

ONTARIO ENERGY BOARD

**Consultation on the Effectiveness of Part II
of the *Energy Consumer Protection Act, 2010 (ECPA)*****Supplementary Written Comments of Just Energy Ontario L.P. (Just Energy)****Scope of this Review**

1. This review was initiated in accord with section 30(1) of the *ECPA* (which provides that the Ontario Minister of Energy “*may require the Board to review Part II of the Act and the regulations made under Part II*”, and a December 18, 2013 letter to the Chair of the Board from the Minister of Energy initiating such review. In particular, the Minister required the Board to “*commence a review of Part II of the ECPA and the regulations made under Part II*”, and indicated a desire to receive a report from the Board’s review which included “*any recommendations about possible changes to Part II or the regulations made under Part II*”.
2. Accordingly, by letter dated April 8, 2014 the OEB commenced this “*review of the effectiveness of the current legislative and regulatory regime*” of Part II of the *ECPA*. The Board’s letter also indicated that in conducting this review it would “*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 the products offered by suppliers; and (v) the state of the retail energy markets having regard to developments since their inception*”.

3. The last two of these considerations – the nature of retail energy products and the state of retail energy markets – are appropriately considered by the Board as context to the matter at hand. The matter at hand is the effectiveness of Part II of the *ECPA*.
4. Considerable time was spent at the December 8, 2014 Stakeholder Conference reviewing the relationships between wholesale energy market prices and retail energy supply contract prices. In particular in respect of electricity, discussion included wholesale market pricing dynamics, the nature of the “Global Adjustment” (GA) account the balance in which is recovered from all electricity consumers in the province, the volatility of, and relationship between, wholesale electricity prices and the GA balance, and the extent to which competitive retail electricity supply contract holders have paid more or less under their retail contracts than they would have, over the particular time period examined (contracts running between 2008 and 2013), had they not entered into such supply arrangements. That is, much time was spent discussing the structure of Ontario’s electricity market and low-volume consumer default pricing mechanisms (and, to a lesser extent, Ontario’s gas market and low volume gas consumer default gas pricing mechanisms).
5. Notwithstanding that such considerations might provide useful context to the matter at hand, that matter at hand is not the reform of Ontario’s energy market, nor of the retail portion of that market, beyond consideration of the consumer protections afforded by the *ECPA*. Such considerations as abolishment of retail energy contracting, for example, are not properly before the Board in this review. Neither the review provision embedded in the *ECPA* nor the Minister’s letter to the Board arising from that review provision contemplate or authorize such a market structure review.
6. Indeed, such a market structure review, even if it focussed more specifically on the role of competitive retailing of energy within the broader market structure,

would require consideration of a host of broader issues not considered in this review. These broader issues would include, but not be limited to:

- Retailer upstream procurement and hedging opportunities and practices, including the contribution of these practices to Ontario's wholesale energy markets (in respect of which there is no information before the Board);
- The structure of the GA and alternatives for recovery of the balances in that account (for example, should customers whose retailers procure from, or hedge directly with, generators be relieved from the GA charges otherwise embedded in the broader electricity legislative framework, perhaps with an allocation of a portion of the government's contract obligations to those suppliers, so that competitive suppliers can properly compete in optimizing their supply portfolios, thus realizing additional value for electricity consumers);
- The structure of utility customer charges (for example, should utility charges to retailer supplied customers be less than those to system supply customers on the basis that retailer supplied customers are otherwise being charged twice for some administrative or "agency" type services).

7. These considerations, and others like them, have not been taken in this process. This process is mandated based on, was struck to consider, and is appropriately focussed on, changes to the rules and regulations for the conduct of competitive natural gas and electricity retailing to low volume consumers, and not whether such retailing should continue at all, or be substantially structurally altered or constrained. These are much broader questions, which have nothing necessarily to do with a review of the consumer protection afforded by the *ECPA*.
8. The *ECPA* does not authorize or constrain competitive energy retailing *per se*. ***It regulates the manner in which such retailing is conducted.*** This review is appropriately focussed on the same topic. Some of the broader questions raised by the participants in this review, to the extent that they are raised not as context for review of the manner in which competitive energy retailing is conducted but rather in pursuit of arguments that retailing should be structurally constrained or even eliminated, are perhaps questions for another day, in another forum, with a broader record, but are not questions for this review.

