

Assurance of Voluntary Compliance

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

**SUMMITT ENERGY MANAGEMENT INC.
(ER-2013-0037 and GM-2013-0038)**

EB-2014-0308

October 16, 2014

I. Background

Board staff conducted an inspection of Summitt Energy Management Inc. (“Summitt Energy”) during the period October 2013 to April 2014. The inspection was conducted under the authority of Part VII of the *Ontario Energy Board Act, 1998* (the “Act”).

The purpose of the inspection was to review Summitt Energy’s marketing and promotional materials when marketing to low-volume consumers in order to ensure their compliance with various enforceable provisions of the Act; namely, certain applicable requirements under the *Energy Consumer Protection Act, 2010* (the “ECPA”), Ontario Regulation 389/10 made under the ECPA (the “Regulation”) and the Electricity Retailer Code of Conduct and Code of Conduct for Gas Marketers (together, the “Codes”).

During the inspection, Board staff requested and reviewed the following categories of marketing and promotional materials utilized by Summitt Energy and its third party agencies in connection with low-volume consumers during the period of April 1 to June 30, 2013: sales brochures; product information and data sheets; visual aids used in sales demonstrations (e.g. newspaper clippings, product comparisons, statistics, visual material, etc.); sales scripts (all sales channels); and web content, including Summitt Energy’s “Customer Care Renewal Portal” and “MyRate Energy” websites.

Representatives of Summitt Energy and Board staff met to discuss Board Staff’s Inspection Report, to arrive at a mutual understanding of the nature of the findings, and to establish the terms of this Assurance of Voluntary Compliance (the “Assurance”).

II. Findings

1. Non-Disclosure of Additional Energy Charges

Board staff submits that electricity-related pages on Summitt Energy’s “Customer Care Renewal Portal” and “MyRate Energy” websites, and its in person sales script, made statements to consumers regarding Summitt Energy’s contract price offers but did not

disclose or explain the global adjustment. Moreover, Summitt Energy's in person sales script included the statement "The only difference you will see is Summitt Energy on your local utility bill next to your guaranteed price".

Summitt Energy admits that its website marketing and promotional materials, as well as its in person sales script, failed to make clear that the global adjustment as an additional energy charge was not included in the contract price and could be payable by the consumer upon entering into the contract. Summitt Energy admits that this failure is a breach of section 10 of the ECPA, sections 5 1 vi and 5 5 i of the Regulation and section 1.1(h) of the Codes and has voluntarily agreed, pursuant to section 112.7(1)(c) of the Act, to take the corrective steps noted in Part III herein.

2. False or Misleading Statements

The "MyRate Energy" website operated by Summitt Energy made certain false or misleading statements related to the retail energy market in Ontario. One statement incorrectly noted that nearly half of Ontario homes are enrolled in natural gas price protection programs; another statement falsely guarantees savings (owing to the fact that the organization is Canadian owned and operated); and another statement falsely claimed that "more and more people are choosing electricity price protection programs" without providing any supporting verification.

Summitt Energy admits that its MyRate Energy website marketing and promotional materials contain statements that may be characterized as being false or misleading contrary to section 10 of the ECPA, section 5 1 and 5 1 viii of the Regulation and section 1.1(h) of the Codes and has voluntarily agreed, pursuant to section 112.7(1)(c) of the Act, to take the steps noted in Part III herein to respond to staff concerns.

III. Assurances

Summitt Energy hereby assures the Board that, effective as of the date of this Assurance, it has voluntarily taken and will continue to take the following steps with respect to each of the findings noted above:

1. Summitt Energy will make clear in all of its marketing and promotional materials, including on its websites and in its in person sales scripts, the fact that additional energy charges are not included in Summitt Energy's contract price and are payable by the consumer upon entering into the contract. Summitt Energy will provide Board staff with copies of the revised electricity-related pages of Summitt Energy's "Customer Care Renewal Portal" and "MyRate Energy" websites, and it's in person sales scripts, no later than October 17, 2014.
2. With respect to all of Summitt Energy's marketing and promotional materials, including those on its MyRate Energy website, Summitt Energy will remove all statements that cannot be independently verified and appropriately sourced, including statements relating to consumer enrollment trends on retail energy products and statements alluding to savings that can be achieved by consumers upon entering into a contract. Summitt Energy will provide Board staff with copies of the revised MyRate Energy website materials no later than October 17, 2014.

Summitt Energy trusts that Board staff is satisfied that the matters arising from this inspection are and have been appropriately addressed by the filing of this Assurance.

IV. Consumer Rights

Nothing in this Assurance affects any rights a consumer may have under his or her contract, or under any applicable laws.

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.

VI. Execution of Assurance

I have authority to bind Summitt Energy Management Inc. to the terms set out in this Assurance of Voluntary Compliance.

Name: Gerry Haggarty

Title: President

Company: Summitt Energy Management Inc.

Signature: G Haggarty

Dated this 16 day of October, 2014