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**January 12, 2014**

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

**Re: Consultation on the Effectiveness of Part II of the Energy Consumer Protection Act, 2010**  
**Questions for Supplementary Written Comments**  
**Board File No.: EB-2014-0158**

Dear Ms. Walli,

Please accept the following in response to the Board's letter dated December 15, 2014 regarding the above noted Board File Number. Thank you for the opportunity to participate. In response to the above noted letter, Planet Energy (Ontario) Corp. ["Planet Energy"] will address each of the questions asked in order.

However, prior to responding to the questions, Planet Energy would like to note one matter. As stated by Mr. Dadson on December 8, 2014, the release of the information and subsequent discussion which took place was (emphasis added):

*"...that this is really an opportunity for dialogue. **This is not a hearing.** So it is not -- when you're posing your questions, keep that in mind. **This is not designed to be an opportunity for cross-examination of our consultants.** Really, the objective, I think, of **questions should be to enhance our understanding of the issues that we've been asked to consider.**"*

As stated by Mr. Dadson, the proceeding to date has been to obtain a better understanding of what issues are at hand. Planet Energy had initially believed that further review was forthcoming, and that such review would take place prior to making recommendations to the Minister of Energy, which would utilize information which could be relied upon as both applicable and accurate.

- 1. What standard(s) should the Board use to measure the effectiveness of Part II of the Energy Consumer Protection Act, 2010 (the "ECPA")?**
  - a. Which standard(s) proposed by Professor Dewees are most appropriate?
  - b. Are there other standards that the Board should consider?

One standard in which the Board should use to measure the effectiveness of Part II of the ECPA is to use information in comparison to other relevant North American markets. This is because a standard which is derived and/or created in a vacuum cannot be a legitimate and/or valid standard. It is Planet Energy's understanding that Professor Dewees was not asked to make any significant and/or relevant

comparisons of Ontario's Energy regulations, to any other energy market in North America or around the world, specifically ones which measure the effectiveness or viability of the ECPA. In order to measure the effectiveness and by extension the viability of the ECPA, Planet Energy believes that the ECPA must be measured in comparison to similar legislation/regulation in relevant deregulated retail energy markets, preferably within North America. North America has a large number of relevant jurisdictions which have deregulated their respective retail energy markets, which can be used as a comparison to the ECPA; however, to date no such comparison has been made and no research has been done. As such, a review of the effectiveness and viability of the ECPA has not been done by Professor Dewees. While some quantitative results have been derived, none of the results have been appropriately measured, tested and/or impartially reviewed.

As confirmed by Professor Dewees, the information derived did not question the effectiveness and/or viability of the ECPA, but only the general intent of the legislation. As such, the research conducted was done in a vacuum, and does not ask about the practical application or "effectiveness" of Part II of the Energy Consumer Protection Act, 2010, [the "ECPA"]. Professor Dewees also confirmed that no review was done pertaining to the Ontario market, apart from energy retailing, as outlined in the following conversation:

*"MR. SMALL: Jordan Small from Planet Energy.  
One thing is you've gone into a comparison of other markets and deemed it inconclusive if consumers were saving with retailers in other markets. Has there been any effort in comparing Ontario's actions, apart from marketers, versus the actions of those other markets? Because as your data has shown, is Ontario has, year over year, substantially increased, and far more disproportionately versus other markets.  
MR. DEWEES: I'm sorry, increased what?  
MR. SMALL: The base rate of what a consumer would pay versus anybody else.  
MR. DEWEES: Ah. No, to this point we have not done that sort of comparison.  
MR. SMALL: Okay. So there is no determination that Ontario's way is any better, assuming detaching any kind of retail market at all would be beneficial, versus, as you said, a Texas-style, Pennsylvania, I think, and I can't remember the other state that you used?  
MR. DEWEES: I don't think I have expressed an opinion as to whether there should be a retail market or not."*

As stated in Planet Energy's submission on November 20, 2014, Planet Energy believes that a fair and statistically significant complaint ratio is also a metric in which to measure the effectiveness of the ECPA. It should be noted, as Planet Energy noted in its November 20, 2014 submission that Ontario's complaints have reduced by approximately 80% since the introduction of the ECPA – and Planet Energy believes a further reduction in complaints will be noted for 2014 once such information is made available. This is unequivocal proof of the effectiveness of the ECPA. It is also clear that consumers are satisfied, in large part with their energy agreements. Further, Planet Energy believes that another key metric in which to measure the effectiveness of the ECPA is to view the competitive landscape of Ontario's energy market, which at present time, as outlined in the ABACCUS report, Ontario ranks respectively as the most non-competitive market in North America. For further information, please see Planet Energy's response to the Board's previous question – *"What are the hallmarks of effective consumer protection legislation against which the ECPA should be assessed?"*

In response to question 1a above, Planet Energy is not aware of any standard which is being utilized by Professor Dewees which can be appropriately applied to measure the effectiveness of the ECPA. As

confirmed by Professor Dewees, he was not instructed, nor did he review the ECPA in comparison to any other market. As such, a standard on the effectiveness of the ECPA in Planet Energy's view, cannot be derived from the process which Professor Dewees was instructed to take. Further, as confirmed by Professor Dewees, he was not instructed to review Ontario's system and the viability and/or effect and effectiveness of that system on low-volume consumers. Further, as is Planet Energy's understanding, Professor Dewees was instructed to look for problems in the retail market:

*"So I don't mean to suggest that all the survey data are one-sided. You can use those data to argue both for satisfaction or for non-satisfaction. I am looking for problems..."*

And as such, Professor Dewees was not instructed to derive a standard which is either fair or balanced, but was instead looking for problems and to bring those problems to light. As such, Planet Energy cannot agree to a standard, if proposed by Professor Dewees, until such time as further information and review of Professor Dewees' information and presentation is examined in an appropriate and comprehensive manner. The primary cause and reason for this is that the information provided by the Retailers and Marketers, to Planet Energy's understanding, was incomplete, and/or was provided in such a manner that the information could not be reliably used to derive a conclusion and/or analysis from.

In response to question 1b above, yes, please see responses above. In addition, please see Planet Energy's letter dated November 20, 2014 for further information.

## **2. 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?**

- a. Do you agree with the analyses conducted by Professor Dewees and Mr. Sharp regarding the economics of electricity and gas contracts? If so, why? If not, why not?

For further information pertaining to Planet Energy's suggestions of market evolution or market structure, please see responses below, specifically please refer to Planet Energy's response to question 4 below.

Planet Energy both agrees and disagrees with parts of Professor Dewees' analyses. Professor Dewees' analysis of Ontario's historical timeline and actions to date appear on a high level, to be accurate and true, and as such Planet Energy on a high level, agrees with Professor Dewees. However, all of the data and analysis provided by Professor Dewees is not sourced, nor quantified and not presented in a manner which would be statistically relevant or verifiable. While Planet Energy respects Professor Dewees and believes that the data presented to be in the view of Professor Dewees accurate within the scope of what he was asked to present and/or conclude (please see statements above), Planet Energy cannot without detailed analysis and review, agree with the analysis, data and information provided by Professor Dewees. The following are some specific examples, but are not limited to why Planet Energy does not agree with Professor Dewees' analysis.