9. In its earlier (November 21, 2014) Initial Comments, Just Energy does address one topic that, it could reasonably be argued, could be characterized as “structural” rather than related only to the “manner of conduct” of energy retailing. Just Energy suggested (Initial Comments, at paragraph 38.b.) that the legislation governing bill presentment to low-volume electricity consumers be amended to require that the GA be separately represented and standardized on all low-volume electricity customer bills, regardless of their supply choice. The comments received by the Board validate the position that this discrete “framework” adjustment to energy retailing in Ontario is about incremental transparency rather than policy considerations regarding fundamental market design such as those identified above as out of scope for this review.

General Comments

Value Beyond Price

10. The following general observations form the basis of much of Just Energy’s response to the specific questions in the attachment to the Board’s December 15th letter.
11. There was a lot of focus on price in the materials submitted and during the Stakeholder Conference discussions, and in particular on the higher price of retail energy supply contracts versus default supply mechanisms.
12. It was acknowledged that such price comparisons are time and term sensitive. Professor Dewees looked at competitive retail supply contracts entered into from and after 2009 and concluding in 2013. This period has been marked by steady and significant declines in fossil fuel prices. Natural gas prices in particular have fallen steeply. This has affected gas consumers, as well as electricity consumers given that gas fired power generation is often on the margin in Ontario’s wholesale real time electricity market. Additionally, Ontario’s electricity market has been in a significant surplus situation since the 2008 economic recession.

13. Casting back a bit further, information from Just Energy's 2006 Annual Report (see http://justenergygroup.com/Portals/0/JEG-PDF/Financial-Reports/Quarterly-Anual-Reports/2006/ESIF_AR06_FRONT.pdf, page 3) shows a very different picture in respect of 5 year retail gas contracts signed between 1997 and 2000 (running to between 2001 and 2005). Each of these contracts resulted in customer savings.
14. Just Energy's low-volume gas customers are today avoiding significant system supply rate riders arising from the extreme wholesale prices experienced last winter.
15. Price is only one facet of the competitive retail energy contract story. Despite the constraints of the forced GA hedge and the opacity of its purpose and functioning, retailers like Just Energy have managed to provide innovative products that do provide value to customers.
16. For example, Just Energy offers "green" retail energy products which generate certifiable and substantial environmental benefits (Initial Submissions, paragraphs 8 - 12). Price regulated default suppliers cannot (and should not) provide these products.
17. Just Energy also offers a "flat bill" product, in which the component of the consumer's energy costs that is subject to competition (the commodity component) is charged at a pre-set monthly flat rate. Sensitive to the conservation implications of such a product, and to assist customers to save money by lowering consumption, Just Energy also offers a bundle of a flat bill product combined with a leading edge "SmartStat" thermostat and a financial incentive to encourage conservation (Initial Submissions, paragraphs 13 - 14).
18. Just Energy is also investigating entry into the residential solar market, and ways to structure energy products around the opportunities presented by new technologies in that area.

