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**March 30, 2011**

**NOTICE OF AMENDMENTS TO CODES**

**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**

**To: All Licensed Electricity Distributors  
All Participants in Consultation Processes EB-2007-0722 and EB-2008-0150  
All Other Interested Parties**

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The Ontario Energy Board (the "Board") is giving notice under section 70.2 of the *Ontario Energy Board Act, 1998* of amendments to the Distribution System Code (the "DSC"), the Retail Settlement Code (the "RSC") and the Standard Service Supply Code (the "SSSC") (collectively, the "Codes").

The amendments consist of a package of final low-income customer service rules that will supplement the customer service rules applicable to all residential electricity customers issued on July 2, 2010. In addition, certain changes have been made to the July 2, 2010 customer service rules.

**I. Background**

In March 2009, the Board issued a report that identified development of low-income customer service rules as one of the components of the Board's Low-Income Energy Assistance Program ("LEAP"). In a Notice issued on September 30, 2010, the Board set out for comment a package of proposed low-income electricity customer service amendments (the "September proposed amendments"). These proposed additional

code amendments were designed to supplement the “baseline” customer service rules adopted by the Board on July 2, 2010 for all residential customers.

The Board issued a revised proposed notice of proposed code amendments on February 8, 2011 (“the February proposed amendments”). The Board identified by use of bold type the revised code sections in the February proposed amendments for which further comments were sought. The comments on these proposed revisions will be the focus of the discussion below along with the Board’s analysis and response to same.

Twelve written submissions were received from stakeholders on the February proposed amendments. The full comments are available on the Board’s website at [www.ontarioenergyboard.ca](http://www.ontarioenergyboard.ca) . A summary of key points raised in the areas where further comments were sought is included below under the relevant section.

The Board has reviewed the comments received and has decided to make limited modifications to the package of proposed low-income customer service amendments and then proceed to adopt and issue them as final in this Notice. The final approved code amendments are set out in Attachments A, B and C.

- Attachment A sets out the final low-income customer service amendments to the DSC, the RSC and the SSSC.
- Attachment B sets out certain final amendments to the July 2, 2010 DSC customer service rules applicable to all residential customers.
- Attachment C sets out additional final amendments to the July 2, 2010 DSC, RSC and SSSC customer service rules applicable to all residential customers.

Attachments D, E, and F set out, for informational purposes, comparisons of the February proposed amendments to the respective final customer service code amendments adopted in this Notice.

## **II. Final Low-Income Customer-Service Amendments to the Codes**

### **A. Definition of Eligible Low-Income Customer**

The February proposed amendments set out a revised three-part definition of an eligible low-income electricity customer (“low-income customer”) for purposes of the low-income customer service provisions of the Codes. Comments were sought on all three

subsections: a), b) and c). The same eligibility definition was applicable to the proposed low-income customer service rules under the DSC, RSC and SSSC.

Subsection a) of the proposed low-income customer definition captured “a residential electricity customer who has a pre-tax household income at or below the most recent pre-tax Low Income Cut-Off, according to Statistics Canada, plus 15%, taking into account family size and community size, as qualified by a social service agency or government agency that partners with a given distributor to assess Emergency Financial Assistance eligibility”.

A ratepayer submission believed that the proposal as to what constitutes a social agency that can carry out the assessment under subsection a) is too restrictive and will eliminate many of the other social agencies now engaged in various low-income eligibility assessments. The submission pointed out that there is a separate Emergency Energy Fund program funded through the Ministry of Community and Social Services for low-income consumers to assist with emergency energy arrears. The submission indicated there is already a close working relationship between the social service agencies that administer the Emergency Energy Fund and energy distributors.

