

February 28, 2011

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Via web portal and by courier

Dear Ms. Kirsten Walli:

**Re: Board File No. EB-2007-0722
Low-Income and Other Customer Service Amendments**

The Electricity Distributors Association (EDA) is the voice of Ontario's local distribution companies (Distributors). The EDA represents the interests of the over 80 publicly and privately owned Distributors in Ontario.

The EDA would like to provide the attached submission in response to the Ontario Energy Board's Notice of Revised Proposal to amend the Distributions System Code, the Retail Settlement Code and the Standard Service Supply Code in respect of customer service rules. The EDA's submission has been prepared in consultation with the EDA members of the Regulatory Council.

The EDA would like thank the Board for giving us the opportunity to provide comments on this important initiative and looks forward to working with Board members and staff in this regard.

Yours truly,

"Original Signed"

Maurice Tucci
Policy Director, Distribution Regulation

Attached: EDA submission

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EDA's Comments on the Revised Proposed Low-Income and Other Customer Service Amendments

Eligibility for Low-Income Electricity Customer Programs

Distributors will offer the low-income customer programs to a customer after receiving confirmation from a social service agency or a government agency that the customer is eligible for such programs.

The EDA agrees with the new proposal to automatically qualify a customer for all of the low-income customer service rules under the Codes if that customer has been qualified for Emergency Financial Assistance by a social service or government agency.

However, the EDA does not agree with the proposal to automatically qualify a customer for all of the low-income customer service rules under the Codes if that customer demonstrates that he or she is a recipient of one of the five government-assistance programs such as Ontario works and National Child Benefit Supplements. The distributors will be not only burdened with the administrative inefficiencies of verifying the different types of supporting documentation supplied by customers as a proof of eligibility but also will be burdened with keeping a record of all such documentation and complying with privacy laws. This additional administrative burden will increase each utility's administrative costs.

Instead, the EDA proposes that social service agencies or government agencies that partner with LDCs for this purpose should be tasked to verify all the supporting documentation at their disposal or supplied by customers and then issue one standardized form to LDCs confirming the eligibility of a customer for low income customer service rules. The agencies are expected to be compensated for administering the low income programs as per the LEAP Manual.

In addition, all agencies administering the low income electricity customer programs should be encouraged to use a standardized form approved by the Board to confirm a customer's eligibility for low income electricity programs.

Equal Billing Plan Option

The EDA understands the Board's concern that low-income customers without an account with a financial institution might not be able to access the recently adopted monthly equal payment plan.

The essential difference between an equal monthly payment plan and an equal billing plan appears to be having an arrangement for automatic withdrawals from the customer's bank account or not. In the case of an equal monthly payment plan the LDC requires customers to agree to automatic monthly withdrawals from the customer's account on a pre-determined date. On the other hand, an equal billing plan will not require that automatic withdrawal arrangement.

Instead of mandating both types of plans, the EDA recommends that distributors be given the discretion to adopt the most cost effective solution in their circumstances as long as the low

income customers are provided with a plan that does not require automatic withdrawals from a customer's bank account.

Arrears Payment Agreements

The new proposal under Section 2.7 of the Distribution System Code suggests that the distributor can cancel an arrears payment agreement where a customer defaults in making a payment in accordance with an arrears payment agreement, or a payment on account of a current electricity charge billing, or an under-billing adjustment on more than one occasion for all residential customers and on more than two occasions for low-income customers. In addition, the proposal requires that the defaults must occur over a period of at least 2 months before the distributor may cancel the arrears payment agreement.

If a customer defaults on both a current balance due, and an arrears payment due the same month and again on one of these payments the second month, it would result in permitting the customer to default on at least 2 payments over two months for a non low-income customer and at least 3 payments over two months for a low-income customer before the distributor is allowed to cancel the arrears payment agreement.

In order to mitigate large losses, we propose that LDCs should be able to terminate the arrears payment agreement, if a residential (non low-income) customer is in default of one payment commitment regardless of the time frame. In the case of low-income residential customers, LDC should be able to terminate arrears payment agreement if a customer defaults on two payments regardless of the timeframe.

Coming into force

The EDA notes that as new information (i.e., emergency financial assistance program availability, contact information of service agencies, load control device installation, etc.) is required to be added to the disconnection notice, additional time is needed to incorporate the changes. Requiring distributors to complete this activity and be ready in three months is difficult and unreasonable. This invariably would also result in additional expenses to order a new supply of notices as the existing stock with changes reflecting the July 2010 Customer Service Rules would become wasted.

Distributors should be given at least six months time after the Code changes are finalized, to be able to document the required information on the disconnect notice.

Distribution System Code, 2.9.1B

The following section is added to the DSC:

*“Where a customer voluntarily requests the installation or continued use of a **load limiter device**, the distributor shall install a load limiter device provided the distributor ordinarily provides such a service.”*

We recommend using the wording “load control device” instead of “load limiter device” in the above paragraph, as “load control device” is the generic term that includes load limiters, timed load interrupters and similar devices.