Ontario Energy Board P.O. Box 2319 2300 Yonge Street 27th Floor Toronto ON M4P 1E4 Telephone: 416-481-1967 Facsimile: 416-440-7656 Toll free: 1-888-632-6273 Commission de l'énergie de l'Ontario C.P. 2319 2300, rue Yonge 27° étage Toronto ON M4P 1E4 Téléphone: 416-481-1967 Télécopieur: 416-440-7656 Numéro sans frais: 1-888-632-6273



BY EMAIL AND WEB POSTING

April 8, 2014

To: All Licensed Electricity Retailers All Licensed Natural Gas Marketers All Rate-regulated Licensed Electricity Distributors All Rate-regulated Natural Gas Distributors All Other Interested Parties

Re: Consultation on the Effectiveness of Part II of the Energy Consumer Protection Act, 2010 Board File No.: EB-2014-0158

The Energy Consumer Protection Act, 2010 (the "ECPA") came into effect on January 1, 2011. Part II of the ECPA ("Electricity Retailing and Gas Marketing") was enacted by the Government to protect low-volume (residential and small business) electricity and natural gas consumers from misleading and unfair practices that were being undertaken by some electricity retailers and natural gas marketers ("suppliers"), to provide greater transparency in relation to contract prices and contract terms and conditions, and to ensure that low-volume consumers have the information that they need to make better informed decisions about their energy supply. To support the implementation of Part II of the ECPA, the Board introduced new regulatory requirements for suppliers, also effective January 1, 2011.

Under section 30 of the ECPA, the Minister of Energy may require the Board to undertake a review of Part II of the ECPA on the third anniversary of the coming into force of that Part. By <u>letter</u> dated December 18, 2013, the Minister of Energy has requested that the Board undertake that review.

The Board intends to consult broadly with consumers, suppliers, distributors and other interested stakeholders, and will engage the services of consultants with expertise in consumer research and in the history, development and evaluation of the retail energy markets. In undertaking its review of the effectiveness of the current legislative and regulatory regime, the Board will have due regard to a number of considerations, including: (i) consumer experience with suppliers; (ii) the Board's experience with

oversight of the retail energy sector; (iii) the conduct of suppliers; (iv) the nature of products offered by suppliers; and (v) the state of the retail energy markets having regard to developments since their inception.

Cost awards will be available to eligible persons under section 30 of the *Ontario Energy Board Act, 1988* (the "OEB Act") in relation to their participation in this consultation. Costs awarded, as well as the Board's costs (including the costs of external consultants engaged by the Board), will be recovered from all rate-regulated licensed electricity distributors, all rate-regulated natural gas distributors, all licensed natural gas marketers and all licensed low-volume electricity retailers. The costs will be apportioned amongst these entities on the same basis as indirect costs are apportioned for purposes of the Board's cost assessments under section 26 of the OEB Act.

Further details regarding the Board's consultation, including the process for requesting cost award eligibility, will be provided in the near future.

Any questions relating to this consultation should be directed to Martine Band at <u>martine.band@ontarioenergyboard.ca</u> or at 416-440-8117. The Board's toll-free number is 1-888-632-6273.

Yours truly,

Original signed by

Kirsten Walli Board Secretary