Professor Dewees stated (emphasis added):

*"There was a substantial drop in enrolments, and again, these data are in the OEB deck. They show the graphs. A major drop in the enrolments after 2010, **and that raises the question, is that a result of the ECPA, or is it a result of other forces? Or is it some combination? To what extent are the ECPA -- the requirements of the ECPA a cause of that drop-off after 2010?"***

As such, Professor Dewees' analysis was not quantitative, nor is it statistically significant and/or applicable to low-volume consumers. It is clear that no analysis was done as to the cause of the drop in enrollments, and as such Planet Energy does not believe the analysis can be either agreed or disagreed with, but is instead statistically invalid at this time. However, it should be noted that Professor Dewees does not make a conclusion based on the information, but simply poses a question, one which other parties cannot draw conclusions upon. Most notably, Professor Dewees clearly outlined that no analysis was done on any level as to the effect of the ECPA on Ontario's market, consumers, or active Retailers and Marketers. As such, any conclusions drawn which would fall within the category of the effectiveness of the ECPA would be done without support and/or factual information or data.

Professor Dewees stated (emphasis added):

*"This 40 percent of signed contracts, I've already talked about that. And I will just remind you again here we're mixing two data sets, **and so I'm not sure exactly how accurate that is, but that at least gives a suggestion.** Only 40 percent of signed contracts appear to flow. That strikes me as a low batting average for -- well, for signing contracts."*

As stated, Professor Dewees' analysis has not qualified this information and/or data, or reviewed the effect of the ECPA on Ontario's market for consumers and/or Retailers/Marketers. Professor Dewees has instead indicated that his analysis is largely preliminary, and while there are many questions asked by Professor Dewees, Professor Dewees does not provide the answers. As such, to properly address any issues, should they exist, a more comprehensive analysis and review would need to take place, including a full review of the information by applicable parties, with disclosure on accuracy and reliability. As such, any conclusions drawn from this information which would fall within the category of the effectiveness of the ECPA would be done without support and/or factual information or data.

Professor Dewees stated (emphasis added):

*"MR. BOWEN: Hi. Ken Bowen at Superior Energy. A question for you regarding your analysis. **You picked the January 2009 as your point of reference for the contract price. Any particular reason for that date?***  
*MR. DEWEES: I picked that -- that's not the -- I'm sorry, I may not have been clear. **The contract price we chose was taken from the last two months of 2008, on the assumption that somebody who signed a contract that was going to flow starting January 2009 probably signed up for it a couple of months beforehand.** So the contract price that is used here is based on an average of the last two months of 2008. What I showed here was just what the first month would look like under the contract and under the GA -- and under the RPP, and then what the last month would look like. But for the contract price we did use the average of the two preceding months, because that seemed like a reasonable assumption as to when people would get into a contract that is going to start flowing in January of 2009."*

With respect to Professor Dewees, a standard financial and/or economic analysis does not focus on a single period of time with a single variable, when other variables are changing on a continued basis. A standard financial and/or economic analysis is done on a trailing and/or rolling basis, year over year, or month over month, as is applicable. In this case, and at a minimum, Planet Energy believes that a rolling 10-15 year analysis should have been done, on a month to month basis, to accurately reflect the realities of the market.

Professor Dewees stated:

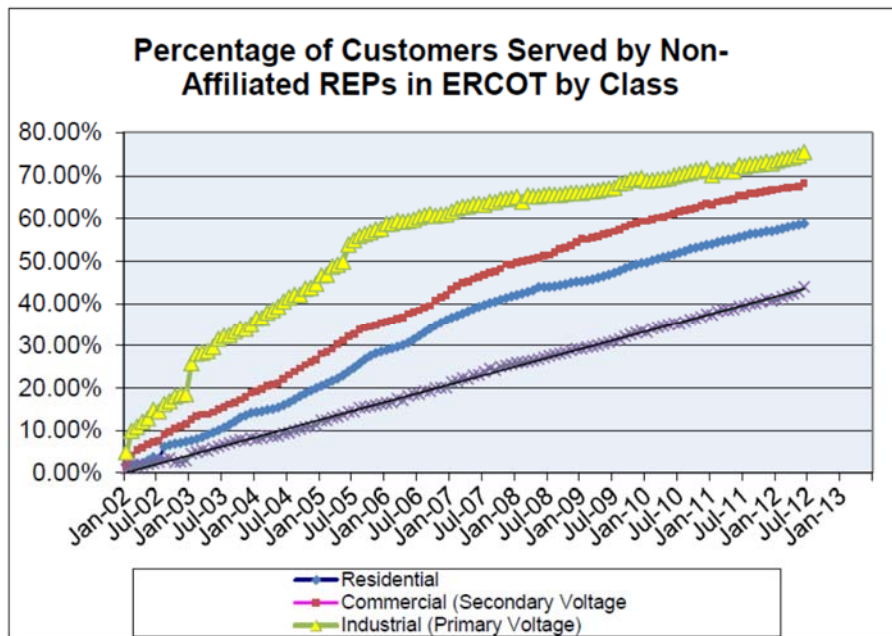
*“This isn't the only way to look at it, but it seems to me one element in assessing how well the market is working, how well consumers are protected. And so I went through and compared the cost using -- with help from the staff at the OEB -- comparing the cost of contracts with default offerings for electricity and gas, under several different assumptions.”*

Mr. Small from Planet Energy then asked Professor Dewees if he included in his analysis other costs which are not directly reflected in the price per kilowatt rate which consumers indirectly pay, and Professor Dewees stated that:

*“What I did in these comparisons was simply to look at the RPP itself. So I did not add in any other costs.”*

Simply stated, Professor Dewees’ analysis is incomplete and invalid as a result of not including all of the costs consumers pay for energy services in Ontario. However, Professor Dewees did incorporate the all-in costs to Retailers in his analysis. As such, since Professor Dewees’ financial analysis lacks complete data pursuant to consumers, the financial analysis is incomplete. Professor Dewees makes a number of comments, conclusions, statements, recommendations, etc... all of which are based on incomplete data.

Professor Dewees stated that switching rates are: *“generally <30%”* in other markets, including Texas and Pennsylvania. Planet does not believe that is correct. The chart below outlines the number of consumers in Texas who are serviced by Non-Affiliated REPs in applicable areas in Texas. It should be noted that the number is higher if affiliated REPs are included.



