

October 5th 2016

Sent by courier to: Kirsten Walli Board Secretary Ontario Energy Board P.O.Box 2319 2300 Yonge Street, Suite 2700 Toronto, Ontario M4P 1E4

Dear Ms. Walli,

Re: Written Comments, Revised Proposed Amendments EB-2015-0268

Attached to this letter, we kindly submit 3 paper copies of Canadian RiteRate Energy Corporation's (RiteRate's) written comments in response to the Ontario Energy Board's (OEB's) Letter dated September 8th 2016 Notice of Revised Proposal to Amend a Code and to Amend a Rule (EB-2015-0268).

Sincerely,

Imran Noorani Vice President Canadian RiteRate Energy Corporation (RiteRate) 20 Floral Parkway Concord, ON L4K 4R1 Tel: 905.695.5247 Toll free: 1.877.866.8056 Fax: 1.866.323.9845 Email: <u>imran@riterate.ca</u>; <u>inoorani@riterate.ca</u>



In response to the Ontario Energy Board's (OEB) letter dated September 8th, 2016, Canadian RiteRate Energy (RiteRate) would like to take this opportunity to provide a third round of comments on this consultation, and hope to see some adoption. Our comments are as follows.

Verification Calls Scripts:

The comments provided in the OEB's focus group testing suggest that consumers find the script too long, and also find them be with a telemarketing flavour. In understanding that the goal of the verification call script amendments were to make them more consumer friendly and as short as possible, RiteRate is unclear as to why the OEB is currently proposing the opposite, and choosing to incorporate focus group comments into all other measures but verification calls scripts.

The issue of requiring telephone verification for internet contracts greatly exacerbates the issue further. RiteRate has continued to maintain a low complaint record (averaging just 1 per year) due to its online only value proposition. We do not utilize telemarketing approaches, nor do we utilize a door-to-door sales agent model. The OEB's requirement that all contracts be verified over the telephone (up until a time when the OEB develops an internet verification system) has dire effects on our business.

Firstly, it goes against our own business value proposition. Since we have committed to utilizing nonintrusive methods and communicate this to our current and potential customers, this requirement now has a significant branding impact. The verification scripts unfortunately have too much of a telemarketing flavour as evidenced by the focus group. Internet verification would be in line with our current value proposition, but a requirement of telephone verification would not be.

Secondly, and most importantly, since RiteRate has never utilized a door-to-door sales agent model, we have not implemented a verification system up to this point. Requiring us to do so now will require the development of a costly database. Furthermore, requiring that verifications first take place via the telephone, and then switch to an online system will require an additional system being developed in the future. The costs of developing two systems, along with staffing resources, cannot be justified in our low cost business model.

We once again iterate that the stated intent of Bill 112 as indicated by the Ministry of Energy is not to wipe out the consumer retail/marketer segment, but rather is to enhance consumer protection. We know that the requirement for verification will wipe out our business due to costs and branding and confirm that we will be unable to continue our business.

The intent of requiring that all agreements be verified, regardless of sales channel, was driven from a need to protect consumers from fraudulent iPad or tablet sales. In the absence of sales agents, this risk no longer exists. Our low complaint record is evidence that online contracts do not need to be verified because they are self-initiated by informed customers without any sales pressure tactics. Respecting that the Ministry has this verification requirement, the OEB's decision to defer online methods till a later date is what we are most concerned with. We have consistently followed OEB rules, gone above and beyond them, and maintained transparency with all our stakeholders. Yet we feel we are paying a very hefty price for the actions of our competitors, irrespective of our own behaviour and performance in the sector.