The Board believes it will prove advantageous to expand the list of agencies that may review eligibility for the Codes’ low-income customer service rules to include other agencies that have expertise in administering low-income qualifications and are willing to partner with a given electricity distributor. This is intended to capture those agencies already qualifying persons for other energy financial assistance programs such as the Emergency Energy Fund, as well as agencies qualifying persons for various low-income financial assistance programs. The Board will accordingly revise the final definition of a low-income customer under subsection a) to read:

*a residential electricity customer who has a pre-tax household at or below the most recent pre-tax Low Income Cut-Off, according to Statistics Canada, plus 15%, taking into account family size and community size, as qualified by a Social Service Agency or Government Agency*

A new definition under the Codes of “Social Service Agency or Government Agency” will be added as follows:

- (a) a social service agency or government agency that partners with a given distributor to assess eligibility for Emergency Financial Assistance; or*
- (b) a social service agency or government agency that assesses eligibility for other energy financial assistance or low-income financial assistance programs, and partners with a given distributor to qualify customers for eligibility under this Code*

The new defined term “Social Service Agency or Government Agency” will be used in several other places in the final amendments, in lieu of the reference to “social service or government agency” or the reference to a “social and government agency that partners with a given distributor to assess eligibility for Emergency Financial Assistance” found in several sections of the February proposed amendments (see, for example, proposed DSC sections 2.4.12A, 2.4.12B, 2.9.2, 4.2.2(k1) and 4.2.2.4(f1), 4.2.2.6 and 4.2.2.7).

Subsection b) of the low-income customer definition contained in the February proposed amendments provided that such customers included a residential electricity customer who has been qualified for Emergency Financial Assistance. “Emergency Financial Assistance” in turn was defined as any Board-approved emergency financial assistance program made available by a distributor to eligible low-income residential customers.

A submission noted that a change in the eligibility criteria for the Emergency Financial Assistance program, as set out in the 2011 LEAP Emergency Financial Assistance Program Manual, would in effect change the eligibility criteria under the Codes based on subsection b) of the proposed low-income customer definition. To ensure a co-ordinated response to customers in need, the Board believes it is important that a residential customer who is approved for Emergency Financial Assistance will also be approved for the various low-income customer service rules in the Codes. The Board will therefore make no change to subsection b) of the low-income customer definition or to the related Emergency Financial Assistance definition.

Subsection c) of the definition set out in the February proposed amendments defined as a low-income customer a residential electricity customer who demonstrates to a distributor, with appropriate supporting documentation, that he or she is a recipient of one of five listed government-assistance programs.

Distributors generally opposed the proposed addition of subsection c) to the Codes' low-income customer definition. It was argued that it is inappropriate for a distributor to be privy to a customer's personal and private financial information and that utility staff were not trained to properly assess government financial assistance documentation. Furthermore, subsection c) would create two methods by which customers may be screened, which would duplicate processes and require distributors to alter their communication requirements.

The Board believes that the administration of the low-income customer service rules will work best by expanding the number of agencies allowed to qualify residential customers as low-income under subsection a), as explained above, and by then eliminating proposed subsection c). The effect, under the revised final eligible low-income customer definition (which will now have two subsections), will be to remove the direct involvement of utility staff in the low-income customer qualification process.

The Board will also adopt the provision in the February proposed amendments providing that a residential electricity customer who has been qualified as an eligible low-income customer under the above definition shall remain an eligible low-income customer for code purposes for a period of 2 years from the date on which he or she was so qualified. This provision will be renumbered as section 1.3.2 of the DSC, RSC and SSSC in the final amendments. Where distributors acquire information on a customer's low-income status, the Board expects them to follow existing privacy laws and their own record retention procedures in the handling of such information.

All the new low-income customer service rules adopted by the Board are designed on the premise that distributors will not need to identify or qualify low-income customers. To make this clearer in the Codes, the following provision will be added as new section 1.3.3 of the DSC, RSC and SSSC respectively:

*A customer shall be treated as an eligible low-income customer for the purposes of this Code once the customer has been qualified as an eligible low-income customer according to the definition in section 1.2 of this Code or has identified himself or herself as provided under section 1.3.2 of this Code.*

While distributors will not be required to identify eligible low-income customers in the first instance, they may wish to maintain a record of their customers that have been qualified as low-income for their own operating purposes.

## **B. Correction of Billing Errors**

The February proposed amendments included changes to sections 7.7.4.1 and 7.7.4.2 of the RSC that provided for an extended repayment period for low-income customers who have been under billed. No submissions were received on the proposed code amendments. The Board will adopt the rules in this area as proposed.

## **C. Equal Billing and Equal Payment Plan Options**

An equal monthly payment plan refers to an arrangement whereby an equalized payment amount is automatically withdrawn from a customer's account with a financial institution on a monthly basis, with a physical bill to follow that may be on a monthly, bi-monthly or quarterly basis. An equal billing plan refers to an arrangement whereby a bill is issued to a customer and the amount due in each bill is equalized over the course of the year. The billing may occur on a monthly, bi-monthly or quarterly basis.

