

**Attachment A
To
Notice of Amendments to Codes**

March 30, 2011

EB-2007-0722

**Final Low-Income Customer Service Amendments to the Distribution
System Code, the Retail Settlement Code and the Standard Service Supply
Code**

Note: The text of the amendments is set out in italics below, for ease of identification only.

Part I: Amendments to the Distribution System Code

1. Section 1.2 of the Distribution System Code is amended to add the following definitions:

“eligible low-income customer” means:

- (a) 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; or*
- (b) a residential electricity customer who has been qualified for Emergency Financial Assistance;*

“Emergency Financial Assistance” means any Board-approved emergency financial assistance program made available by a distributor to eligible low-income residential customers;

“Social Service Agency or Government Agency” means:

- (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;*

2. Section 1.3 of the Distribution System Code is amended by adding the number “1.3.1” immediately before the word “Unless” and by adding the following sections:
 - 1.3.2 *For the purposes of the definition of “eligible low-income customer” in section 1.2 of this Code, a residential electricity customer who has been qualified as an eligible low-income customer shall remain an eligible low-income customer for a period of 2 years from the date on which he or she was so qualified.*
 - 1.3.3 *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.*

3. Section 1.7 of the Distribution System Code is amended by adding the following paragraphs at the end of that section:

The amendment to section 2.9.2 will come into force on April 1, 2011.

The amendments to sections 1.2 (definitions of “eligible low-income customer”, “Emergency Financial Assistance” and “Social Service Agency or Government Agency”), 1.3.1, 1.3.2, 1.3.3, 2.4.11(c), 2.4.11.1, 2.4.11.2, 2.4.23B, 2.4.23C, 2.7.1.3, 2.7.2(c) to (e), 2.7.4.3, 2.7.5.1, 2.7.6, 2.7.6A, 2.9.2, 4.2.2(k1) and 4.2.2.4(f1) come into force on October 1, 2011.

4. Section 2.4.11 of the Distribution System Code is amended by deleting the word “or” after subsection (a), by replacing the period after subsection (b) with a semi-colon and by adding the word “or”, and by adding the following sections:
 - 2.4.11(c) *a customer has been qualified as an eligible low-income customer and requests a waiver under section 2.4.11.1.*
 - 2.4.11.1 *When issuing a bill for a security deposit in accordance with section 2.4.9, the distributor shall advise 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. The distributor shall notify the customer by means of a bill insert, bill message, letter or outgoing telephone message and shall*

include the distributor's contact information where the customer can obtain further information and a referral to a Social Service Agency or Government Agency to review the customer's low-income eligibility.

2.4.11.2 Where a distributor is advised by a Social Service Agency or a Government Agency that the agency is assessing the customer for eligibility as a low-income customer, the due date for payment of the security deposit shall be extended for at least 21 days pending the eligibility decision of the Social Service Agency or Government Agency.

5. Section 2.4.23 of the Distribution System Code is amended by adding the following sections:

2.4.23B A distributor shall give notice to all residential customers, at least annually, that any residential customer that qualifies as an eligible low-income customer may request and receive a refund of any security deposit previously paid to the distributor by the customer, after application of the security deposit to any outstanding arrears on the customer's account.

2.4.23C Where an eligible low-income customer requests refund of a security deposit previously paid to a distributor by the customer, the distributor shall advise the customer within 10 days of the request that the balance remaining after application of the security deposit to any outstanding arrears will be credited to his or her account where the remaining amount is less than one month's average billing or, where the remaining amount is equal to or greater than one month's average billing, the customer may elect to receive the refund by cheque and the distributor shall issue a cheque within 11 days of the customer requesting payment by cheque.

6. Section 2.7 of the Distribution System Code is amended by deleting the word "or" after section 2.7.2(a), by replacing the period after section 2.7.2(b) with a semi-colon, and by adding the following sections:

2.7.1.3 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.

- 2.7.2 (c) *in the case of an eligible low-income customer, a period of at least 8 months, where the total amount of the electricity charges remaining overdue for payment is less than or equal to 2 times the customer's average monthly billing amount;*
- (d) *in the case of an eligible low-income customer, a period of at least 12 months where the total amount of the electricity charges remaining overdue for payment exceeds 2 times the customer's average monthly billing amount and is less than or equal to 5 times the customer's average monthly billing amount; or*
- (e) *in the case of an eligible low-income customer, a period of at least 16 months where the total amount of the electricity charges remaining overdue for payment exceeds 5 times the customer's average monthly billing amount.*

2.7.4.3 *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.*

2.7.5.1 *In the case of an eligible low-income customer, the distributor shall allow such a customer to enter into a subsequent arrears payment agreement upon successful completion of the previous arrears payment agreement on the following terms:*

(a) *If a second or subsequent arrears agreement is requested less than 12 months from the date of completion of the previous arrears payment agreement, then the standard arrears payment agreement terms applicable to all residential customers under sections 2.7.1 to 2.7.4.1 also apply to the eligible low-income customer; or*

(b) *If a second or subsequent arrears agreement is requested 12 months or more from the date of completion of the previous arrears payment agreement, the eligible low-income customer shall be entitled to the arrears payment agreement terms set out in sections 2.7.1.3, 2.7.2(c), 2.7.2(d), 2.7.2(e), 2.7.4.3 and 2.7.4.4.*

2.7.6 *Notwithstanding the definition of "electricity charges" in section 2.6.6.3, and subject to section 2.7.6A, where an eligible 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 an eligible 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 payment agreement.