19. These products are indicative of the ability, and incentive for, innovation by competitive retail energy suppliers, in order to provide value to customers. This incentive is even sharper in circumstances presented by markets like Ontario's retail electricity market.
20. The materials and discussion in this review do acknowledge the "insurance" value of fixed price retail energy products. It is certainly legitimate to ask about whether the premium being paid for such insurance is worth it. Not legitimate, however, is a proposition that such insurance has no value. As demonstrated above, competitive retail energy products contracted for periods other than those examined in this review have in fact yielded savings. Even Mr. Sharp acknowledged a 5% - 10% potential for such result with a low-volume Ontario electricity supply contract going forward (Stakeholder Conference Transcript, p. 137, lines 15 - 18).
21. What is the probability of having to call upon pet medical insurance, mortgage payment insurance, automobile insurance, rental car insurance, or electronic product insurance that is sold by cashiers at Best Buy or Future Shop? Perhaps less than 5% to 10%, but nonetheless valued by consumers. What is the value of locking in at higher mortgage rates for a longer term? Many consumers opt to pay an interest rate premium for such longer term "security".
22. Related to this consideration of the "insurance" value of fixed price energy supply contracts is Mr. Sharp's proposition that a *"typical margin of 2 cents a kilowatt-hour"* is charged by retailers. Mr. Sharp was not asked to define what he meant by *"margin"*. This "premium" relative to HOEP covers a host of costs, the major one being the cost of the "insurance" being provided to the retail electricity supply customer (i.e. the forward market cost of the commodity to the retailer of procuring, or hedging against, a 5 year fixed price electricity supply). What this is certainly not is a 2 cent profit margin.

Need for Additional Transparency

23. Related to the discussion of price and the non-price value of competitive retail energy offerings is the theme repeated during the course of this review that greater transparency for consumers regarding competitive versus price regulated retail energy options is required. Just Energy emphasized this need, and offered specific suggestions to this end, in its November 21st Initial Submissions, and those suggestions are reiterated below. The identification of the “unaware contract holder” category by IRG was particularly troubling for all of the parties involved in this review, and indicates that the most useful outcome from this process would be modifications to the *ECPA* regime to increase transparency and consumer accessibility to an understanding of the nature of Ontario’s retail energy supply options.
24. Just Energy has offered, and reiterates in these submissions, a number of suggestions to that end. Primary among these in the context of the “unaware contract holder” phenomenon are Just Energy’s suggestions for changes to the form of the electricity bill.
25. Retailers currently have access to 80 characters on an electricity distributor’s bill. No logo can be added. No typeface or font or colour choices. No ability for the retail energy supplier to make its identity stand out. No visual or textual cues to distinguish the competitive supplier’s services and portion of the bill from that of the regulated monopoly. Typically the restricted bill access permitted is used to state something like “*Supply by Just Energy*” and to provide a toll free number. Looked at on an actual low-volume consumer bill it is hard to even find this notation, let alone be struck by it.
26. In contrast, for example, Enbridge Gas Distribution now provides a billing service in which energy goods and services suppliers (though not competitive gas supply retailers) can access a dedicated part of the bill, with colour choices, logo options, and more extensive and customized bill messaging facility. On these bills it is much more apparent who the supplier is, what they are supplying, and

how much they are charging for it. Just Energy endorses, directionally, those kinds of bill enhancements.

27. The OEB should consider the enhanced transparency that would be afforded by adjustment to the low-volume electricity bill to allow competitive retail electricity suppliers to make their services and related charges, and their identities, stand out. Such an adjustment to the current standardized bill presentment protocols would go a long way in addressing the admittedly troubling “unaware contract holder” phenomenon.
28. An additional bill enhancement – separation of the GA on all electricity consumers’ bills - is also recommended (as further discussed below).

The Cost of Compliance

29. Also related to the price premium for competitive retail energy supply options is the cost of compliance. As noted by AG Energy at the Stakeholder Conference (Transcript p.127, lines 19 *et seq.* and p.157, lines 22 – 28), the cost of *ECPA* compliance is substantial enough to constrain new entry. Planet Energy has made a similar point in considering retail energy supply customer acquisition costs in Ontario compared to other jurisdictions (Transcript p.116, lines 21 *et seq.*).
30. While consumer protection compliance is unarguably an essential activity, and cost, of the provision of retail energy supply, the costs of such compliance also contribute to the “premium” charged for retail energy products, and in Ontario contribute substantially to such “premium”. As noted by Professor Dewees; “*The ECPA Part II is among the more extensive energy consumer protection regimes*”. (Transcript p. 73, lines 20 - 22)
31. Just Energy reiterates in these submissions a number of proposals to simplify compliance requirements. Not only would such simplification enhance consumer