The Board decided in the February proposed amendments to maintain equal payment and equal billing plan options. Further comments were invited on two revised proposed sections, one applicable to all residential customers (2.6.2) and the other to low-income customers (2.6.2(f)).

Revised section 2.6.2 of the SSSC in the February proposed amendments (found in Attachment C) stated: Where the billing cycle of the distributor is monthly, a distributor shall offer to all residential customers receiving standard supply either an equal monthly payment plan option, or an equal monthly billing plan option. Where the billing cycle of the distributor is less frequently than monthly, a distributor shall offer an equal monthly payment plan option to all residential customers receiving standard supply service. No specific comments were received on the changes to section 2.6.2 of the SSSC and it will be adopted as proposed.

Revised section 2.6.2(f) of the SSSC (found in Attachment A) in the February proposed amendments stated: Where 2 or more years have passed since a residential customer was qualified as an eligible low-income customer and the distributor wishes to cancel a low-income customer equal billing plan provided to the customer, then the distributor shall notify the customer at least one billing cycle before any such cancellation occurs.

A ratepayer submission suggested that the above notice should be provided at least two billing cycles before any such cancellation occurs, and that the notice should provide the customer with a clear description of the options available to replace the cancelled equal billing plan as well as contact information for the distributor to advise them of the options available. Another ratepayer submission argued that cancellation of the equal billing plan should require 3 months notice, and that a distributor should not be able to withdraw eligibility pending reasonable efforts to contact the customer and/or social agency, and that a distributor should provide a final notice regarding the loss of low-income eligibility.

The Board believes it will prove useful to a low-income customer facing the potential loss of a special equal billing plan arrangement to obtain earlier notification and more details on available alternatives. Accordingly, the above requirement will be adopted subject to the following two changes:

- Section 2.6.2(f) of the SSSC will be changed to provide that notification must be provided to a low-income customer at least two billing cycles before any such cancellation occurs.
- The notification must provide the customer with details on how to obtain further information about the options available to replace his or her current low-income equal billing plan. This requirement will be set out in new section 2.6.2(g) of the SSSC. The rule is intended to be flexible and distributors may comply with it by providing a telephone contact or by including a letter with an explanation of the options, etc.

#### **D. Disconnection for Non-Payment**

The February proposed amendments included in section 4.2.2 (k1) of the DSC a requirement that distributors include a reference to low-income customer assistance measures in their disconnection notices. Comments were invited and no concerns were received from stakeholders about this change. The final language will be changed before adoption by the Board to reflect the new defined term “Social Service Agency or Government Agency”.

The February proposed amendment to section 4.2.2.4(f1) of the DSC required that distributors make an effort to communicate the availability of low-income customer assistance programs to residential customers 48 hours before the scheduled date of

disconnection for non-payment. Comments were invited and no concerns were expressed. The final language will be changed before adoption to reflect the new defined term “Social Service Agency or Government Agency”.

## **E. Security Deposits**

In the February proposed amendments, the Board reiterated its concern that imposing an obligation to pay a security deposit, while maintaining current bill payments and possibly arrears payments, may prove an undue burden for low-income customers. The February proposed amendments accordingly allowed a low-income customer to request that the security deposit normally due from a residential customer be waived or returned. Comments were sought on a number of other details of the proposed security deposit rules for low-income customers.

Revised proposed section 2.4.12A of the DSC allowed use of a bill insert, bill message or outgoing telephone message to communicate the availability of a security deposit waiver to a low-income customer. A submission suggested that a reference to “letter” be added to this list, as allowed under a similar notification rule in section 7.7.4.2 of the RSC. The Board will adopt the change suggested. A cross-reference will also be corrected. To improve consolidation of the various amendments to the DSC, proposed section 2.4.12A will be renumbered as new section 2.4.11.1 of the DSC.

Revised proposed section 2.4.23B of the DSC provided a security deposit shall be applied to any outstanding arrears on a low-income customer’s account before the remainder is returned. A utility submission supported the proposal, while a ratepayer submission disagreed that a security deposit could be used to offset arrears. The Board sees no compelling reason to change the February proposed amendments here and will adopt section 2.4.23B as proposed.