[https://www.puc.texas.gov/industry/electric/reports/scope/2013/2013scope\\_elec.pdf](https://www.puc.texas.gov/industry/electric/reports/scope/2013/2013scope_elec.pdf)

Further, Texas reports the following for 2013 (emphasis added):

*“Customers in every competitive area of Texas have enjoyed many choices in electric providers and products. Customers have been able to choose from a variety of fixed, variable, prepaid or*

*postpaid products and around 60 renewable products with 100% renewable content. **Additionally, the lowest price product in each competitive area is well below the national average.***

Texas has clearly shown that competition, as stated by Planet Energy, is the driver for lower priced products for consumers. Further, Texas pricing in competitive areas, is lower than non-competitive areas.

Texas also states in the same report the following (emphasis added):

***“An important gauge of retail market competitiveness is the number of providers competing for customers. Today, a wide variety of products and service offers are available for Texans. By August of 2012 there were 114 REPs providing service to customers. The number of REPs and competitive offers has continued to grow steadily since 2002. Texas continues to be recognized as the most successful competitive retail market in North America as demonstrated by its number one rank for the past 5 years in the Annual Baseline Assessment of Choice in Canada and the United States.”***

As stated by Planet Energy, a key indicator of an effective market (and by association a key indicator of the effectiveness of the ECPA), is the number of competitive companies competing for customers in the market. As indicated in Planet Energy’s presentation, Pennsylvania, a newly deregulated electricity market, has approximately 729% more companies offering products than does Ontario, while New York has approximately 2000% more companies offering products than does Ontario. Further, as revealed by Texas, Pennsylvania, New York, Maryland and other deregulated markets, Texas outlines that since 2002 the number of competitive suppliers has steadily grown. In Ontario, since 2002 the number of competitive suppliers has decreased year over year, with almost no new energy retailer entrants into the market. Texas, as noted above, states that the standing in the ABBACUS report is a key indicator of an effective market (and by association a key indicator of the effect of the ECPA), to which as noted in the ABBACUS report and Planet Energy, Ontario ranks respectively as the most non-competitive market in North America.

Further, as outlined in Planet Energy’s presentation, Pennsylvania, despite being only recently deregulated for electricity competition (and not State wide), does not corroborate Professor Dewees’ statement that the switching rates are “generally <30%”. Industrial electricity consumer switching in Pennsylvania is as high as 96% in some utilities and of Pennsylvania’s major utility providers, the average industrial switch percentage is approximately 82% (consuming 96% of the State’s Industrial Load), in a recently deregulated State. Commercial electricity consumer switching in Pennsylvania is as high as 52% in some utilities and of Pennsylvania’s major utility providers, the average commercial switch percentage is approximately 50% (consuming 73% of the State’s Commercial Load), in a recently deregulated State. Residential electricity consumer switching in Pennsylvania is as high as 56% in some utilities and of Pennsylvania’s major utility providers, the average residential switch percentage is approximately 37% (consuming 68% of the State’s Commercial Load), in a recently deregulated State. The trend is clear in Texas, Pennsylvania and many other retail energy markets. Retail energy is growing across North America, with more providers competing for consumers business and more consumers making the switch to retail energy providers. Ontario is trending in the opposite direction, while having the highest or near highest energy rates in North America, and increasing.

Mr. Sharp, similar to Professor Dewees, has made the same economic analysis errors by not factoring in all of the costs for electricity supply. Further, Mr. Sharp expounded on Professor Dewees' error, and referenced an extremely narrow slice of the market, in his analysis. Mr. Sharp also used information which was not statistically valid and/or significant. Mr. Sharp erred by examining a micro section, using invalid and unsourced information.

Further, as clarified by Mr. Bowen when addressing Mr. Sharp (emphasis added):

*"MR. BOWEN: Yes, a question for Mr. Sharp.*

*When I look at your side-by-side bill comparisons, is it correct to assume that that is not an apples-to-apples comparison?*

*MR. SHARP: What do you mean by that?*

*MR. BOWEN: Apples to apples meaning that the contract price is set for a particular period of time, but the other prices are variable.*

*MR. SHARP: So which one do you want to talk about? Let's talk about V2, which I think is more realistic, meaning what you might see out there. In this case, I've picked a forward wholesale price of 3.2 cents per kilowatt-hour, and I added in a typical margin of 2.0 cents. So this is looking at a regulated price-plan price that is forecast for one year, and I'm showing a contract price, which is a one-year contract price of 5.2 cents plus that forecast global adjustment.*

*MR. BOWEN: Okay. So it is not an apples-to-apples comparison, because you're using two forecasts and one fixed rate, right, because you cannot tell in advance what the forecasted rates are actually going to be, correct?*

*MR. SHARP: Well, I would say that there's a good chance, actually, that the regulated price-plan price is going to come in around that 9.5 cents --*

*MR. BOWEN: With certainty?*

*MR. SHARP: -- per kilowatt-hour? Not with certainty, but with a hell of a lot more certainty than most people in the market.*

*MR. BOWEN: Right. But it is not an apples-to-apples comparison, correct?*

*MR. SHARP: Well, I think the energy price is fixed. Global adjustment charge could be higher, it could be lower."*

It is clear that Mr. Sharp's presentation is subjective. So much so that other parties including the company which he works for (and which created the chart), does not come to the conclusions which Mr. Sharp does in his presentation, using the exact same chart and information.

Recent history alone would show the invalidity of Mr. Sharp's arguments. Based on the Ontario Ministry of Energy report and IESO data, Ontario's HOEP and Global Adjustment charges in 2014 have fluctuated significantly. These fluctuations include a Global Adjustment Credit, meaning a consumer under an electricity supply agreement (e.g. 5 cents/kwh) could have experienced a total commodity price as low as 4.7 cents/kWh. The report and information illustrates that the Global Adjustment (on average) fluctuated from as low as -0.03 cents/kwh, to a high of 10.01 cents/kwh – a swing of 103%. HOEP fluctuated from a low of 0.71 cents/kwh to a high of 8.18 cent/kwh – a swing of 92%. Such fluctuations illustrate that the summation of HOEP plus the Global Adjustment is not stable, as Mr. Sharp proclaims them to be, the sum of which ranged from a low of 7.811 cents/kwh to a high of 10.72 cents/kwh – a swing of 37%.

In 2014 alone, the volatility of Ontario’s electricity market was considerable. Mr. Sharp states without equivocation that there is no volatility and as such, energy contracts add no value. The following chart illustrates Ontario’s wholesale electricity pricing and Global Adjustment rates for 2014:

	2014		
	Global Adjustment (¢/kWh)	HOEP (¢/kWh)	Total Cost (¢/kWh)
January	1.261	6.55	7.811
February	1.33	8.18	9.51
March	-0.03	8.05	8.02
April	5.2	3.33	8.53
May	7.2	1.79	8.99
June	6.03	2.98	9.01
July	6.26	2.37	8.63
August	6.76	2.21	8.97
September	7.96	1.55	9.51
October	10.01	0.71	10.72
November	8.23	1.65	9.88
December			

**b. Are there any other price analyses or comparisons that the Board should consider in addition to those provided by Professor Dewees and Mr. Sharp? If so, please provide.**

Yes. As illustrated by Mr. Sharp, the Board should not premise its analysis based on a brief time period or slice of the market. Any example taken within a short and/or specific time period is bound not to be representative. An example of this for both electricity and gas pricing can be seen during the “Polar Vortex” period, which was highly beneficial to retail consumers. In addition, pricing prior to the world economic collapse in 2008 was also highly beneficial to retail consumers. If an analysis is to be made, it should be done using accurate, representative data.

