

December 18<sup>th</sup>, 2012

Kirsten Walli Board Secretary Ontario Energy Board P.O. Box 2319 2300 Yonge Street, 27th Floor, Toronto, ON M4P 1E4

Via RESS, Electronic Mail and Courier

Dear Ms. Walli:

RE: Just Energy Ontario L.P. ("Just Energy") Natural Gas Marketer and Electricity Retailer Licence Amendments

Just Energy respectfully submits the attached request for the Ontario Energy Board ("OEB" or "the Board") to amend Just Energy's Natural Gas Marketer Licence **GM-2010-0152** and Electricity Retailer Licence **ER-2010-0153** in Sections 5.1 and 5.1(a) respectively as they relate to compliance with the Codes of Conduct for Natural Gas Marketers and Electricity Retailers.

Just Energy respectfully requests that this proceeding be disposed of without a hearing pursuant to Section 21(4)(b) of the Ontario Energy Board Act, 1998. Just Energy consents to disposing of this proceeding without a hearing and will in its attached request outline our position that, "…no person, other than the applicant, appellant or licence holder will be adversely affected in any material way by the outcome of the proceedings…" for the Board's consideration.

Should you have any questions or comments in response to this request please do not hesitate to contact Nola Ruzycki, Vice President, Regulatory Affairs Canada.

Yours truly,

Nola L. Ruzycki

Vice President, Regulatory Affairs Canada

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## **Reason for Amendments**

Just Energy has brought this request before the Board due to difficulties presently encountered, which are expected to continue in the future, completing the telephone verification and renewal of natural gas and electricity contracts. Specifically, Section 4.11(b), Section 4.14(a) and 4.14(b) of the Codes of Conduct for Gas Marketers and Electricity Retailers respectively state that:

- "...the verification representative shall not deviate from the applicable Board-approved script except to comply with paragraph (e), to provide a factual answer to a question from the consumer or to provide a factual clarification..." (Section 4.11(b))
- "...the salesperson shall ensure that the [renewal] call includes all of the statements and questions set out in the applicable script approved for that purpose by the Board..." (Section 4.14(a))
- "...the salesperson shall not make any representation that is inconsistent with or contrary to any of the statements or questions set out in the applicable Board-approved script..." (Section 4.14(b))

One of the statements encountered both in the verifications scripts for new contracts and the renewal scripts for existing contracts reads:

"You should also be aware that energy cost savings under the contract are not guaranteed." (Question 14, Verification Call Script – Natural Gas and Electricity)

"You should also be aware that energy cost savings under the renewed contract are not guaranteed." (Question 11, Contract Renewal/Extension Call Script – Natural Gas and Electricity)

Just Energy has developed a competitively priced 5 year agreement for the purchase of commodity. The primary feature of this offer is that is does in fact guarantee consumers energy cost savings under certain conditions. The conditions and limitations of this guarantee are well documented and disclosed for the consumer's protection. Just Energy anticipates the development of similar agreements in the future.

The above noted statements in the Board's approved verification and renewal scripts are inherently untrue in this and similar instances as energy cost savings under the contract, or renewed contract, are in fact guaranteed. It is Just Energy's position that reading an untrue statement to consumers that misrepresents the details of the offer provided is not consistent with the Board's intentions or the spirit of the Codes of Conduct. If the guarantee is subject to conditions or limitations it does seem appropriate to disclose those conditions or limitations in lieu of the statements in question.

## **Description of Amendments**

Section 5.1 of Just Energy's Natural Gas Marketer Licence states that:

"The Licensee shall at all times comply with all applicable provisions of the Code of Conduct for Gas Marketers..."

Similarly, Section 5.1(a) of Just Energy's Electricity Retailer Licence directs that:

"The Licensee shall at all times comply with the following Codes... except where the Licensee has been specifically exempted from such compliance by the Board:

a) the Electricity Retailer Code of Conduct..."

Just Energy requests that the Board allow Just Energy exemptions to Sections 4.11(b), 4.14(a) and 4.14(b) of the Code of Conduct for Gas Marketers and the Code of Conduct for Electricity Retailers (collectively "the Codes"). Specifically, Just Energy requests either the addition of a subsection to 5.1 of its Gas Marketer and Electricity Retailer licenses or the creation of an additional Schedule to these licenses, in both cases to state that:

"The Licensee shall be exempt from Sections 4.11(b), 4.14(a) and 4.14(b) of the Code of Conduct for [Gas Marketers/Electricity Retailers] in the following circumstances:

a) the Licensee is directed by a Board approved script to inform a consumer that energy cost savings under a(n) [natural gas/electricity] contract are not guaranteed, when in fact energy cost savings are guaranteed, provided that the Licensee's claim of guaranteed savings can be substantiated."

## Request to Dispose Proceeding without a Hearing

Section 21(4)(b) of the Ontario Energy Board Act states that the Board may dispose of a proceeding provided that:

"...no person, other than the applicant, appellant or licence holder will be adversely affected in any material way by the outcome of the proceedings and the applicant, appellant or licence holder has consented to disposing of a proceeding without a hearing."

Just Energy has consented to disposing of this proceeding without a hearing and is of the position that the outcome of this proceeding will not adversely affect any person, appellant or licence holder. The licence amendments being requested are very specific and limited in nature. The only material impact of these amendments would be Just Energy obtaining Board permission to either omit the statements in the Board's approved verification and renewal scripts that inform an energy consumer that savings are not guaranteed or read an altered version of these questions that qualified them appropriately. Consumers would not be negatively impacted by this outcome as they would be correctly informed of the details of the valuable contract that they are either verifying or renewing. Regulated licence holders, such as Distributors and Transmitters, would not experience any particular impact as a result of the outcome of this proceeding. Natural Gas Marketer and Electricity Retailer licence holders are

free to make the same request for a licence amendment that Just Energy has and, as a result, will not suffer from a competitive disadvantage resulting from the Board's decision.