Ontario Energy Board

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## BY EMAIL AND WEB POSTING

January 2, 2013

Jonah Davids
Senior Vice President,
Legal & Regulatory & General Counsel
Just Energy Ontario L.P.
6345 Dixie Road, Suite 200
Mississauga, ON L5T 2E6

Dear Mr. Davids:

Re: Assurance of Voluntary Compliance Board File No. EB-2012-0443

The Ontario Energy Board ("Board") has reviewed and accepts the Assurance of Voluntary Compliance filed with the Board on January 2, 2013 under Board File Number EB-2012- 0443 (attached).

Yours truly,

Original signed by

Kirsten Walli Board Secretary

c.c. Nola Ruzycki
Vice President, Regulatory Affairs Canada
nruzycki@justenergy.com

# **Assurance of Voluntary Compliance**

Pursuant to s. 112.7 of the Ontario Energy Board Act, 1998

Just Energy Ontario L.P. EB-2012-0443

Just Energy Ontario L.P.

EB-2012-0443

**Assurance of Voluntary Compliance** 

Filed: January 2, 2013

I. BACKGROUND

Two independent contractors acting as sales agents for Just Energy Ontario L.P. ("Just Energy") engaged in conduct which amounted to breaches of the *Energy Consumer Protection Act* (the "ECPA"), the Regulation made thereunder (Regulation 389/10) and the Electricity Retailer Code of Conduct (the

"Code"). The specifics are set out below.

**Independent Contractor and Sales Agent PK** 

On November 22, 2012 it is alleged that a Just Energy Independent Contractor and sales agent PK attended at the residence of a consumer and provided false or misleading statements, did not immediately and truthfully state his name and the retailer that he represented, and failed to prominently display a valid identification badge. Independent Contractor and sales agent PK was suspended on November 27, 2012 during the investigation of the allegations and was subsequently

terminated on December 13, 2012.

Breaches of section 10 of the ECPA, section 5 O. Reg 389/10, and sections 1.1(a) and (h) Part B of

the Code

Independent contractor and sales agent PK provided false or misleading statements to a consumer regarding who he represented, thereby engaging in an unfair practice contrary to section 5(1) of the

Regulation and section 1.1 (h) of the Code.

Independent contractor and sales agent PK did not immediately and truthfully state his name and the retailer he represented and did not state that the retailer is not the consumer's electricity distributor

and is not associated with the Ontario Energy Board, contrary to section 1.1 (a) of the Code.

Breaches of section 10 of the ECPA and section 5 6(i) of O. Reg 389/10, and sections 1.1(c) and 2.3

Part B of the Code

Independent contractor and sales agent PK failed to prominently display a valid identification badge when calling on the consumer in person thereby engaging in an unfair practice pursuant to section 5

paragraph 6i of the Regulation and sections 1.1(c) and 2.3 of the Code.

Breaches of section 10 of the ECPA, section 5 (1) of O. Reg 389/10, and section 1.1(h) Part B of

the Code

Independent contractor and sales agent PK provided false or misleading statements to a consumer regarding the purpose of his visit, thereby engaging in an unfair practice contrary to section 5

paragraph1 of the Regulation and section 1.1(h) of the Code.

Just Energy admits to the breaches with respect to Independent Contractor and sales agent PK.

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# Independent Contractor and Sales Agent JL

On June 11, 2012 it is alleged that Just Energy Independent Contractor and sales agent JL approached a consumer and provided false or misleading statements as to the purpose of his visit and failed to offer a consumer a business card. Independent Contractor and sales agent JL was terminated on November 27, 2012.

Breaches of section 10 of the ECPA and section 5(6)(ii) of O. Reg. 389/10, and section 1.1(b) (Part B) of the Code

Independent contractor and sales agent JL failed to offer a consumer a business card when calling on the consumer thereby engaging in an unfair practice pursuant to section 5(6)(ii) of O. Reg. 389/10, and further contrary to section 1.1(b) (Part B) of the Code.

Breaches of section 10 of the ECPA, section 5(1) of O. Reg. 389/10, and section 1.1(h) (Part B) of the Code

Independent contractor and sales agent JL provided false or misleading statements to a consumer regarding the purpose of his visit, thereby engaging in an unfair practice contrary to section 5(1) of O. Reg. 389/10, and further contrary to section 1.1(h) (Part B) of the Code. The Independent Contractor was terminated on November 27, 2012.

Just Energy admits to the breaches with respect to Independent Contractor and sales agent JL.

### II. COMMITMENT

Just Energy and the Ontario Energy Board are satisfied that this matter can be resolved with the filing of this Assurance of Voluntary Compliance. Just Energy commits to ensuring that as of the date of this Assurance it has taken steps to investigate and mitigate the above noted breaches of enforceable provisions since being notified of the issue on September 26, 2012. Specifically, Just Energy has terminated the contract of the above referenced independent contractors/sales agents and has undertaken the following steps to ensure compliance with the breaches identified above:

- 1. Just Energy has added a financial compliance penalty to Independent Contractor's/sales agents that have failed to provide a consumer with a business card.
- 2. Just Energy issued a Memo to all Ontario Regionals restating the requirements under the Energy Consumer Protection Act (Ontario) with respect to business cards and ID badges. The memo also reiterated that the Global Adjustment was only to be referred to under the proper context with respect to the program offering.
- 3. Just Energy continues to emphasize the importance of compliance with the Regulations and Codes on calls with the Regional Distributors.

Just Energy Ontario L.P. EB-2012-0443 Assurance of Voluntary Compliance

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#### III. ADMINISTRATIVE MONETARY PAYMENT

Having reviewed O. Reg. 331/03 and in particularly the Schedule for Ranges of Administrative Penalties Just Energy agrees to pay an administrative monetary penalty in the amount of \$80,000 to the Board by way of certified cheque within thirty days of the date of the Board's acceptance of this Assurance.

#### IV. CONSUMER RIGHTS

Nothing in this Assurance affects any rights a consumer may have under his or her contract, the ECPA or any other law.

#### V. FAILURE TO COMPLY

This Assurance has the same force and effect as an order of the Board pursuant to section 112.7(2) of the Act and any failure to comply with its terms shall be deemed to be a breach of an order of the Board. I have authority to bind Just Energy Ontario L.P. to the terms set out in this Assurance of voluntary Compliance.

Name: Jonah Davids

Title: Senior Vice President, Legal & Regulatory and General Counsel

Date: January 2, 2013