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June 5, 2015

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, Suite 2700  
Toronto ON M4P 1E4

Dear Ms. Walli:

**Re: Just Energy Ontario L.P.  
Application for Electricity Retailer Licence  
Board File Number EB-2015-0118  
Application for Gas Marketer Licence  
Board File Number EB-2015-0119**

In accordance with Procedural Order No 1, please find enclosed Board staff submission with respect to the above mentioned applications.

Yours truly,

*Original signed by*

Irina Kuznetsova  
Case Manager

Attachment

# **OEB STAFF SUBMISSION**

## **Just Energy Ontario L.P. ("Just Energy")**

Electricity Retailer Licence Renewal Application  
EB-2015-0118  
&  
Gas Marketer Licence Renewal Application  
EB-2015-0119

June 5, 2015

## **THE PROCEEDING**

On March 6, 2015 Just Energy Ontario LP (Just Energy) filed two separate applications for renewal of its Electricity Retailer (ER-2010-0153) and Gas Marketer (GM-2010-0152) licences.

On March 20, 2015, the Ontario Energy Board (OEB) issued a Notice of Application and Written Hearing (Notice) which included dates for filing of interrogatories and submissions. No parties responded to the Notice. In accordance with the timelines set out in the Notice, on April 22, 2015, OEB staff filed interrogatories on the application in order to gather additional information required for the OEB's final determination of the renewal applications. On May 22, 2015, Just Energy filed responses to OEB staff interrogatories.

## **THE APPLICANT**

Just Energy currently markets natural gas and retails electricity in Ontario to both low-volume and large-volume consumers. In addition to the Ontario energy retail market, Just Energy retails electricity and markets natural gas in the Canadian provinces of Alberta, British Columbia, Manitoba and Quebec as well as in 14 US states (California, Delaware, Georgia, Illinois, Indiana, Maryland, Massachusetts, Michigan, Nevada, New Jersey, New York, Ohio, Pennsylvania and Texas).

## **STAFF SUBMISSION**

In assessing an electricity retailer and gas marketer licence applications OEB staff considers the entire applications and in particular the financial viability, past conduct and technical capability of the applicant.

### **Financial Viability**

Having reviewed the evidence provided, OEB staff finds no issue with respect to the financial position of Just Energy and submits that Just Energy can reasonably be expected to be financially responsible in the conduct of its business.

## **Conduct**

Electricity retailers and gas marketers in Ontario are required to comply with the *Ontario Energy Board Act, 1998*, *Energy Consumer Protection Act, 2010* (ECPA), regulations under these Acts and the Codes of Conduct for Electricity Retailers and Gas Marketers.

In the last five years Just Energy has provided the OEB with five Assurances of Voluntary Compliance. In 2014, Just Energy was found to have contravened section 10 of the ECPA, section 5 of Ontario Regulation 389/10 made under the ECPA and sections 1.1(a), (h), and 2.1 of the Electricity Retailer Code of Conduct. These contraventions relate to incorrect cancellation fees charged to consumers, false and misleading letters sent to consumers who had moved, incorrect cancellation fees quoted to consumers and sales agent conduct. Just Energy provided the OEB with an Assurance of Voluntary Compliance in which it admitted to the deficiencies and breaches of enforceable provisions and provided the steps taken with respect to resolving issues identified in each of the findings.

OEB staff reviewed Just Energy's interrogatory responses respecting its compliance and customer service practices specifically in relation to deficiencies identified in each of the enforcement proceedings. OEB staff is of the view that Just Energy has the appropriate systems, policies, procedures and controls in place to comply with its statutory and regulatory obligations as well as the provisions set out in the OEB's Codes.

## **Technical Capability**

OEB staff submits that according to the applications Just Energy employs technical personnel with adequate experience and qualifications in the retail energy industry. All key individuals listed in the applications reported extensive experience in the energy sector. Key individuals' experience includes but is not limited to strategic planning, policy and program development, contract fulfillment and revenue assurance, physical and financial risk management. In addition, Just Energy maintains a Business Services group within the Operations department which is responsible for providing responsive and quality support for internal and third-party applications and for formulation and communicating requirements related to system and process implementation in all markets where Just Energy does business.

## **CONCLUSION**

In consideration of the evidence filed, OEB staff is of the view that Just Energy has the adequate technical and financial capabilities to operate effectively in the Ontario market. OEB staff submits that there is no evidence to suggest that Just Energy is not conducting itself in a manner consistent with the OEB's Codes and Rules. Board staff supports the renewal of Just Energy's electricity retailer and gas marketer licences for a five year term.

All of which is respectfully submitted.