understanding and accessibility to competitive retail energy options, thereby increasing the effectiveness of the energy consumer protection regime, it would also reduce compliance costs, reducing the price premium paid for the price protections and stability afforded by competitive retail energy supply options and improving competition, which improved competition ultimately provides better consumer value and enhanced consumer protection.

Response to Board Questions

What standard(s) should the Board use to measure the effectiveness of Part II of the ECPA?

32. Professor Dewees has suggested 4 approaches to assessing the effectiveness of the *ECPA*; (i) the achievement of the legislative goals; (ii) measuring the extent of compliance with the *ECPA*; (iii) measuring consumer satisfaction with competitive energy retailing; and (iv) objective evaluation of the economics of retail offerings.
33. Approaches (i), (ii) and (iii) do offer insights into the effectiveness of the *ECPA*. Assessment using these approaches indicates that the *ECPA* has been effective, and also suggests areas in which its application could be improved. Approach (iv) provides a preliminary and partial assessment of the retail energy market structure, and little if any assistance in assessing *ECPA* effectiveness.
34. In assessing the extent to which the *ECPA* has achieved its legislative goals Professor Dewees focuses on essentially two of these goals: (i) protecting consumers from unfair costs/practices; and (ii) enhancing consumer understanding and information.
35. In respect of protecting consumers from unfair costs/practices, consumer complaints to the OEB regarding energy retailers have declined since

introduction of the *ECPA*, which is one indicator that the *ECPA* has been effective.

36. In respect of enhancing consumer understanding and information, it is apparent that significant consumer misunderstanding remains among low-volume retail energy consumers regarding how competitive retail energy offerings work and what they do (and do not) provide. For example, contracted consumers' dissatisfaction at not saving money indicates a misunderstanding of the function of competitive retail energy contracts. The function of these contracts is to protect against cost increases and/or to provide commodity cost predictability, and/or to provide a different product (such as a green energy solution or a flat bill product) from that which LDCs provide. In respect of clarity of information and understanding, the *ECPA* regime, and its application, merit further attention.
37. Professor Dewees also comments, as did IRG, that the percentage of post-contract execution verification calls that were terminated without verification (Professor Dewees notes more than 30%) could indicate compliance issues with those calls. Just Energy agrees with Mr. Small from Planet Energy that it is more likely that the rigidity and repetitiveness of the currently highly prescriptive verification call scripts results in a high proportion of contracts not surviving the verification stage. (See Transcript p. 112, lines 7 - 18.) The timing of such calls (no sooner than 10 days after contract signing) likely also contributes. Recommendations for verification call improvement are provided below.
38. In respect of assessing compliance with regulatory requirements, Professor Dewees concludes that "*ongoing OEB enforcement actions indicate compliance problems*" (see Stakeholder Forum Dewees 8 Dec 2014, slide 28). Measured against a zero complaint regime this would be true. Just Energy is not aware of any such regimes, in respect of any consumer goods or services businesses.
39. In fact, the data reviewed indicates a steady decline in complaints regarding competitive energy retailing since the *ECPA* was introduced, suggesting that the

ECPA and its application are in fact working as contemplated, even if not perfectly.