The Board would observe that new sections 2.4.23B and 2.4.23C of the DSC deal with how eligible customers should be notified about their right to request a security deposit return, the refund payment mechanism and the net amount to be returned. For clarification, the final amendments will also adopt DSC section 2.4.11(c) to expressly provide that a distributor shall not require a security deposit where a customer has been qualified as an eligible low-income customer and requests a waiver under section 2.4.11.1 (formerly proposed section 2.4.12A) of the DSC. This should be read along with new section 1.3.3 of the Codes, which provides that distributors are not required to



identify eligible low-income customers. The ultimate result is that distributors may continue to bill all residential customers for a security deposit, or increase in a security deposit, in the normal manner. However, when issuing a bill for a security deposit, the distributor must also include a bill insert etc. advising a residential customer that the security deposit requirement will be waived for an eligible low-income customer, provided that such a customer contacts the distributor and thereafter confirms his or her low-income eligibility.

Revised proposed section 2.4.12B of the DSC stated: Where a residential customer has received a bill that includes an amount for security deposit and advises the distributor that he or she will apply to a social service agency or government agency that partners with the distributor for low-income eligibility qualification, the due date for payment of the security deposit shall be extended for at least 21 days pending the eligibility decision by the agency.

A submission noted that in section 4.2.2.6 of the DSC, related to the disconnection process, there is a requirement for notification to be given to the distributor directly from the social service or government agency that a customer's low-income eligibility is being reviewed. The submission favoured this approach as it helps to focus the 21-day delay requests to those customers who are actually being assessed for low-income status and it recommended that same approach be adopted in section 2.4.12B. The Board agrees with the suggestion and will modify section 2.4.12B of the DSC accordingly. The language will also be changed to reflect the new definition of "Social Service Agency or Government Agency". To improve consolidation of the various amendments to the DSC, proposed section 2.4.12B will be renumbered as new section 2.4.11.2 of the DSC.

New section 2.4.23D of the DSC in the February proposed amendments required that where the security deposit was originally paid to the distributor by a social service or government agency or another third party on behalf of an eligible low-income customer, and the distributor has been requested to refund the security deposit, the distributor shall pay the balance remaining, after application to any outstanding arrears, to the agency or third party, unless the distributor is instructed otherwise by the payor of the deposit.

The Board has noted that current section 2.4.28 of the DSC largely achieves the objectives sought by the proposed introduction of section 2.4.23D. For example, under the current section 2.4.28 rule, the obligation to return the deposit to the third party

applies to the extent that there is not then any amount overdue for payment by the customer that the distributor is permitted by the DSC to offset using the security deposit. New section 2.4.23B of the DSC will permit such an offset. Another submission enquired about treatment of interest on security deposits and the Board notes that this is already addressed in current section 2.4.28 of the DSC. To avoid unnecessary duplication in the consolidated DSC, proposed section 2.4.23D of the DSC will therefore be withdrawn by the Board.

## **G. Low-Income Customer Arrears Payment Agreements**

Section 2.7.1 of the DSC in the July 2, 2010 amendments adopted an arrears payment plan to be made available to all residential customers. The February proposed amendments contained a set of rules providing more flexible arrears payment agreements for low-income customers.

Proposed new section 2.7.1.3 of the DSC provided: Where an eligible low-income customer enters into an arrears payment agreement for the first time or subsequent to having successfully completed a previous arrears payment agreement as an eligible low-income customer, a distributor may require that the customer pay a down payment of up to 10% of the electricity charge arrears accumulated, inclusive of any applicable late payment charges but excluding other service charges.

A ratepayer group did not support this requirement. They suggested that if the down payment provision was to remain, then a distributor's discretion should be tempered by a requirement to consult with the agency that qualified the low-income customer regarding the customer's ability to pay a down payment and the level of down payment that is appropriate up to the 10% limit, and that the distributor should track any required down payments and its reasons for the same.

The Board notes the rule does not require that distributors must collect a down payment and distributors may wish to reduce or waive it in individual circumstances. DSC section 2.7.1.3 will be adopted as proposed.