The Board should also consider a Retail electricity consumer’s rate in Ontario which does not include the Global Adjustment in their charges. There is no valid reason why an electric retail choice consumer should pay the Global Adjustment charge. When this was suggested to Mr. Sharp, Mr. Sharp stated:

*“I think what I was starting to hear from Jordan was a suggestion that people who enter into retail contracts should avoid the GA. So I think that’s a little irresponsible. I think that we would quickly have a spiral to the -- a death spiral to the GA rate, and eventually the whole system would blow up.”*

Mr. Sharp is clear that if consumers in Ontario were to be given true choice of their electricity supplier, it is his view that nearly all of Ontarians would then choose to sign with a Retailer because of the inherent benefit offered by Retailers. As such, a price analyses should be conducted which does not have Retail consumers paying the Global Adjustment.



**c. What is the “value proposition”, if any, for retail electricity contracts in the current Ontario market? Is the value proposition different for non-residential consumers than it is for residential consumers?**

Many studies have been conducted in Ontario with respect to pricing. For example, according to a BMO Nesbitt Burns study, in Canada, fixed rate mortgages outnumber the amount of variable rate mortgages. A mortgage is on average the single highest cost item during a consumer’s lifetime. However, in Canada for more than 25+ years, consumers who have chosen a fixed rate mortgage, in hindsight, have paid more money than they otherwise would have had they chosen a variable rate mortgage. This choice has cost individual Ontario consumers tens of thousands and in some cases hundreds of thousands of dollars, or more. The question must be asked, why would a consumer increase the cost (price) of the most expensive cost of their lifetime? The response is simple - price is not everything and is clearly not the only factor to be considered by the majority of Ontarians. As outlined in detail in Planet Energy’s presentation, price is not everything, and there are countless examples of this in Canada and throughout the world. Consumers in Ontario routinely pay significantly higher prices for all types of products and services. However, two simple truths are revealed from this. First, is that competition benefits consumers. Second, is that consumers only complain about the prices of things for which they do not have any choice. Energy pricing in Ontario is a good example of this. Please note that the above example is used as an illustration of pricing in Ontario. The statements above are not directly representative of Ontario’s energy sector and cannot be used in direct comparison.

It should also be noted that Kitchener Utilities in its 2014 study stated that approximately 74% of its consumers preferred stable pricing versus variable pricing.

The truth of the matter is that the ECPA isn’t a tool to be used to measure the value of retail offers to consumers. The review, under the current Ontario market is to review the effectiveness and, by extension the viability of consumer protections via the ECPA; which in the view of Planet Energy and the majority of parties and corroborating statistics, is that the protections are working extremely well. Should the Board wish to also review the value proposition of Ontario’s electricity market and regulations, Planet Energy would recommend an initial review starting with at a minimum, the breakout of the Global Adjustment charge for all consumers, as also recommended by Ontario’s Auditor General – please see the following as reference - [http://www.auditor.on.ca/en/reports\\_2014\\_en.htm](http://www.auditor.on.ca/en/reports_2014_en.htm). Planet Energy also recommends a review of the Global Adjustment so that it is not charged to Retail consumers, and the subsequent value of taking such action. Planet Energy would also recommend a comprehensive review of Ontario’s natural gas sector, as outlined by Ontario’s Auditor General, pursuant to Section 2(1) of the OEB Act, which states:

***“Board objectives, gas***

*2. The Board, in carrying out its responsibilities under this or any other Act in relation to gas, shall be guided by the following objectives:*

*1. To facilitate competition in the sale of gas to users.”*

And review why Ontario’s competition in the sale of gas to users has declined by approximately 75% and further restrictions are being considered to eliminate competition in the sale of gas to users, in opposition to the guiding regulation of the OEB Act.

- d. What is the “value proposition”, if any, for retail natural gas contracts in the current Ontario market? Is the value proposition different for non-residential consumers than it is for residential consumers?

Please see Planet Energy’s response to question 2c above.

It should also be noted that if cost of commodity were the only factor, taken in a vacuum, with nothing else to consider, there is an enormous number of consumers in Ontario, representing an even greater volume of natural gas consumption in Ontario, which have historically paid less than the prevailing utility rate in Ontario because they were being serviced by a natural gas Marketer. While Planet Energy does not agree with considerations made in a vacuum, the value proposition to consumers of being serviced by a Marketer is unquestionable.

- e. Should the Board look at natural gas contracts differently than electricity contracts? If so, why and in what respect(s)?

As a general coverall, no, the Board should not view the contracts differently. However, as regulation pertaining to each commodity is not identical, nor are the market realities of each commodity identical, some accommodations must be made. For example (but not limited to), per Ontario’s Auditor General’s report, natural gas has some additional requirements of the Board when compared to electricity. Further as an example, the Global Adjustment does not apply to natural gas and is unique to Ontario, as such, some accommodations must be made.

**3. What guidance should the Board take from the qualitative and quantitative findings of the consumer research undertaken by Innovative Research Group in assessing the effectiveness of the ECPA and in making its recommendations to the Minister?**

- a material proportion of current and former contract holders are unaware that they are or were enrolled in a retail electricity or natural gas contract

As confirmed by IRG, the above statement and implied conclusion is not reliable. Below are statements made by both Mr. Greg Lyle and Mr. Jason Lockhart of IRG pertaining to unaware contract holders (emphasis added):

*“Well, in the focus group they were randomly recruited from the list you guys provided us. So in the focus group we have random selection, **but the problem is, is that the group discussion part itself has an impact, potentially, on how people respond. So neither the workbook nor the focus groups provide results that we can generalize to the broader public.”***

*“And just to add to that, **52 percent of our former contract holders still believe they're under contract as well. And 27 percent don't see that the -- don't recognize they have been under a contract for at least three years.**”*

*“Again, when we looked at the business we found a similar finding in terms of businesses being unaware that they were on contract. 27 percent of the current contract holders said that they were not aware that they were on a contract. **37 percent of the former contract holders were unaware that they were not on a contract. Now, in some cases here -- because it's a business -- it is possible that there was turnover in staff and that the new staff weren't briefed by the old staff and the bills just kept coming in and they just got paid. The other thing that, again, is interesting is that,***

*among the people we thought were former contract holders, 49 percent say that they still have a contract.*

*“Yes. Although this they may not be reporting on the actual sales visit that resulted in the contract, because they didn't know they had a contract, so they don't really know what sales visit resulted in that.”*