40. The third approach for assessing the *ECPA* suggested by Professor Dewees is a measure of consumer satisfaction. In parsing the consumer satisfaction data presented by IRG, it appears that a major source of consumer dissatisfaction with competitive retail energy products arises from a misunderstanding of the purpose of those products. Most of the dissatisfaction is reported to be related to the lack of savings. Competitive retail energy products are not necessarily designed to yield savings. These observations reinforce the proposition that the most useful outcome from this process would be consideration by the Board of how to increase transparency and consumer accessibility to an understanding of Ontario's retail energy markets in general, and the nature of competitive retail energy offerings in particular.
41. Professor Dewees' 4th suggested approach to assess the *ECPA* is to consider the "economic merit" of retail offerings. For the reasons outlined under the "Value Beyond Price" heading (paragraphs 9 - 21) above, Just Energy does not agree that this is a reasonable method for measuring the effectiveness of the *ECPA*. The existence of a "premium" in the rates charged by competitive retail energy suppliers, or the examination of the aggregate economic benefit/burden for one type of competitive retail energy contract over one 5 year time span (whether 5, 3 or 2 years of that time span are considered), does not in isolation provide a meaningful method for assessing the merits or consumer value of competitive retail energy offerings. In any event, as outlined at the outset of these submissions, it is the effectiveness of the *ECPA* in protecting consumers that is under review in this process, not the policy merits of a competitive retail energy market.

What features of the broader market evolution or market structure should the Board consider in its assessment of Part II of the ECPA and in making its recommendations to the Minister?

42. The pricing/savings analyses conducted by Professor Dewees and Mr. Sharp offer limited, if any, insight into the effectiveness of the *ECPA*. Just Energy has presented above data from another time period which indicates the effectiveness of competitive retail gas contracts in protecting consumers against rising gas prices. Mr. Sharp himself concedes that there is some probability (he guesses 5% - 10%) that competitive retail electricity contracts could effect the same result in the future. Both of these analyses focus only on price, and not on the other “consumer value” aspects of competitive retail energy offerings, as outlined above.

What guidance should the board take from the qualitative and quantitative findings of the consumer research undertaken by IRG in assessing the effectiveness of the ECPA and in making its recommendations to the Minister?

43. As discussed above, the consumer research findings described by IRG (the “unaware contract holder” findings, consumer assumptions regarding saving money under competitive retail supply contracts) indicate that the most useful outcome from this process would be consideration by the Board of how to increase transparency and consumer accessibility to understanding of the nature of retail energy supply options and pricing.

What recommendations should the Board consider making in relation to the current legal and regulatory regime applicable to retailers and marketers?

44. In respect of the potential changes listed by the Board in Appendix A to its December 15th letter:
- a. EnergyShop already provides consolidated web access to prices and other contract details for competitive retail energy supply offerings in the market at any given time. This website, which has been in operation since at least 1998, is used by all major energy retailers active in Ontario. It is designed to allow for prompt updating as prices and offering details

change. There would be little utility in the Board replicating this functionality.

- b. Just Energy strongly endorses a review, clarification and simplification of prescribed price comparison, disclosure, verification and renewal materials.

As further detailed in its Initial Comments (which Just Energy asks that Staff, the Board and interested parties review in conjunction with these Supplementary Written Comments), Just Energy recommends in particular that:

- (i) **Price comparison forms** for residential and low-volume commercial customers should be consolidated. As explained in Just Energy's Initial Submissions (paragraph 37.a.), this would: i) decrease the number of required forms, and thus decrease the risk of inadvertent non-compliance; ii) allow for the presentation of various volumes and associated price comparisons on one form, enhancing the consumer's ability to obtain a price comparison point that is meaningful to them; and iii) understand how much energy costs would vary, at that point in time, under both retail and default supply scenarios at different consumption levels.
- (ii) **Verification scripts** should: i) allow for verification of multiple utility accounts registered to one customer in one consolidated recitation of the prescribed verification script; and ii) be reviewed and revised to reduce repetition and redundancy and to allow customer service representatives to respond to customer questions and thereby normalize the flow and informative aspects of the verification call. (See Initial Comments, paragraph 37(b) and (c)).

Just Energy further suggests that the OEB consider separate representation of the GA for the RPP pricing portion of its prescribed electricity price comparison forms.

