



Cornerstone Hydro Electric Concepts Association Inc.

February 28, 2011

Kirsten Walli
Board Secretary
Ontario Energy Board
P.O.Box 2319
Suite 2700
Toronto, Ontario
M4P 1E4

**Re: EB-2007-0722 Low Income and Other Customer Service Amendments,
February 8, 2011 Proposed Changes**

Dear Ms Walli:

The CHEC LDCs are pleased to provide further comments with respect to the proposed Low Income Customer Service Amendments. It is hoped that in conjunction with the LEAP Emergency Funding and Low Income Conservation Programs that the need for access to any special customer service rules will be reduced.

1.0 Definition of Eligible Low Income Customer – CHEC supports the change to the definition of low income to be consistent with that adopted by the LEAP Emergency Financial Working Group. LICO plus 15% based on community size continues to be fully supported for the customer service rules.

CHEC supports the notion that qualification for LEAP Emergency Funding should qualify the individual/household for the low income customer service rules.

CHEC does not support that a Code can be altered through changes outside of the Code process. A change in the eligibility criteria in the LEAP Manual would in effect change the eligibility under the Code based on Section b) of the definition for eligible low income customer.

It is recommended that the Code indicate that the LEAP Manual remain consistent with the LICO requirement as contained in the Code. A change in the Code would be required prior to any change in eligibility contained in the Manual.

The addition of Section c) to the definition will reduce the burden on the social service agencies and expedite access to the customer service rules however it will increase the administrative burden for the LDCs. Further access to the low income rules without first contacting a social service agency may reduce the number of low income customers receiving financial counselling prior to entering into an arrears payment plan. It is anticipated that inclusion of this clause will result in customers making choices which they cannot fulfil.

It is recommended that section c) be removed.

CHEC supports a reduced number of agencies for qualifying customers for the customer service low income rules. However, concern exists that the partner agencies did not realize the additional responsibilities which they were taking on when they agreed to manage the LEAP Funding. Agencies may become reluctant to become LEAP Emergency Funding partners if the work load associated with the customer service rules are seen as excessive.

It is recommended that LDCs continue to make referrals to the LEAP Agency and further that the LDC can accept confirmation of eligibility from other social service agencies or government agencies as they deem appropriate. This flexibility will maintain a focus on one LEAP Agency while recognizing other resources within a community.

2.0 Return of Deposits – The application of deposits to any arrears is supported by CHEC. CHEC however would like to revisit whether the deposit should be returned in this instance. The return of the deposit would be best positioned if the account is not in arrears. An account in arrears indicates difficulty in payment and from a risk management perspective maintaining the deposit would seem appropriate. Return of the deposit may remove the customer from arrears thereby delaying further collection and potential access to outside assistance for the customer. Retention of the deposit by the LDC provides more resources for account mitigation by the customer and potentially social service agencies. Retention of the deposit will also help to mitigate a portion of the LDCs risk on the account.

It is recommended that deposits only be returned if the account is not in arrears.

3.0 Time to Implement Changes:

The proposed changes will require modifications to the CSI system. The third party vendors required to make these changes are also the same third party vendors working on the Smart Meter Implementation and other LDC initiatives. The providers have already indicated their concern with meeting the current deadlines due to skilled staff availability.

It is recommended that implementation of any changes proposed be set at six to eight months from the date the Code changes are published.

The proposed Code changes segments the residential customer group and require additional processes to be developed and implemented. These changes result in additional costs associated with the overall delivery of service to meet the requirements of the Code. The additional burden should to be recognized on the short term resources to implement and in some cases the longer term resources to operate the process. It is hoped that the timing for implementation will recognize the pressures of the many change initiatives currently being implemented in the electricity sector and provide sufficient lead time for implementation.

Respectfully submitted

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