*“So someone is looking at the bill, sees the name of the person or the company that they have the contract with, and still doesn't get that they have a contract.”*

*“So low levels of education do seem, certainly, to be contributing to the unaware contract holder story.”*

*“This is really suggesting that there is a financial literacy issue that may be contributing to this unaware contract holder phenomenon.”*

*“What you can see is **these unaware contract holders just don't know much about contracts.** Right? **So it's not just any type of financial literacy; it is contract literacy.** And that potentially could have benefits right across an individual's financial life in terms of raising their awareness here.”*

*“Note: Results contained within this component of the research program are based on a limited sample **and should be interpreted as directional only.**”*

*“When we say “qualitative”, what we mean by that is that, while we did use random selection in terms of the focus groups, the nature of the focus group is, **because they're influenced by the discussion itself, the results of a focus group are not generalizable to the broader public. They're only directional.** So when we do a series of focus groups and we bring a wide variety of people into the online workbook, **we have a sense of the general direction of where the province is going, but we can't project and say if 80 percent of the people who filled in a workbook said this, that that is plus or minus 2.3 percent or something like that.**”*

What is clear is that further study, analysis and research must be done in order to confirm any of the findings of the study which was conducted by IRG. Until such time as that is done, the information contained in the study cannot be considered reliable, and/or representative of the market both in its entirety as outlined by IRG, or even specifically to low-volume consumers, since no follow-up or qualifications were done. In point of fact and as noted above, the findings cannot be applied to the general public. It is clear that additional factors are in play, such as, was the party who signed the agreement the one who took part in the survey? The response is unconfirmed or no. This would greatly skew the results of the study. It is even more revealing that approximately **52% of former contract holders still believe themselves to be under contract.** This is a far more significant number than the “unaware” contract holders, and which has a significantly larger variety of implications. However, as stated, this number must also be further researched to be deemed valid and/or relevant. If there is a cause of concern, Planet Energy believes that to be that more than half of RPP and/or time-of-use customers still believe themselves to be under contract with a Retailer. This has significant implications on the entire study and the results being shown by IRG. IRG also confirmed that they provided consumers in part with the responses, such as savings, avoiding paying the government, and so forth. As such, the conclusions of the study at present time cannot be considered valid. Further, the majority of participants questioned were not recent contract holders. Many people don't actively recall what

they had for dinner last week, or a conversation they had yesterday. Asking a consumer to recall all details of an agreement 6 months, 12 months, 36 months, or more after that agreement took place, may be statistically irrelevant without further review and analysis, especially if you're not even speaking with the contracting party. Lack of memory is an enormous factor in this study, one which has not been qualified, quantified and/or taken into account as part of the results or analysis as confirmed by IRG. This is particularly significant when consumers are asked about their sales experiences. However, the conclusion by IRG was that the majority of "unaware" contract holders didn't just fail to know about energy contracts, but had a noticeable disadvantage in understanding any contract whatsoever, including a mortgage or telecom contract. What is clear is that all information which has been presented is incomplete and is not sufficiently reliable to base any recommendations upon.

However, in response to the question, Planet Energy believes that the Board should make the following recommendations to the Minister:

1. Enhance retailer presence on utility bills by providing additional line items, retailer logo's, general messages, etc... in order to add further transparency for consumers directly on their bills.
  2. Break out the Global Adjustment charge as a separate line item of the bill for all consumers, as recommended by Ontario's Auditor General.
  3. Break out retailer administrative charges as a separate line item on consumer's electricity bills, as provided for by the natural gas utilities.
- **a majority of current contract holders (a) identified the primary reason for entering into a retail electricity or natural gas contract as being to save money; and (b) believe that they are saving money under their contracts**

As noted above, further analysis, discussion and action must be taken to follow up on the preliminary and incomplete analysis by IRG.

- **a material proportion of former contract holders chose to cancel or not renew their contracts due to the high cost**

As noted above, further analysis, discussion and action must be taken to follow up on the preliminary and incomplete analysis by IRG.

- **the value that some consumers attach to "choice", that is, the opportunity to enter into an electricity or natural gas contract if they want one**

As noted above, Planet Energy does not support the reliability of the qualitative data as outlined by IRG. However, it is interesting to note, that according to IRG, approximately and on average, 75% of residential customers, and 80% of commercial low-volume consumers, state that they are satisfied with their contracts. If accurate, it means the considerable majority of contract holders at the present time, under current agreements, are happy with their agreements. The conclusion is simple, while there is always room for improvement, there is no sign of any considerable problem and/or issue. However, as stated, Planet Energy believes further analysis is required.

Further, the ECPA isn't a tool to be used to measure the value of retail offers to consumers. The review, under the current Ontario market, is to review the effectiveness and/or viability of consumer protections, which in the view of Planet Energy and the majority of parties and corroborating statistics, is that the consumer protections are working extremely well. Should the Board wish to also review the value proposition of Ontario's electricity market and regulations, Planet Energy would recommend an initial review starting with at a minimum, the breakout of the Global Adjustment charge for all consumers, as also recommended by Ontario's Auditor General. Planet Energy also recommends a review of the Global Adjustment so that it is not charged to Retail consumers, and the subsequent value of taking such action. Planet Energy would also recommend a comprehensive review of Ontario's natural gas sector, as outlined by Ontario's Auditor General.

- **differences between contract holders and non-contract holders with respect to indicia such as household income, impact of energy bills on household finances, financial knowledge, education levels, and cognitive self-assessment**

As noted above, further analysis must be undertaken.

- **a material proportion of consumers found their door-to-door sales experience with a retailer or marketer to be worse than their sales experience with providers of other goods or services**

As noted above, further analysis must be undertaken.

However, it should be noted that the above statement is not true. If taken at face value, which Planet Energy does not, the results of IRG reveal that (emphasis added):

*"Number one on that was, ban door-to-door sales by 11 percent, **so that is essentially 20 people out of 500** people saying ban door-to-door sales, so just to put some context in it, it's the number-one issue, but not that many people are saying it off the top of their heads."*

*"The next step down was ban door-to-door sales. So again, **this is about 16 people out of the 500.** Another 16 roughly said, enforced compliance by retailers."*

*"So just in summary on kind of that sales experience, very much at the high level, you know, a large minority are expressing some kind of concern, particularly at the door. I mean, we have a large minority of people saying, you know, I have concerns with the actual experiences, and as you know, it was worse off than some of the experiences I have had in some other sales experiences as well."*

If taken at face value without further research, it is clear that it is not a "material proportion" of consumers who found their door-to-door sales experience to be negative. Further, IRG stated as follows (emphasis added):

*"But then what I found in qualitative research was when people compared it to other door-to-door processes, it did better. So, for instance, when I did this in Alberta, the typical number I would get in an Alberta survey is sort of 30 percent saying that it was less than others."*

As such, Planet Energy cannot agree with the above statement as it appears to be non-factual and not based on any information which has been revealed in this proceeding.