- c. Removing distributor-consolidated billing availability from energy retailers would unduly and materially escalate billing costs, further aggravating the cost inequity between default supply and competitive retail supply offerings. Most successful competitive retail energy markets are founded on the availability of distributor consolidated billing. Surveys have repeatedly shown that customers prefer fewer and consolidated bills.

A better alternative, one that already has precedent in Ontario, is to implement changes to distributor consolidated billing to allow retailers more billing functionality in representing themselves and their services on the distributor bill. (See paragraph 26, above.)

- d. The appearance and contents of retail energy contracts are already heavily prescribed by the *ECPA* and the regulation thereunder. Standardized, Board approved contracts would remove retailers' remaining ability to differentiate their customer facing materials.

However, there is merit in the Board stipulating the type of information or disclosure that would render retail energy contract forms transparent, understandable and compliant. Just Energy would further support prior Board approval of retail energy contract forms, provided that a workable process and timeline for initial approval and approval of changes can be developed. Such a protocol would also decrease compliance costs for the Board and for retailers (and thus their customers), as only already approved contract forms would be in use.

- e. Just Energy sees no value in OEB oversight in respect of the certification or validation of green energy attributes. There are already standardized protocols in place for such certification and validation¹, which apply to a broad range of goods and services. The OEB has no particular experience or expertise in this type of verification. None of the information before the Board in this review indicates any consumer concerns or issues in this respect.
- f. There is no rationale for changing the carefully crafted rules governing internet retail energy contracts.

Verification calls add significantly to the expense of customer acquisition and lower significantly the percentage of signed contracts that are fulfilled (since some customers invariably cannot be reached within the prescribed time for verification, or if they are reached lose patience with the lengthy and repetitive verification process). Such calls also negatively impact the customer experience. In an age of immediate purchase verification and one to two day product and service delivery, customers often can't understand why Just Energy calls them 10 or more days after they have purchased a supply service to review questions the answers to which Just Energy has, or should have, by then.

Verification of in-person contracts is intended to ensure that the customer was not influenced by undue agent pressure and/or misinformation at the door. Despite their cost and relative consumer unfriendliness, Just Energy agrees with the rationale for such calls for sales at the door, as part of Ontario's current retail energy consumer protection regime. (Just Energy has highlighted the value of improving the substance and clarity of these calls.)

¹ For example, Green-e (see green-e.org) and Ecologo (see ecologo.org).

The reason that internet contracts are not subject to such post-contracting verification requirements is that they are always signed in the absence of any sales agent, using readily verifiable written representations and electronic acknowledgements, thus precluding any undue sales person pressure at the time of a consumer's decision to contract. This is true whether the internet contracting was preceded by direct contact with a sales agent or not. There remains a requirement to provide the customer with written verification of contracting, and a prescribed cooling off period within which customers can cancel without charge. Adding an active verification requirement to this contracting channel would simply raise costs and lower customer acquisition possibilities for retailers, and render even less friendly the retailer customer experience, without providing any added consumer protection. This would erect yet another barrier to entry and competition.

- g. Prohibiting the use of gift cards or similar inducements to enter into a retail energy contract would simply be removing yet another way that competitive energy retailers can distinguish themselves to their customers and enhance customer value. Inducements and customer loyalty bonuses (which Just Energy also offers at times) are offered by many suppliers of all sorts of goods and services and are neither novel nor complicated for consumers.

Just Energy notes the concern expressed at the Stakeholder Conference that such inducements might unduly influence low-income consumers to enter into retail contracts, for the sake of "quick money" and with disregard to any potential price premium thereby entailed down the road. While there is no solid evidence of this in fact being a significant issue in the market, if this suggestion is being pursued in respect of low-income consumers in particular, then potential solutions should also be focussed on relief for such consumers, properly identified and qualified. Just Energy would be prepared to work with interested parties and Board Staff to review options for addressing this particular concern for this particular market segment. The Board has developed a significant degree of low-income consumer protection and service tools in other areas of its mandate and, if this is the real concern, is well equipped to consider extension of such regulatory mechanisms to the area of competitive energy retailing.

