidated billing on an individual customer account basis.”

3. Section 4.1 of the Service Agreement is amended by adding the following immediately after section 4.1(f):

“(g) Upon written request from the Gas Vendor for a bill-ready form of gas distributor-consolidated billing, the Gas Distributor and the Gas Vendor shall negotiate in good faith the necessary amendments to this Agreement, which shall be consistent with this Rule.

(h) Within 60 days of receipt by the Gas Distributor of the written request referred to in section 4.1(g), or within such longer period as the parties

may agree, the Gas Distributor shall submit to the Board for approval the proposed amendments to this Agreement referred to in that section. At a minimum, the proposed amendments shall address all necessary changes to the EBT standards set out in Appendix D, including provision for testing and cutover to the implementation of bill-ready distributor-consolidated billing.

- (i) If the Gas Distributor and the Gas Vendor cannot agree on the proposed amendments to this Agreement in respect of the requested billing option within 60 days of receipt by the Gas Distributor of the written request referred to in section 4.1(g), or within such longer period as the parties may agree, the Parties shall refer the dispute to the Board for determination and the Parties shall amend this Agreement accordingly.
  - (j) The Gas Distributor shall implement the change in billing option referred to in section 4.1(g) within the time period determined by the Board.”
4. Appendix B of the Service Agreement is amended by adding the following to the end of the first paragraph:

“Where the Gas Vendor requests a change in billing option to a bill-ready form of gas distributor-consolidated billing, sections 4.1(g) to 4.1(i) shall apply”.
5. Appendix B of the Service Agreement is amended by deleting the second paragraph and replacing it with the following:

Nothing in this Appendix shall require a Gas Distributor to provide gas distributor-consolidated billing in a bill-ready form until the date on which the Gas Distributor implements the change in billing option in accordance with sections 4.1(g) to 4.1(i)
6. Paragraph (d) of section B.2 of Appendix B of the Service Agreement is amended by deleting the phrase “Until the Bill-ready Date,” and replacing it with the following:

“Until the date on which the Gas Distributor implements the change in billing option referred to in section 4.1(g),”.
7. Paragraph (e) of section B.2 of Appendix B of the Service Agreement is amended by deleting the first sentence and replacing it with the following:

“On and after the date on which the Gas Distributor implements the change in billing option referred to in section 4.1(g), the Gas Distributor may provide additional bill line items to the Gas Vendor using a rate approved by the Board, if applicable:”

8. The amendments to the Service Agreement set out in this Amending Agreement shall be effective as of December 11, 2007.
9. Except as amended in accordance with the above, the Service Agreement in all other respects shall remain the same.
10. This Amending Agreement shall be read together with the Service Agreement and shall take effect as if its provisions were contained in the Service Agreement.

**IN WITNESS WHEREOF** the Parties have by their duly authorized representatives executed this Amending Agreement.

[Name of Gas Distributor]

[Name of Gas Vendor]

Per: \_\_\_\_\_  
Title  
  
\_\_\_\_\_  
Date

Per: \_\_\_\_\_  
Title  
  
\_\_\_\_\_  
Date