

EB-2011-0409

IN THE MATTER OF the *Ontario Energy Board Act,* 1998, S.O. 1998, c. 15, (Schedule B);

AND IN THE MATTER OF an application by Planet Energy (Ontario) Corp. to renew its electricity retailer licence.

By delegation, before: Jennifer Lea

DECISION AND ORDER

Planet Energy (Ontario) Corp. ("Planet") filed an application with the Ontario Energy Board on November 30, 2011, under section 60 of the *Ontario Energy Board Act, 1998* (the "Act") to renew its electricity retailer licence.

Planet filed supplementary information and the application was completed on December 23, 2011. The term of Planet's current licence was extended to allow Planet to continue its business while a final decision on the renewal application was being made.

The Board issued a Notice of Application and Written Hearing on February 14, 2012. Only Board staff participated in the hearing. Board staff filed written interrogatories on March 6, 2012. Planet responded to Board staff interrogatories on March 8, 2012. Board staff filed a submission on March 27, 2012 and Planet filed its reply submission on April 12, 2012.

The Board notes that following the enactment of the *Energy Consumer Protection Act,* 2010 on January 1, 2011, the Board commenced a series of compliance inspections of certain electricity retailers and gas marketers, including Planet. On August 25, 2011, the Board issued a Notice of Intention to Make an Order against Planet for contraventions of various provisions of consumer protection legislation and Board

Codes. In response to the Notice, Planet provided a written Assurance of Voluntary Compliance which was accepted by the Board in an Order dated September 12, 2011, and Planet agreed to pay a \$30,000 administrative penalty.

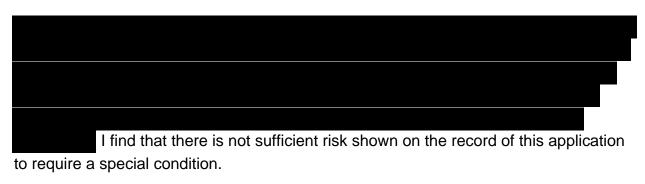
Board Findings

In an electricity retailer licence renewal application, key areas for consideration by the Board include the financial position, technical capability and the conduct of the applicant. Board staff raised concerns with respect to the applicant's financial viability and conduct, and submitted that Planet's electricity retailer licence should include special conditions in these two areas.

Financial Viability

To demonstrate its financial viability, Planet filed a guarantor letter from its parent company, Planet Energy Corp., along with related audited financial statements for 2010 and 2011. Board staff raised concerns with respect to the financial viability of the applicant.





Conduct

The *Energy Consumer Protection Act, 2010* is designed to protect energy consumers by ensuring that retailers and marketers follow fair business practices and that consumers are provided with essential information.

In the Assurance of Voluntary Compliance attached to the Order of the Board dated September 12, 2011, Planet admitted to deficiencies relating to identification badges, business cards and prompt issuance of written confirmation of contract cancellation. The Assurance shows that Board staff was of the view that Planet had remedied the first two deficiencies. Planet also committed to ensuring that, effective as of the date of the Assurance, written confirmation of cancellation would be issued promptly and in accordance with the legislation. Board staff, in its submission, sought a condition that Planet provide a copy of the written confirmation sent to any customer who cancels a contract by telephone for a period of 3 months from the effective date of the licence. Planet responded that such a condition would be unnecessary and burdensome, but offered to provide copies of all such confirmations for the first month following the effective date of the licence.

I find that the importance of assuring compliance with the legislative provisions, and Board Codes regarding consumer protection does warrant a special condition in Planet's licence. However, I find that a requirement to provide copies of written confirmations of telephone cancellations for three months is not appropriate. Rather, I find that Planet will be required, through a condition attached to its licence, to file a report with the Board no later than October 15, 2012. The report must contain a list of each telephone contact cancellation during the three month period following the effective date of the licence, setting out the date the call was received and the date a written confirmation was sent to the customer.

I find that the electricity retailer licence will be granted for a standard five year term, with the special reporting condition described in this decision.

IT IS THEREFORE ORDERED THAT:

- 1. The electricity retailer licence is granted for a period of five years.
- 2. In addition to the terms and conditions of the standard electricity retailer licence, the licensee shall abide by the special condition contained in Schedule 2 to the licence.

DATED at Toronto, June 21, 2012

ONTARIO ENERGY BOARD

Original signed by

Jennifer Lea Counsel, Special Projects