2.7.6A The distributor is not required to waive any late payment charges, as described in section 2.6.6.3, that accrue to the date of the arrears payment agreement but no further late payment charges may be imposed on an eligible low-income customer after he or she has entered into an arrears payment agreement with the distributor in respect of the amount that is the subject of that agreement.

7. Section 2 of the Distribution System Code is amended by adding the following section:

2.9.2 Where a distributor is notified by a Social Service Agency or Government Agency that the agency is assessing the customer for Emergency Financial Assistance, the distributor shall refrain from installing a load control device for a period of 21 days after receiving such notification.

8. Section 4.2.2 of the Distribution System Code is amended by eliminating “and” after section 4.2.2(k) and by adding the following section:

(k1) that the following additional assistance may be available to an eligible low-income customer, along with contact information for the distributor where the customer can obtain further information about the additional assistance:

- i) a Board-prescribed arrears management program, and other expanded customer service provisions, specifically for eligible low-income customers; and*
- ii) a Board-approved Emergency Financial Assistance program administered through a Social Service Agency or Government Agency;*

9. Section 4.2.2.4 of the Distribution System Code is amended by eliminating “and” after section 4.2.2.2(f) and by adding the following section:

(f1) advise that the following additional assistance may be available to an eligible low-income customer, along with contact information for the distributor where the customer can obtain further information about the additional assistance:

- i) a Board-prescribed arrears management program, and other expanded customer service provisions, specifically for eligible low-income customers; and*
- ii) a Board-approved Emergency Financial Assistance program administered through a Social Service Agency or Government Agency; and*

Part II: Amendments to the Retail Settlement Code

1. Section 1.2 of the Retail Settlement Code is amended to add the following definitions:

“eligible low-income customer” means:

- (a) 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; or*
- (b) a residential electricity customer who has been qualified for Emergency Financial Assistance.*

“Emergency Financial Assistance” means any Board-approved emergency financial assistance program made available by a distributor to eligible low-income residential customers.

“Social Service Agency or Government Agency” means:

- (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.*

2. Section 1.3 of the Retail Settlement Code is amended by adding the number “1.3.1” immediately before the word “Unless” and by adding the following sections:

1.3.2 For the purposes of the definition of “eligible low-income customer” in section 1.2 of this Code, a residential electricity customer who

has been qualified as an eligible low-income customer shall remain an eligible low-income customer for a period of 2 years from the date on which he or she was so qualified.

1.3.3 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.

3. Section 1.7 of the Retail Settlement Code is amended by deleting the final sentence of the section and replacing it with the following sentence:

The amendments to sections 1.2 (definition of “customer”) and 7.7 come into force on April 1, 2011.

and by adding the following paragraph at the end of that section:

The amendments to sections 1.2 (definitions of “eligible low-income customer”, “Emergency Financial Assistance” and “Social Service Agency or Government Agency”), 1.3.1, 1.3.2, 1.3.3, 7.7.4.1 and 7.7.4.2 come into force on October 1, 2011.

4. Section 7.7 of the Retail Settlement Code is amended by adding the following sections:

7.7.4.1 Where a distributor issues a bill to a customer for an under-billed amount, the distributor shall notify the customer that, if the customer is an eligible low-income customer, he or she has the option of paying the under-billed amount as follows:

- i) in accordance with section 7.7.4; or*
- ii) over a period of 10 months where the under-billed amount is less than twice the customer’s average monthly billing and over a period of 20 months where the under-billed amount equals or exceeds twice the customer’s average monthly billing;*

7.7.4.2 For the purposes of section 7.7.4.1, the distributor may notify the customer by way of bill insert, bill message, letter or outgoing telephone message.

Part III: Amendments to the Standard Supply Service Code

1. Section 1.2 of the Standard Supply Service Code is amended to add the following definitions:

“eligible low-income customer” means:

- (a) a residential electricity customer who has a pre-tax household income at or below the 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; or*
- (b) a residential electricity customer who has been qualified for Emergency Financial Assistance;*

“Emergency Financial Assistance” means any Board-approved emergency financial assistance program made available by a distributor to eligible low-income residential customers;

“Social Service Agency or Government Agency” means:

- (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;*

2. Section 1.3 of the Standard Supply Service Code is amended by replacing the number “1.3.2” with the number “1.3.4”, by replacing the number “1.3.3” with the number “1.3.5” and by adding the following sections:

1.3.2 For the purposes of the definition of “eligible low-income customer” in section 1.2 of this Code, a residential electricity customer who has been qualified as an eligible low-income customer shall remain an eligible low-income customer for a period of 2 years from the date on which he or she was so qualified.