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

- require that retailers and marketers post contract prices and other contract details on a website overseen by the Board

Planet Energy supports this suggestion. However, if such steps and actions are to be taken, an equal and measured approach must be taken. Planet Energy recommends that further information and additional transparency be provided to consumers with respect to the Global Adjustment. As per the Auditor General of Ontario's report, Planet Energy believes that a balanced approach must be taken, such that the Global Adjustment be broken out so that consumers can make an Apples-to-Apples comparison. Without such changes, and further information and transparency provided to consumers, the net result will not be consumer protection, but further and additional consumer confusion.

In addition, a full breakdown of the cost adjustments should be included in the posted pricing, including but not limited to the RPP Variance Amounts, the natural gas Rate Rider as applied quarterly by both Enbridge and Union Gas, as well as full transparency as to each and every cost associated with the Global Adjustment, posted in real-time (historical additions should also be outlined). In addition, utility charges should be further broken down, such as the Delivery charges for consumers. In some cases Delivery Charges consist of seven or more individual changes which are grouped/hidden from consumers under the group category of Delivery Charges. These should be further outlined for consumers.

Planet Energy recommends full transparency, for all parties in the market.

- **enhance the price comparison template, disclosure statement, verification scripts and/or renewal scripts**

As outlined in Planet Energy's submissions and presentations, the current Disclosure Statements exceed any practice by any other market in North America. It is in Planet Energy's experience across multiple markets that the current practice does not protect consumers, but hinders their protections. This is largely due to the forms complexity, which is discussed further below. Further "enhancing", which Planet Energy is assuming to mean additions, would only further harm consumers. For additional information, please see Planet Energy's recommendations pertaining to the Disclosure Statements below.

As outlined in Planet Energy's submissions and presentations, no other deregulated energy market in North America mandates the use of Price Comparison forms. Making a direct comparison between a Retailer/Marketer offer and the utility rate is both highly misrepresentative, and is not an Apples-to-Apples comparison. Further "enhancing", which Planet Energy is assuming to mean additions, would only further harm consumers. For additional information, please see Planet Energy's recommendations pertaining to the Price Comparison forms below.

As outlined in Planet Energy's submissions and presentations, Ontario's current verification and renewal scripts greatly exceed what any comparable market in North America mandates. The current

format does not protect consumers, but hinders their protections by introducing further confusion. Further “enhancing”, which Planet Energy is assuming to mean additions, would only further confuse consumers. For additional information, please see Planet Energy’s recommendations pertaining to the verification scripts below.

- **require all new retail energy contracts to be billed by a means other than distributor-consolidated billing, or implement alternative requirements to ensure greater awareness of the fact that a consumer has been enrolled in a retail energy contract**

Planet Energy is supportive of retail electricity contracts being billed via split billing, conditional upon all consumers which fall into this category not being charged the Global Adjustment. Or, in the alternative as there is potential for further consumer confusion pertaining to billing, please see above comments pertaining to additional line items on the utility bill, as well as implementing Retailer and Marketer logos on the utility bill, as well as additional measures as outlined above.

- **require that retail energy contracts be in a standard Board-approved form and contain Board-approved provisions dealing with issues of key concern to consumers**

Planet Energy believes that this suggestion would result in harm to consumers. This would greatly reduce competition, product choice, product offerings, and the general ability to be competitive in the market. The ECPA is more extensive than any regulation and/or legislation in any other deregulated retail energy market around the world. This includes what is required to be put into a contract by a Retailer/Marketer. Ontario consumers currently have the largest number of protections of any retail energy market in the world. As such, Planet Energy does not believe this suggestion is to the benefit of any industry participant.

- **enhance oversight or verification in respect of retail energy contracts that claim that the energy provided has or is associated with certain environmental attributes**

Planet Energy does not support any further enhancement and/or oversight or verification of retail energy contracts. Ontario’s verification standards are currently the most extensive and costly in the world (being highly cost prohibitive to all market participants), as well as containing the most number of questions, while offering the lowest level of protection for consumers. Additional changes would only further exacerbate these realities.

- **require verification of all internet contracts or a subset of internet contracts (such as contracts entered into over the internet that were preceded by any in-person contact by the retailer or marketer)**

Planet Energy supports verification of internet contracts where the sales agent is present at the time the customer enrolls via the internet. However, if the sales agent is not present during the time that the customer enrolls via the internet, Planet Energy does not support the need for verification. This perspective/approach is supported by Ontario Energy Board Staff, pursuant to its Bulletin issued on April 13, 2012.

- **prohibit the use of gift cards or similar inducements to enter into a retail energy contract**

Similar to all other business around the world, Retailers and Marketers should be permitted to offer incentives to consumers.

- **require that the price charged by a retailer or marketer be determined in accordance with specific requirements (this is contemplated in section 9 of the ECPA in relation to electricity retailers)**

Planet Energy believes that this suggestion would result in significant harm to consumers, and would greatly reduce competition, product choice, product offerings, and the ability to be competitive in the market.

- **prohibit the automatic renewal of retail natural gas contracts**

To date, no evidence has been submitted, proposed, and/or mentioned in the proceeding that has in anyway shown that the auto-renewal of retail natural gas contracts has led to a negative consumer experience and/or issue. As such, Planet Energy does not believe this suggestion is to the benefit of the industry.

- **prohibit door-to-door sales, or implement additional consumer protection measures in respect of the door-to-door and “friends and family” sales channels**

To date, no evidence has been submitted, proposed, and/or mentioned in the proceeding that has in anyway shown that sales via the “friends and family” sales channel has led to a negative consumer experience and/or issue. In point of fact, the exact opposite has been shown in this proceeding, which is that the majority of consumers are happy with their product choice and that complaints are extremely low. The Board is suggesting additional measures where no problem exists.

While Planet Energy is indifferent to door-to-door sales, please see statements above pertaining to door-to-door sales.

- **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 that are not captured by Part II of the ECPA (for example, hot water tank rentals)**

Planet Energy does not believe that any further changes in this area are required.

- **changes to the enforcement provisions governing contraventions of Part II of the ECPA**

Planet Energy does not believe that any further changes in this area are required.

- **exempting certain types of retailers and marketers (such as co-ops) from Part II of the ECPA in whole or in part, with or without conditions**

Planet Energy does not believe that any further changes in this area are required.



**Planet Energy's proposed points for review and recommendation for the Minister of Energy should no further discussion, review and/or analysis take place:**

**1. Permit auto-renewals for low-volume customers with appropriate consumer protections and standards of implementation.**

Historically, auto-renewals in Ontario were done in an improper manner. However, if a review were to take place today and in review of the North American energy industry, auto-renewals are a part of a healthy and active market, while being highly beneficial to consumers. Currently, nearly all markets in North America permit auto-renewals, but have standards which the companies must adhere to. The purpose of permitting and promoting auto-renewals has a number of consumer benefits. First, auto-renewals lower the cost of consumer acquisition and management, and as a result consumers benefit from lower pricing. Second, auto-renewals streamline customer choice. This is a benefit to the consumer as they do not have to spend time entering into a new agreement, such as the time periods of enrollment in Ontario. Third, switch times are expedited. Ontario currently one of the longest consumer enrollment and de-enrollment times in North America. This is a significant harm to consumers, and auto-renewals makes this easier.

