



NOTICE OF AMENDMENT TO A RULE

ELIGIBLE LOW-INCOME CUSTOMER SERVICE POLICY AMENDMENTS TO THE GAS DISTRIBUTION ACCESS RULE

BOARD FILE NO: EB-2010-0280

**To: All Natural Gas Distributors
All Participants in Consultation Processes EB-2010-0280, EB-2007-0722,
EB-2008-0313 and EB-2008-0150
All Other Interested Parties**

Date: September 6, 2012

The Ontario Energy Board has today issued amendments to the Gas Distribution Access Rule (the "GDAR") as indicated below, pursuant to section 44(1) of the *Ontario Energy Board Act, 1998* (the "Act").

I. Background

On July 12, 2012, the Board issued a Notice of Proposal to Amend a Rule (the "July Notice") in which it proposed a number of amendments to the GDAR (the "Proposed Amendments"). The Proposed Amendments were designed to ensure that rate-regulated natural gas distributors develop and maintain appropriate customer service policy standards and practices for their low-income customers, and to ensure that they publish and comply with those policy standards and practices.

In response to the July Notice, the Board received written comments from two gas distributors and a ratepayer group representative. These comments are available for viewing on the Board's website www.ontarioenergyboard.ca under Industry/Regulatory Proceedings/Policy Initiatives and Consultations/GDAR Customer Service Amendments or at the following link:

<http://www.ontarioenergyboard.ca/OEB/Industry/Regulatory+Proceedings/Policy+Initiatives+and+Consultations/GDAR+Customer+Service+Amendments#20120730>.

II. Summary of Comments in Response to the July Notice

Enbridge Gas Distribution Inc. (“Enbridge”) and Union Gas Limited (“Union”) confirmed that they will maintain appropriate customer service policy standards and practices for their eligible low-income residential customers. Moreover, the utilities made assurances that those policy standards and practices will be published, and that they will comply with those standards and practices as of January 1, 2013.

Enbridge and Union reiterated their earlier submissions that they both intend to track any costs incurred for system and process changes required to implement their customer service policies in their respective GDAR Costs Deferral Account for potential future disposition. The utilities will also be monitoring ongoing operational and potential lost revenue impacts.

The Low-Income Energy Network (“LIEN”) concurred with the Proposed Amendments.

LIEN further stated that the value of the less-prescriptive approach adopted by the Board will be demonstrated in the implementation of the changes the gas distributors have committed to make to their eligible low-income customer service policies, effective January 1, 2013. In support of the Board’s upcoming consultation on customer service monitoring and reporting requirements, LIEN submitted that in order to demonstrate the value of a less-prescriptive approach, the results should be measured over time.

LIEN also noted that the Board intends to later review the posted customer service policies of the rate-regulated gas distributors to assess whether they are consistent with the expectations of the Board. LIEN requested that the Board engage stakeholders in that review process.

III. Adoption of Proposed Amendments

The Board has considered all of the comments received and has determined that no change needs to be made to the Proposed Amendments.

The eligible low-income customer service amendments to the GDAR as adopted by the Board (the “Final Amendments”) are set out in Attachment A to this Notice.

IV. Anticipated Costs and Benefits

As indicated in the July Notice, these amendments to the GDAR will require each rate-regulated gas distributor to document and consistently apply the low-income customer service policies committed to during this consultation. This is expected to provide greater protection and certainty for eligible low-income customers in the areas of security deposits, access to equal billing and payment plans, arrears agreements and under billing adjustments. The approach adopted will also provide gas distributors with an appropriate measure of flexibility to account for each utility's operational considerations, as well as lower overall implementation costs. While proceeding with these amendments may lead to some additional costs for the gas distributors, the Board believes that the benefits to low-income gas customers will be substantial.

V. Updating Customer Service Reporting Requirements

As indicated in its March 1, 2012 letter in this consultation, the Board believes that developing effective customer service monitoring and associated regulatory reporting requirements is important to ensure that the residential and eligible low-income customer service policies in the gas sector are achieving their intended objectives. Given that the gas sector will not be subject to detailed prescriptive customer service rules, it will be useful to monitor customer complaints that may emerge. The Board will initiate a separate consultation process in this area shortly.

VI. Cost Awards

The Board has addressed cost claims for commenting on the July Notice, as well as the earlier Notices in this consultation, in separate correspondence issued today.

Costs in respect of providing any future comments on proposed updated gas sector customer service reporting requirements will be addressed later.

VII. Coming into Force

The Board will adopt January 1, 2013 as the coming into force date for the eligible low-income customer service policy amendments to the GDAR. As of that date, each rate-regulated gas distributor must have an appropriately updated Customer Service Policy

posted on its website and must conduct its business in accordance with that Customer Service Policy.

This Notice, including the Final Amendments to the GDAR set out in Attachment A, is available for public inspection on the Board's website at www.ontarioenergyboard.ca under Industry/Regulatory Proceedings/Policy Initiatives and Consultations/GDAR Customer Service Amendments or at the following link:

<http://www.ontarioenergyboard.ca/OEB/Industry/Regulatory+Proceedings/Policy+Initiatives+and+Consultations/GDAR+Customer+Service+Amendments#20120730>

and at the office of the Board during normal business hours.

Any questions regarding implementation of the Eligible Low-Income Customer Service Policy Amendments to the GDAR set out in Attachment A should be directed to the Market Operations Hotline at 416-440-7604 or market.operations@ontarioenergyboard.ca.

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

DATED at Toronto, September 6, 2012

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

Attachment A: Final Eligible Low-Income Customer Service Policy Amendments to the Gas Distribution Rule (September 6, 2012)