- h. The Board's notice suggests an undefined requirement that the price charged by a retailer or marketer be determined in accord with specific requirements (as contemplated by section 9 of the *ECPA* in respect of electricity retailers).

No particular requirement has been proposed, nor has any particular problem been identified that would be addressed by any such requirement. Such a requirement could further significantly constrain a

competitive energy retailer's ability to differentiate its offerings and provide value to customers. It is not clear what issue such a proscription would address that plainer and clearer disclosure (as discussed elsewhere in these submissions) could not more effectively and less intrusively address.


- i. The automatic renewal of gas contracts is a highly prescribed process, with renewals limited to one year. Gas contract renewals under this regime were not identified during the Stakeholder Conference or in any of the materials as of particular concern or peril to gas consumers. There is no rationale for a recommendation to prohibit this renewal mechanism.
 - j. The consumer protections applicable to door-to-door and other in person (i.e. "friends and family") sales are already extensive. While Just Energy would consider and comment on any particular additional protections proposed, there is no general lack of such protections. Any further protections or restrictions must be evaluated in light of their proposed design and details, their potential benefits as compared to their costs and the aggravating effect that such costs would have on the ability of competitive energy retailers to provide consumer value (competition being a significant aspect of consumer value and consumer protection).
 - k. It is not clear what the Board contemplates in its suggestion for changes "*to provide greater coordination and consistency between the rules governing retail energy contracts and the rules governing other energy or energy-related products and services*". Nor is it clear how such consistency would address the matter at hand; the effectiveness of the *ECPA* in protecting Ontario energy consumers. Just Energy respectfully suggests that such other matters are beyond the Board's jurisdiction and expertise, and the Minister has not requested the Board's opinion on any such matters.
 - l. The material before the Board has not identified any gaps in the Board's *ECPA* enforcement authorities. In Just Energy's experience the Board is more than capable, willing and empowered to exercise continuous diligence in governance of, and enforcement in, the retail energy sector. Retailer reporting, investigations and fines have become a regular feature of the retail energy sector in Ontario, evidencing a high degree of Board activity in this aspect of its legislative mandate.
45. In its Initial Comments Just Energy made further suggestions for changes to the framework governing the manner in which energy retailing is conducted in Ontario. The suggested changes would enhance both consumer understanding of, and accessibility to, competitive energy retail options. Just Energy suggested, and repeats its suggestions, that:

- a. ***The minimum contract verification timing be decreased from 10 to 2 days.*** This would continue to provide consumers with a meaningful “cooling off” period for sober second thought, while recognizing that today’s consumers are accustomed to, and aggravated by the lack of, immediate purchase verification and one to two day product and service delivery. (See further discussion at paragraph 38.a. of Just Energy’s Initial Submissions.)

- b. ***The GA be separately represented on low-volume electricity bills for all electricity consumers.*** This would greatly simplify comparison of competitive and default electricity supply options, and decrease customer confusion and potential misinformation arising from discussions between retailer customers and LDC customer service representatives (see Transcript p. 118, lines 4 - 10). (See further discussion at paragraph 38.b. of Just Energy’s Initial Submissions.)

- c. ***The ECPA refund provisions be reviewed and modified to limit refunds in circumstances of legitimate contract cancellation to the difference between payments under the subject contract and the default supply price applicable for the relevant periods.*** The current provisions are applied by the Board to require that all monies paid under the subject contract be returned to the customer in the event of cancellation. This results in the cancelling customer effectively paying nothing for their commodity, sometimes for usage over a number of years. This is clearly inequitable, providing the cancelling customer with a windfall. It is also an incentive for contract cancellation, whether justified or not. (See Initial Submissions, paragraph 38.c.)

ALL OF WHICH IS RESPECTFULLY SUBMITTED:
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January 12, 2015

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