It should be noted that the above recommendations would be done with additional consumer protections, such as they exist in comparable deregulated markets. Ontario's restrictions on auto-renewals, seamless program switches, program amendments, all have harmed consumers, and increased the costs of operation to the highest levels, making Ontario the single most expensive market to operate in within North America.

**2. Break out the Global Adjustment charges for all consumers, as was recommended by Ontario's Auditor General.**

Please see recommendations made by Ontario's Auditor General, and statements above pertaining to the Global Adjustment. As stated by Planet Energy, the Global Adjustment is a source of confusion to consumers. This confusion is exponentially compounded by misrepresentations by a majority of the electricity utilities, stating in summary, that the Global Adjustment is a Retailer charge. Please see Planet Energy's submission on November 20, 2014 for further information as well as Planet Energy's presentation.

Planet Energy believes that breaking out the Global Adjustment for all consumers would greatly benefit Ontarians. The Global Adjustment can account for more than 50% of a consumer's total electricity bill, yet this charge is hidden from consumers. No other energy market in North America is as non-transparent as Ontario's electricity billing. The Global Adjustment is by far the single largest cost on a consumer's bill (on average approximately 230% higher than the next highest single charge on a consumers bill), and there is no reason why it should be hidden from consumers. Planet Energy agrees with Ontario's Auditor General in that the Global Adjustment should be a separate line items on all consumers' bills in Ontario. A significant portion of the enquiries which Planet Energy receives from its customers are with respect to the Global Adjustment charge.

**3. Reduce the number of questions asked for verifications and the time which it takes to verify a consumer.**

As outlined in Planet Energy's presentation, Ontario verifications on average take 400% longer than any other comparable market in North America. The volume of questions does not protect consumers and instead has the opposite effect by hindering consumer protection by causing confusion for the customer. When something is made overly complex, it confuses and complicates consumer interactions. The verification questions in Ontario are such a case. Consumer protections would be greatly increased if the verification questions were reduced to critical, contract applicable questions.

In addition, as outlined in Planet Energy's presentation, Ontario verification questions have on average 243% more questions than any other comparable market in North America. The volume of questions does not protect consumers and instead has the opposite effect by hindering consumer protection. As outlined above, when something is made overly complex it confuses and complicates consumer interactions. The number of verification questions in Ontario are such a case. Consumer protections would be greatly increased if the verification questions were reduced to critical, contract applicable questions.

**4. Reduce the number of days a Retailer/Marketer must wait for a verification to take place.**

As outlined in Planet Energy's presentation, verifications in Ontario are done at a significantly later time period (approximately 900% longer) from time of sale than any other comparable market in North America. This is an extremely detrimental to consumer protection. First, it delays addressing any potential issues by at least 10 days, whereas in all other comparable markets in North America, issues can be addressed at time of sale, or as close to time of sale as possible. Second, the delay in verification greatly muddles the consumers' interaction at time of sale. Many consumers cannot recall exactly what was said and/or represented 10 plus days prior to receiving a call for verification. This delay further deteriorates consumer protections. In combination, it is important to note that the delay in conducting a verification delays action, both positive and negative. There is no advantage to the delay in verification and it only leads to a considerable reduction in consumer protections.

**5. Modify the Disclosure Statement such that it is in-line with Disclosure Statements in other North American markets.**

As outlined in Planet Energy's presentation, Ontario's Disclosure Statements are unlike any other market in North America. Disclosure Statements are common in other comparable North American energy markets; however, Ontario is the only market in which the Disclosure Statement is completely inflexible to any changes/modifications and/or customization. No other market restricts the format and structure of their Disclosure Statements. Further, Ontario is the only market in which the consumer must individually sign the Disclosure Statement. It is also the only market which mandates an absolute format and use of a full colour page. Ontario's Disclosure Statements are also, when compared to all other comparable North American markets, the most complex and confusing. As stated above, when something is made overly complex, it confuses and complicates consumer interactions. This greatly reduces consumer protection because a consumer is much less likely to review the document due to its over complexity.

Ontarians would best be served and consumer protections would be greatly increased if Ontario changed the format of its Disclosure Statements to be more in line with the other comparable markets in North America.

#### **6. Modify the Price Comparison form.**

As outlined in Planet Energy's presentation, Ontario's Price Comparison forms and format are not utilized in any other energy market in North America. As outlined above, this is because it does not enhance, but instead reduces consumer protection. A comparison between utility rates and a Retailers/Marketers rate(s) is virtually impossible and misrepresentative and misleading. This leads consumer confusion and misunderstanding. This is why no other market in North America utilizes this type of comparison.

Ontarians would best be served and consumer protections would be greatly increased if Ontario changed the format of its Price Comparison forms.

#### **7. Eliminate the Global Adjustment charge for consumers who sign with a Retailer.**

As outlined above, when a consumer signs with a Retailer, there is no reason why the consumer should be paying the Global Adjustment charge. Consumers who have left system supply should not be paying system supply charges. Retail consumers charged the Global Adjustment are paying for something which they have actively chosen not to pay. Further, it is tantamount to taxation without representation. Retail consumers charged the Global Adjustment are not treated with fairness, transparency and/or a legitimate level of competitiveness in the Ontario market, such as is required in the OEB Act, Section 87 which states:

*"87. (1) The Board shall monitor markets in the electricity sector and may report to the Minister on the efficiency, fairness, transparency and competitiveness of those markets."*

Ontarians would best be served and consumer protections would be greatly increased if Ontario changed the billing format for Retail Choice consumers.

#### **8. Conduct a detailed review of why Ontario's electricity pricing is the highest in North America, and getting more expensive and ways in which to improve product and price choices for consumers.**

As outlined in Professor Dewees' presentation, Ontario electricity Retailers accounted for only 6.3% of the total Ontario market, down from 16% in 2006. While Ontario natural gas Marketers account for only 10.7% of the total Ontario market, down from 36% in 2006. However, as noted in hundreds of articles throughout Ontario, Ontario currently has the most expensive electricity rates in North America, and the rates are getting more expensive year over year over the next several years (approximately 42%) as stated by the Ontario Ministry of Energy. A clear and absolute conclusion is that it is not Retailers which are contributing to Ontario's record high prices. It is also an absolute conclusion that Ontario Retailer pricing is not at fault for the majority of complaints, and/or pricing complaints in Ontario.