Revised subsections 2.7.2(c) to (e) of the DSC proposed the following minimum time-periods for arrears agreements with low-income customers:

- (c) at least 8 months, where the amount owing is less than or equal to 2 times the customer's average monthly billing amount;

- (d) at least 12 months, where the amount owing is between 2 times and 4 times the customer's average monthly billing amount; or
- (e) at least 16 months, where the amount owing is greater than 4 times the customer's average monthly billing amount.

A utility submission argued that the revised shorter repayment periods above continue to be too lengthy. In particular, the 16-month period was of concern. While distributors could, as the Board suggested earlier, reduce the occurrence of this by addressing a customer's arrears earlier in the collection cycle, the submission suggested distributors will be forced to reduce the levels of voluntary flexibility that they now often afford customers.

The Board acknowledges the underlying concern and has decided that it will work best in practice to change the threshold from 4 times the average monthly billing amount in proposed subsections (d) and (e) above to 5 times the average monthly billing amount. This will result in fewer customers being subject to the extended 16-month repayment plan. In addition, distributors could afford to be more flexible when initiating the collection of arrears from low-income customers.

The Board will make a change before adopting section 2.7.2(d) of the DSC to clarify that the 12-month repayment period applies when the amount of arrears is over 2 times the average monthly billing amount and less than or equal to 5 times the average monthly billing amount.

Revised proposed section 2.7.6 of the DSC stated that where a low-income customer enters into an arrears payment agreement with a distributor for the first time or subsequent to having successfully completed a previous arrears payment agreement as a low-income customer, the distributor shall waive any service charges specifically related to collection, disconnection, non-payment or load control devices and such charges shall not be included in the arrears agreement.

A ratepayer group argued that closely related proposed section 2.7.6A of the DSC, which requires that late payment charge be waived during the course of an arrears agreement with a low-income customer, be revised to also waive accrued late payment service charges for such consumers before they enter into arrears payment agreements. The Board believes that sections 2.7.6 and 2.7.6A of the DSC, as worded, will help address concerns expressed by distributors about the risk of inappropriate use

of the low-income customer service rules. The Board will adopt these sections as proposed.

Section 2.7.4.3 of the DSC in the February proposed amendments provided that where an eligible low-income customer defaults on more than two occasions 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, the distributor may cancel the arrears payment agreement. No further comments were sought. Revised proposed section 2.7.4.4 of the DSC (found in Attachment B), which applies to all residential customers, stated that the defaults must occur over a period of at least 2 months before the distributor may cancel the arrears payment agreement. The intent of the proposal is to allow a customer some time to get an arrears agreement off the ground before it could be cancelled due to non-payment.

Several utility submissions suggested dropping the 2-month time frame. The Board notes that the time period in question had already been reduced from 2 billing periods to 2 months in response to utility concerns. The Board has decided that no further change will be made to section 2.7.4.4 of the DSC.

Proposed new section 2.7.8 of the DSC (found in Attachment C), which applies to arrears agreements with all residential customers, stated: In the event a residential electricity customer failed to perform his or her obligations under a previous arrears payment agreement and the distributor terminated the agreement pursuant to section 2.7.4, the distributor may require that the customer wait 1 year after termination of the previous agreement before entering into another arrears payment agreement with the distributor.

A ratepayer group suggested using a 6-month waiting period above as the situation of a low-income customer may change significantly in less than one year's time. The Board believes that the current rule provides incentives to low-income customers to meet the requirements of the arrears payment agreements and accordingly will make no change to the proposed rule. Distributors can decide in individual cases if more flexibility is warranted.

### **III. Final Amendments to the July 2, 2010 Customer Service Rules Applicable to All Residential Customers**

#### **A. Use of Load Control Devices**

The February proposed amendments added the following new definitions:

- “load control device” means a load limiter, timed load interrupter or similar devices that limits or interrupts normal electricity service
- “load limiter device” means a device that will allow a customer to run a small number of electrical items in his or her premises at any given time, and if the customer exceeds the limit of the load limiter, then the device will interrupt the power until it is reset
- “timed load interrupter device” means a device that will completely interrupt the customer’s electricity intermittently for periods of time and allows full load capacity outside of the time periods that the electricity is interrupted

A ratepayer submission noted that under the timed load interrupter definition, such a device may completely interrupt the customer's electricity intermittently for unspecified periods of time. The submission suggested that the code specify the maximum length of time, perhaps applicable to the heating season only, that the electricity can be completely interrupted by a timed load interrupter.

