



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.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] I find that there is not sufficient risk shown on the record of this application to require a special condition.

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



Electricity Retailer Licence

ER-2011-0409

Planet Energy (Ontario) Corp.

Valid Until

June 20, 2017

Original signed by

Jennifer Lea
Counsel, Special Projects
Ontario Energy Board
Date of Issuance: June 21, 2012

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1 Definitions

In this Licence:

“**Act**” means the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B;

“**consumer**” means a person who uses, for the person’s own consumption, electricity that the person did not generate;

“**Electricity Act**” means the *Electricity Act, 1998*, S.O. 1998, c. 15, Schedule A;

“**ECPA**” means the *Energy Consumer Protection Act, 2010*, S.O. 2010, c. 8;

“**Licensee**” means Planet Energy (Ontario) Corp.;

“**Market Rules**” means the rules made under section 32 of the Electricity Act; and

“**regulation**” means a regulation made under the Act, the Electricity Act or the ECPA;

“**residential or small business consumer**” means a consumer who annually uses less than 150,000 kWh of electricity;

For the purpose of this Licence, the terms “retailer” and “retailing” do not apply to a Licensed Distribution Company fulfilling its obligations under section 29 of the Electricity Act.

2 Interpretation

- 2.1 In this Licence, words and phrases shall have the meaning ascribed to them in the Act, the Electricity Act, or the ECPA. Words or phrases importing the singular shall include the plural and vice versa. Headings are for convenience only and shall not affect the interpretation of this Licence. Any reference to a document or a provision of a document includes an amendment or supplement to, or a replacement of, that document or that provision of that document. In the computation of time under this Licence, where there is a reference to a number of days between two events, they shall be counted by excluding the day on which the first event happens and including the day on which the second event happens. Where the time for doing an act expires on a holiday, the act may be done on the next day that is not a holiday.

3 Authorization

- 3.1 The Licensee is authorized, under Part V of the Act and subject to the terms and conditions set out in this Licence:
- a) to sell or offer to sell electricity to a consumer;
 - b) to act as the agent or broker for a retailer with respect to the sale or offering for sale of electricity; and
 - c) to act or offer to act as the agent or broker for a consumer with respect to the sale or offering for sale of electricity.

- 3.2 The Licensee is authorized to conduct business in the name under which this Licence is issued, or any trade name(s) listed in Schedule 1.

4 Obligation to Comply with Legislation, Regulations and Market Rules

- 4.1 The Licensee shall comply with all applicable provisions of the Act, the Electricity Act, the ECPA and regulations under these Acts, except where the Licensee has been exempted from such compliance by regulation.
- 4.2 The Licensee shall comply with all applicable Market Rules.

5 Obligation to Comply with Codes

- 5.1 The Licensee shall at all times comply with the following Codes (collectively the "Codes") approved by the Board, except where the Licensee has been specifically exempted from such compliance by the Board:
- a) the Electricity Retailer Code of Conduct; and
 - b) the Retail Settlement Code.
- 5.2 The Licensee shall:
- a) make a copy of the Codes available for inspection by members of the public at its head office and regional offices during normal business hours; and
 - b) provide a copy of the Codes to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

6 Agent for Service

- 6.1 If the Licensee does not have an office or other place of business in Ontario, the Licensee shall ensure the continuing appointment at all times of an individual who is a resident of Ontario and is at least 18 years old, or a corporation that has its head office or registered office in Ontario, as the Licensee's agent for service in Ontario on whom service of process, notices or other documentation may be made.

7 Market Power Mitigation Rebates

- 7.1 The Licensee shall comply with the pass through of Ontario Power Generation rebate conditions set out in Appendix A of this Licence.

8 Provision of Information to the Board

- 8.1 The Licensee shall maintain records of and provide, in the manner and form determined by the Board, such information as the Board may require from time to time.
- 8.2 Without limiting the generality of paragraph 8.1, the Licensee shall notify the Board of any material change in circumstances that adversely affects or is likely to adversely affect the business, operations or assets of the Licensee as soon as practicable, but in any event no more than twenty (20) days past the date upon which such change occurs.

9 Customer Complaint and Dispute Resolution

- 9.1 The Licensee shall participate in a consumer complaints resolution process selected by the Board.

10 Term of Licence

- 10.1 This Licence shall take effect on June 21, 2012 and expire on June 20, 2017. The term of this Licence may be extended by the Board.

11 Fees and Assessments

- 11.1 The Licensee shall pay all fees charged and amounts assessed by the Board.

12 Communication

- 12.1 The Licensee shall designate a person that will act as a primary contact with the Board on matters related to this Licence. The Licensee shall notify the Board promptly should the contact details change.
- 12.2 All official communication relating to this Licence shall be in writing.
- 12.3 All written communication is to be regarded as having been given by the sender and received by the addressee:
- a) when delivered in person to the addressee by hand, by registered mail, or by courier;
 - b) ten (10) business days after the date of posting if the communication is sent by regular mail; or
 - c) when received by facsimile transmission by the addressee, according to the sender's transmission report.

13 Copies of the Licence

- 13.1 The Licensee shall:
- a) make a copy of this Licence available for inspection by members of the public at its head office and regional offices during normal business hours; and
 - b) provide a copy of this Licence to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

SCHEDULE 1 AUTHORIZED TRADE NAMES

1. None

SCHEDULE 2 SPECIAL CONDITIONS

Planet is required to file a report with the Board no later than October 15, 2012. The Report must,

1. cover the three month period following the effective date of the licence; and
2. contain a list of each telephone contract cancellation, setting out the date the call was received and the date a written confirmation was sent to the customer.

APPENDIX A

MARKET POWER MITIGATION REBATES

“OPGI” means Ontario Power Generation Inc.

A retailer shall promptly pass through a portion of the rebate received from a distributor to those consumers who are not receiving the fixed price under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998* and who are served by the retailer but who have not assigned the benefit of the rebate payment to the retailer.

If requested in writing by OPGI, the retailer shall ensure that all rebates paid to consumers are identified as coming from OPGI in the following form on or with each bill or cheque.

“ONTARIO POWER GENERATION INC. rebate”

A retailer shall promptly return to a distributor any portion of the rebate received from the distributor which relates to low-volume or designated consumers receiving the fixed commodity price for electricity under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998*, who are served by the retailer but who have not assigned the benefit of the rebate payment to the retailer or another party.

The amounts paid out to consumers or returned to the distributor shall be based on energy consumed and calculated in accordance with the rules set out in the Retail Settlement Code.

Amounts payable by the retailer may be made by way of set off at the discretion of the retailer.

ONTARIO POWER GENERATION INC. REBATES

For the payments that relate to the period from May 1, 2006 to April 30, 2009, the rules set out below shall apply.

A retailer shall promptly pass through a portion of the rebate received from a distributor to those consumers who are not receiving the fixed price under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998* and who are served by the retailer but who have not assigned the benefit of the rebate payment to the retailer.

If requested in writing by OPGI, the retailer shall ensure that all rebates paid to consumers are identified as coming from OPGI in the following form on or with each bill or cheque.

“ONTARIO POWER GENERATION INC. rebate”

The amounts paid out to consumers or returned to the distributor shall be based on energy consumed and calculated in accordance with the rules set out in the Retail Settlement Code.

Amounts payable by the retailer may be made by way of set off at the discretion of the retailer.