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BY E-MAIL AND WEB POSTING

June 29, 2011

To: All Natural Gas Distributors

cc: All Participants in EB-2010-0280, EB-2007-0722, EB-2008-0313 and EB-2008-0150 All Other Interested Parties

Re: Low-Income Related Customer Service Standards Board File No.: EB-2010-0280

The purpose of this letter is to inform stakeholders that the Ontario Energy Board (the "Board") is seeking their input in developing low-income related customer service standards for rate-regulated gas distributors. In addition, this letter provides information on how all gas distributors and interested stakeholders can participate in this consultation.

Background

On September 21, 2010, the Board notified stakeholders that the Board would be seeking written comments on future proposed amendments to the Gas Distribution Access Rule (the "GDAR") pertaining to the customer service rules for gas distributors including customer service rules tailored to low-income customers.

On January 20, 2011 the Board asked gas distributors to document their current policies and practices in the areas addressed by customer service rules for electricity distributors, and suggest new or modified policies that are appropriate for gas distributors. At that time, the Board indicated its intention to pursue customer service standards for gas distributors tailored to low-income customers.

Today, the Board has issued its proposed GDAR amendments in relation to customer service standards for residential customers. The Board is proposing a less prescriptive approach while still ensuring that customer service standards of rate regulated gas distributors are fair and enforceable. In light of the approach the Board is proposing for residential customer service standards, the Board intends to consider a similar approach for low-income customer service standards.

Consultation Process

The Board will conduct a stakeholder consultation prior to proposing amendments to the GDAR pertaining to low-income related customer service rules. This consultation will take place in two stages.

In the first stage, the Board is asking gas distributors to review the low-income related customer service rules for electricity distributors posted on the Board's web site, document any current low-income related policies and practices in the areas addressed by those rules, and suggest new or modified policies that are appropriate for gas distributors. Attachment A to this letter provides a template for submission of this information.

In addition, the Board is asking gas distributors to provide input on the following questions:

- 1. Are current low-income customer service standards, along with the proposed modifications and enhancements, sufficient to ensure reasonable consistency across the province and appropriate levels of service for low-income customers such that a less prescriptive approach to Board oversight is warranted?
- 2. If so, should the Board adopt the same approach as that proposed for customer service standards in general (i.e., require each rate-regulated gas distributor to develop, publish, and adhere to low-income related customer service standards for certain prescribed areas of customer service, including a complaint process with recourse to the Board)?

The information provided by gas distributors will be posted on the Board's web site for stakeholder comment.

In the second stage of the consultation process, stakeholders are invited to comment on the submissions made by the gas distributors and provide their own input on the questions set out above. On the basis of the information provided by gas distributors and the comments from stakeholders, the Board will assess the next steps in the development of low-income related customer service rules for rate-regulated gas distributors.

The objective of this consultation is to ensure there are customer service standards applicable to eligible low-income customers that are fair, transparent, reasonably consistent and enforceable by the Board. The amendments to the GDAR in this regard are expected to provide greater protection and certainty for low-income customers while allowing rate-regulated gas distributors an appropriate measure of flexibility to account for their specific operational considerations.

Scope

Although the Board has added two stages in the consultation process, the scope of the consultation remains as indicated in the September 21, 2010 letter. Specifically, the development of low-income related customer service standards is expected to cover the following areas:

- i. definition of eligible low-income customer
- ii. security deposits;
- iii. correction of billing errors;
- iv. equal payment and equal billing plans;
- v. disconnection for non-payment; and
- vi. arrears management programs.

Cost Awards

Cost Awards will be available under section 30 of the *Ontario Energy Board Act, 1998* to eligible persons in relation to the consultation process described above to a maximum of 20 hours per each eligible person or party. Costs awarded will be recovered from all rate-regulated gas distributors based on their respective distribution revenues.

Participation and Filing Instructions

All previous expressions of interest in participating in this consultation and the Board Decision on Cost Eligibility remain in place going forward.

Gas distributors are invited to provide the information requested in Attachment A to this letter and provide their answers to the two sets of questions for submission to the Board Secretary by **July 22, 2011**. Submissions received by the Board Secretary by this date will be posted on the OEB website for stakeholder comment. Interested parties are invited to comment on the posted submissions by **August 12, 2011**.

All filings to the Board in relation to this consultation must be addressed to the Board Secretary. Two paper copies of each filing must be provided. The Board asks that participants make every effort to provide an electronic copy of their filings in searchable/unrestricted Adobe Acrobat (PDF) format and to submit their filings through the Board's web portal at www.errr.ontarioenergyboard.ca. A user ID is required to submit documents through the Board's web portal. If you do not have a user ID, please visit the "e-filing services" webpage on the Board's website at www.ontarioenergyboard.ca and fill out a user ID password request. Additionally, interested stakeholders are asked to follow the document entitled *RESS Documents Preparation – A Quick Guide* also found on the "e-filing services" webpage. If the Board's web portal is not available, electronic copies of filings may be filed by e-mail at boardsec@ontarioenergyboard.ca. Those who do not have internet access should submit the electronic copy of their filing on CD.

Filings must be received by **4:45 pm** on the required date. They must quote file number **EB-2010-0280** and include your name, postal address, telephone number and, if applicable, an e-mail address and fax number.

All materials related to this consultation will be posted on the "Regulatory Proceedings" portion of the Board's website at <u>www.ontarioenergyboard.ca</u>. The material will also be available for public inspection at the Board's office during normal business hours.

If the written comment is from a private citizen (i.e., not a lawyer representing a client, not a consultant representing a client or organization, not an individual in an organization that represents the interests of consumers or other groups, and not an individual from a regulated entity), before making the written comment available for viewing at the Board's offices or placing the written comment on the Board's website, the Board will remove any personal (i.e., not business) contact information from the written comment (i.e., the address, fax number, phone number, and e-mail address of the individual). However, the name of the individual and the content of the written comment will be available for viewing at the Board's offices and will be placed on the Board's website.

Questions relating to this consultation should be directed to Beverley Jaffray at 416- 440-8101 or by e-mail at <u>Beverley.Jaffray@ontarioenergyboard.ca</u>. The Board's toll free number is 1-888-632-6273, and the Market Operations Hotline is 416-440-7604.

Yours truly,

Original Signed

Kirsten Walli Board Secretary

Attachment