It should be noted that the use of a load control device is an alternative available to a distributor instead of full service disconnection. The Board believes that the new DSC amendments will add important procedural safeguards around the installation of load control devices and further prescriptive rules are not warranted. The definitions proposed above will be adopted without change.

Revised proposed section 2.9.1 of the DSC stated that a distributor may install a load control device instead of disconnecting supply to a customer for non-payment, provided that the distributor complies with the new load control device rules set out in the DSC. A ratepayer submission observed that under this rule not all distributors will be required to supply load control devices. The submission argued that there should be a consistent level playing field across the province in this regard. However, the Board believes it is appropriate not to prescribe such rules regarding the use of load control devices as an alternative to exercising the statutory right to disconnect for non-payment.

Proposed new section 2.9.1B of the DSC provided: 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. A utility submission suggested using the generic term “load control device” in this section. The Board does not think it is necessary to make such a change, as it is considered unlikely that a customer will voluntarily request installation of a timed load interrupter.

Proposed section 2.9.2 of the DSC (found in Attachment A) will be changed to state that a 21-day pause in the installation of load control device must occur if the distributor is notified by a Social Service Agency or Government Agency that a customer is being reviewed for Emergency Financial Assistance.

Section 2.9.5B of the DSC in the February proposed amendments stated that a customer may request the installation or continued use of the load limiter device during the course of an arrears payment agreement where the distributor ordinarily provides such a service. A ratepayer submission expressed concern that distributors may make acquiescence to a load limiter a precondition to entering into an arrears payment agreement. As distributors do not have the authority to add pre-conditions, beyond those set out in the code, to entering into an arrears payment agreement under the DSC, the concern expressed will not materialize. Therefore no code change is necessary.

To promote consistent section numbering once the present amendments are consolidated into the DSC, the load control device rules in proposed sections 2.9.1B, 2.9.3B, 2.9.3C, 2.9.3D and 2.9.5B will be renumbered as sections 2.9.1A, 2.9.3A, 2.9.3B, 2.9.3C and 2.9.5A respectively in the final DSC amendments to be adopted.

## **B. Other Final Amendments to the Customer Service Rules**

The February proposed amendments included an amendment to section 4.2.2.6 of the DSC (found in Attachment C), which deals with the suspension of disconnection for 21 days pending review by an agency for Emergency Financial Assistance, to provide that the rule will only apply where the social service or government agency partners with a distributor for such a purpose. Before adoption, the Board will update the language to reference the new defined term “Social Service Agency or Government Agency”.

Proposed new section 2.7.1B of the DSC provided: If a distributor enters into discussions with a residential or low-income customer and offers an arrears agreement but the customer declines to enter into an arrears agreement, the distributor may proceed with disconnection and is not required to offer an arrears agreement to such a customer after disconnection. To promote consistency, the section will be renumbered as section 2.7.1A of the DSC. The term “residential customer” already captures “eligible low-income customers” and the latter term will be deleted as redundant in the final wording of the rule.

The Board has made certain minor changes to facilitate the consolidation of the various customer service amendments including adopting consistent punctuation for the new definitions added, and renumbering new sections 2.7.6A and 2.7.6B of the DSC as sections 2.7.6 and 2.7.6A. In addition, references to the *Electricity Act* in the consolidated SSSC will be italicized, as in the DSC and RSC.

Section 2.4.20A of the DSC, adopted on July 2, 2010, provides that a residential customer may now pay a security deposit in equal instalments over a period of at least 6 months. A cross-reference to this section will be added to sections 3.1.1(g) and 4.2.6 of the DSC, which deal with distributors providing their customers a reasonable opportunity to provide a security deposit.

#### **IV. Anticipated Costs and Benefits**

The changes made to the eligible low-income customer definition will lower ongoing code administration costs incurred by distributors by not requiring them to review any low-income customer eligibility claims and will provide greater flexibility in the eligibility review process by allowing more agencies to partner with distributors to review low-income customer eligibility for purposes of the Codes.

Customers will benefit from an increased notice period if the local distributor plans to take them off their low-income customer equal billing plans after 2 years have passed.