1.3.3 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.

3. Section 1.6 of the Standard Supply Service Code is amended by adding the following section:

1.6.5 The amendments to sections 1.2 (definitions of “eligible low-income customer”, “Emergency Financial Assistance” and “Social Service Agency and Government Agency”), 1.3.1, 1.3.2, 1.3.3, 1.3.4, 1.3.5, 2.6.2A, 2.6.2B and 2.6.2C come into force on October 1, 2011.

4. Section 2.6.2 of the Standard Supply Service Code is amended to add the following sections after section 2.6.2A:

2.6.2B Where a distributor currently bills on a monthly or bi-monthly basis, it must offer an eligible-low income customer receiving standard supply service the option of entering into an equalized billing plan. The equal billing option offered shall meet the following minimum requirements:

(a) where the customer is currently billed monthly, the equal billing plan offered shall be billed monthly and where the customer is currently billed bi-monthly, the equal billing plan that shall be offered may be billed bi-monthly or monthly;

(b) a distributor may only refuse to provide an equal billing plan option to a customer that is in arrears on payment to the distributor for electricity charges, as defined in the Distribution System Code, and that has not entered into an arrears payment agreement with the distributor as referred to in the Distribution System Code;

(c) despite any other code issued by the Board, the equal billing plan option offered to an eligible low-income customer shall provide for the customer to make equalized bill payments on a monthly or bi-monthly basis, as the case may be under section 2.6.2B(a), and shall make provision for the customer to select from at least two dates within the applicable month on which the equalized bill payment is due;

(d) subject to section 2.6.2B(e), the equal billing plan shall provide for annual reconciliation of the plan as follows:

- i) while a customer may join an equal billing plan at any time during the calendar year, the distributor is only required to reconcile all of its equal billing plans once during the calendar year and not on the 12th month anniversary since each individual customer joined the plan;*
- ii) in the first year of an equal billing plan and where the customer has been on the plan for less than 12*

months, the customer may receive a reconciliation earlier than the 12th month anniversary, as a result of subsection i);

- iii) while a distributor is only required to reconcile equal billing plans on an annual basis, a distributor shall review its equal billing plans quarterly or semi-annually and adjust the equal monthly or bi-monthly amounts in the event of material changes in a customer's electricity consumption or a customer's electricity charges as defined in section 2.6.2C(b);*
- iv) where the annual reconciliation demonstrates that funds are owing to the customer in an amount that is less than the customer's average monthly billing amount, the distributor shall credit the amount to the customer's account;*
- v) where the annual reconciliation demonstrates that funds are owing to the customer in an amount that is equal to or exceeds the customer's average monthly billing amount, the distributor shall credit the amount to the customer's account and advise the customer that the customer may contact the distributor within 10 days of the date of the bill to request refund of the overpayment by cheque instead and the distributor shall make payment within 11 days of the customer's request;*
- vi) where the annual reconciliation demonstrates that funds are owing by the customer in an amount that is less than the customer's average monthly billing amount, the distributor may collect the full amount owed by a corresponding charge on the final bill issued to the customer under the annual equal billing plan; and*

- vii) *where the annual reconciliation demonstrates that funds are owing by the customer in an amount that is equal to or exceeds the customer's average monthly billing, the distributor shall roll over the balance due to the following year's equal billing plan and recover the balance over the first 10 months (in the case of bi-monthly equal billing plans) or 11 months (in the case of monthly equal billing plans) of the following year's equal billing plan; and*
- (e) *where a customer leaves the equal billing plan for any reason, the distributor shall conduct a reconciliation and shall include any funds owing by or to the customer as a charge or credit on the next regularly scheduled bill issued to the customer;*
- (f) *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 two billing cycles before any such cancellation occurs; and*
- (g) *the notification under section 2.6.2B(f) shall 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.*

2.6.2C *For the purposes of section 2.6.2B:*

- (a) *A customer's average monthly billing amount shall be calculated by taking the aggregate of the total electricity charges billed to the customer in the preceding 12 months and dividing that value by 12. If the customer has been receiving service from a distributor for less than 12 months, the customer's average monthly billing amount shall be based on a reasonable estimate made by the distributor. For the purposes of this section, "electricity charges" has the same meaning as in section 2.6.6.3 of the Distribution System Code.*
- (b) *Where a customer requests equal billing, the equalized monthly or bi-monthly billing amount shall include all "electricity charges" as defined in section 2.6.6.3 of the Distribution System Code.*