A famous quote by Albert Einstein defined insanity as: *"doing the same thing over and over again and expecting different results"*. Some of the participants in the proceeding believe that the best course

of action is for Ontario's electricity market to re-regulate, despite the fact that Ontario is the most expensive or nearly the most expensive market for energy and getting more expensive year over year. Ontario needs a solution which makes it competitive throughout North American and world markets. One thing is certain, the way Ontario historically ran the electricity market is not the answer, and we must look forward not back. Planet Energy recommends a forum with a focus on the *all in costs* of Ontario's market, and how best to reduce costs for consumers for today, tomorrow and in the future.

#### **9. Remove the Cost Assessments from Ontario.**

The Cost Assessment for Retailers and Marketers in Ontario is unique to Ontario and is not charged by any other regulator in any other market in North America. The Cost Assessment, in addition to other factors, makes operating as a Retailer/Marketer in Ontario, the highest cost location in all of North America. As outlined in Planet Energy's presentation, operating in Ontario can be approximately 700% higher cost than equivalent markets in North America. These costs, as is applicable to all business worldwide, must ultimately be passed on to consumers. These costs are a significant factor to Ontario's highly uncompetitive structure and the reason why Ontario ranks respectively as the most non-competitive market of any deregulated market in North America. The Cost Assessment calculations are kept opaque from Retailers/Marketers, and as such unpredictable. Further, these costs are only in part directly attributed to Retailers/Marketers. Even if a Retailer/Marketer had few customers and no complaints, they would still be assessed significant cost via the Cost Assessment.

Planet Energy recommends as has been noted in New York, Texas, Pennsylvania and other markets across North America, that regulations should not hinder competition and undermine effective and efficient business operations, as doing so only negatively affects consumers.

#### **10. Reduce switch times for enrollment and de-enrollment down to 5 days.**

As noted above, Ontario currently has one of the longest periods of time for a consumer to enroll and de-enroll for supply services with a Retailer/Marketer. Other markets, including New York, Maryland and Pennsylvania have taken steps to reduce the times to switch supply services. The Commissions referenced above have stated that doing so is to the benefit of consumers, especially in times of price volatility. Faster switching times benefits consumer in many ways and increases consumer protections exponentially. Planet Energy recommends that Ontario consider implementing standards which expedite switching times.

#### **11. Consider modifying the rules and regulations pertaining to contract.**

Currently, Ontario renewal rules are extremely complex and can only be done within a highly restricted timeframe and format. All of which significantly increase costs. Further, as outlined above, these rules hinder consumer protections. As noted by Professor Dewees, renewal rates in Ontario are not high. However, as noted above, there are a number of factors which contribute to this. One major factor is the difficulty pursuant to the rules and regulations of Ontario which makes renewals extremely difficult for consumers and retailers to action.

As an example, a person can qualify and be approved for a mortgage with less paperwork and protections than they can with a retail energy agreement. A consumer can also get approved for a high interest credit card with less paperwork and protections than they can with a retail energy agreement. These examples continue with insurance, lines of credit and virtually all other contractual agreements in

Ontario. It has been noted that Ontario has the most comprehensive energy consumer protections of any market in North America.

Ultimately, it is harder for a consumer to renew a retail energy agreement in Ontario than it is for them to enter into a new retail energy agreement. That is extremely counter intuitive as renewals for all agreements, and the ones noted above, are easier if you are already an established, knowledgeable and experienced consumer. As such, Planet Energy would recommend changes to the process and procedures for renewals.

#### **12. Permit telemarketing in Ontario.**

Ontario is unique in North America for segregating one type of marketing, and restricting only the one industry from telemarketing. This type of restriction does not exist in other markets in North America. Planet Energy recommends a review on the restriction on telemarketing.

#### **13. Review of the paper issued by Hans Poser**

Conduct a proceeding and review of the paper issued by Hans Poser and others, entitled "Development And Integration Of Renewable Energy: Lessons Learned From Germany". Please see the following link – [http://www.finadvice.ch/files/germany\\_lessonslearned\\_final\\_071014.pdf](http://www.finadvice.ch/files/germany_lessonslearned_final_071014.pdf)

#### **14. Implement the Auditor General of Ontario's recommendation to break out the Global Adjustment charge for all consumers**

As stated above, Planet Energy believes that it is in the best interests of Ontario consumers that the Global Adjustment be displayed as a separate line item on all consumer electricity bills.

#### **15. Review why various sub-metering companies are not permitting consumer enrollments with an energy retailer.**

As presented by Planet Energy, various sub-metering companies do not permit enrollments with energy retailers. This is unique to North America in that a consumer is restricted from competitive choice because of where they reside. Planet Energy would recommend a review as to why the sub-metering companies have been permitted this restriction in enrollments, and as applicable, issue fines for violations of the Act and applicable regulations.

#### **16. Review why companies, including utility affiliates, were permitted and continue to switch consumers into and out of the RPP.**

A number of companies, including utility affiliated companies, have switched consumers back and forth between RPP and a "Retailer" agreements. Each time the consumer is paid the RPP Variance settlement amount. Planet Energy estimates that this has cost in excess of \$200 million to ratepayers. Planet recommends that the Board take steps to address this issue.

**17. Investigate why a number of small commercial accounts receive HOEP pricing when their consumption is under 250,000 kWh per year.**

Planet Energy has observed a large number of Ontario low-volume electricity consumers receiving wholesale pricing as Standard System Supply. These include electricity consumers with very small usages which would never have at any point in time been close to consuming >250,000 kWh/year. Planet Energy recommends that a review take place, such that all low-volume consumers are billed as per regulation.

**18. Focus on market development and progress, not indirect elimination of the retail energy market.**

Planet Energy has concerns as to the approach and direction of the proceeding. The goal of multiple parties appears to be to use this forum to either eliminate energy retailing in Ontario, or to indirectly eliminate energy retailing from Ontario by making all forms of marketing illegal, and/or so difficult and cost prohibitive, that no retail energy business would be able to operate in Ontario. The question Planet Energy would like to have discussed is, why is this approach being taken, and why are each of the parties advocating for this approach? It appears that the perspective is if the parties cannot directly re-regulate the industry, the desire and action is to re-regulate the industry indirectly.

Planet Energy suggests that a review should take place which discusses how to best benefit energy consumers in Ontario. Competition in all industries in North America and around the world has proven to always be to the benefit of consumers – while providing for effective consumer protections. Monopolies have proven the opposite.

In conclusion, Planet Energy believes that a review of the effectiveness and viability of the ECPA as applied in Ontario should be conducted prior to any recommendations being made to the Minister of Energy. Planet Energy believes that it is without doubt that the implementation of the ECPA has resulted in a highly significant reduction in consumer complaints and the most comprehensive set of rules and regulations of any deregulated market pertaining to consumer protection. However, the research conducted, data presented, opinions sought, and materials presented have not focused on the ECPA's effectiveness, or effect on applicable parties in Ontario and Ontario's market as a whole, and as such, conclusions cannot and should not be reliably and/or reasonably drawn.

All of which is respectfully submitted.

Sincerely,



Jordan Small  
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Planet Energy (Ontario) Corp.