Greater clarity will be provided by the rule changes requiring an agency that partners with a distributor to provide notification to the distributor of a request for a low-income eligibility review before the allowed 21-day pause in the process may apply.

The potential risk of distributors incurring increased bad debt will be reduced by increasing the threshold at which a low-income customer may request a 16-month arrears payment agreement from a distributor.

## **V. Coming Into Force Dates**

The February proposed amendments provided a 180-day implementation period for the low-income customer service amendments related to security deposits, under-billing adjustments and new equal billing/payment options, and a 90-day coming into force period for the low-income customer service amendments dealing with the eligible low-income customer definition, enhanced arrears payment agreements, the contents of a disconnection notice and the contents of the telephone call to the customer 48 hours before disconnection.

Distributors did not support the proposed shorter 90-day implementation period for some of the new low-income customer service rules. One utility group submission noted that the proposed changes will require modifications to their members' computer systems. The third-party vendors required to make these changes are the same third-party vendors working on the Smart Meter implementation and other distributor initiatives. These providers have reportedly already indicated their concern with meeting the current deadlines due to skilled staff availability. Several utility submissions requested a 180-day coming into force period for all the low-income customer service amendments.

In response to these concerns, the Board has decided to adopt a common coming into force date for all the low-income customer service code amendments (aside from new DSC section 2.9.2 discussed below). The Board believes it will prove convenient for implementation to set that date at October 1, 2011.

The Board will also move to October 1, 2011 as the coming into force date for the amendment to section 2.6.2 of the SSSC set out in Attachment C that introduces the option of either an equal monthly payment or billing plan for customers of distributors that bill monthly, as this will require billing system changes. The new load control device rules set out in Attachment B were proposed to come into effect 90 days after the date of issuing this Notice. For implementation convenience, the Board will change to a fixed coming into force date of July 1, 2011 for these amendments. The new rule in section 2.9.2 of the DSC (found in Attachment A) which provides that a 21-day pause in the



installation of a load control device must occur if the distributor is notified by a Social Service Agency or Government Agency that a customer is being reviewed for Emergency Financial Assistance will come into effect on April 1, 2011, as the latter program is already in operation.

The amendment to section 2.7.1A of the DSC set out in Attachment C dealing with when a distributor is and is not required to offer an arrears payment agreement to a residential customer will now come into force on April 1, 2011.

The other amendments which were proposed to come into effect when this final Notice was issued will also come into effect on April 1, 2011, including:

- The amendment to section 2.7.4.4 of the DSC set out in Attachment B dealing with the treatment of defaults under arrears payment agreements, which will impact all residential customers.
- The amendment to section 7.7.5 of the RSC set out in Attachment C dealing with the calculation of the average monthly billing amount.

Any future questions about the application of these amendments should be directed to [Market.Operations@ontarionenergyboard.ca](mailto:Market.Operations@ontarionenergyboard.ca).

The Board's toll free number is 1-888-632-6273.

**DATED** at Toronto, March 30, 2011

ONTARIO ENERGY BOARD

*Original signed by*

Kirsten Walli  
Board Secretary

Attachments: Attachment A: Final Low-Income Customer Service Amendments to the Distribution System Code, the Retail Settlement Code and the Standard Service Supply Code

Attachment B: Final Amendments to the July 2, 2010 Distribution System Code Customer Service Rules

Attachment C: Additional Final Amendments to the July 2, 2010 Customer Service Rules:

- A. Additional Final Amendments to the Retail Settlement Code and Standard Supply Service Code provisions that come into force on April 1, 2011; and
- B. Other Final Customer Service Amendments to the Distribution System Code

Attachment D: Comparison Version of March 30, 2011 Final Low-Income Customer Service Code Amendments relative to the February 8, 2011 Proposed Low-Income Customer Service Code Amendments (for information purposes only)

Attachment E: Comparison Version of March 30, 2011 Final Customer Service Code Amendments relative to the February 8, 2011 Proposed Amendments to the July 2, 2010 Distribution System Code Customer Service Rules (for information purposes only)

Attachment F: Comparison Version of March 30, 2011 Final Customer Service Code Amendments relative to the February 8, 2011 Proposed Additional Amendments to the July 2, 2010 Customer Service Rules (for information purposes only)