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May 25, 2017

NOTICE OF AMENDMENT TO CODES

AMENDMENTS TO THE DISTRIBUTION SYSTEM CODE AND THE UNIT SUB-METERING CODE

OEB FILE NO.: EB-2016-0376

To: All Licensed Electricity Distributors All Licensed Unit Sub-Meter Providers

The Ontario Energy Board (OEB) is giving notice of the adoption of amendments to the Distribution System Code and the Unit Sub-Metering Code.

The amendments reflect recent changes to Ontario Regulation 314/15 (Ontario Electricity Support Program) under the *Ontario Energy Board Act, 1998*, which as of May 1, 2017, expanded the eligibility for the Ontario Electricity Support Program (OESP) and increased the amount of monthly rate assistance under the program.

The OEB considers these amendments to be in the nature of housekeeping; they do not change the obligations of distributors or unit sub-meter providers in respect of the provision of the OESP. Accordingly, the OEB is not providing for an opportunity to comment on the amendments.

A. Background

The OESP, introduced in 2016, is a program that delivers on-bill rate assistance to lowincome electricity customers. Recently, amendments were made to Ontario Regulation 314/15, effective May 1, 2017. The revised regulation increases the OESP credits available to eligible households by 50%. In addition, the revised regulation expands the eligibility for the program by adding new classes of eligible households.

On April 25, 2017, the OEB issued an <u>order</u> to electricity distributors requiring them to apply the revised credit amounts established by the regulation. On the same day, the OEB <u>directed</u> each unit sub-meter provider to provide the same OESP credits to eligible residential customers in its service area as it would have to apply if it were a rate-regulated distributor.

The revised OESP credits, as set out in the regulation, are shown in the tables below.

Household Income (\$)	Household Size (# of People)						
	1	2	3	4	5	6	7+
28,000 OR LESS	\$45	\$45	\$51	\$57	\$63	\$75	\$75
28,001 – 39,000		\$40	\$45	\$51	\$57	\$63	\$75
39,001 – 48,000			\$35	\$40	\$45	\$51	\$57
48,001 – 52,000					\$35	\$40	\$45

Table 1: Sliding Scale for Typical Customer

Household Income (\$)	Household Size (# of People)						
	1	2	3	4	5	6	7+
28,000 OR LESS	\$68	\$68	\$75	\$83	\$90	\$113	\$113
28,001 – 39,000		\$60	\$68	\$75	\$83	\$90	\$113
39,001 – 48,000			\$52	\$60	\$68	\$75	\$83
48,001 - 52,000					\$52	\$60	\$68

Table 2: Sliding Scale for Energy Intensive Customers*

*Applicable to households that are reliant on electric heat or electricity-intensive medical devices, as well as Indigenous households.

B. The Code Amendments

The amendments to the regulation, and the resulting OEB order to distributors and direction to unit sub-meter providers, made certain provisions of the Distribution System Code and the Unit Sub-Metering Code obsolete.

The OEB is therefore making the amendments set out in Attachment A (in respect of the Distribution System Code) and Attachment B (in respect of the Unit Sub-Metering Code).

The amendments to the Distribution System Code simply delete section 9.1, which set out the classes of consumers eligible for OESP. That provision has been superseded by the amended regulation, as reflected in the April 25, 2017 OEB order to distributors.

Similarly, the amendments to the Unit Sub-Metering Code replace section 5.1, which formerly set out the classes of consumers eligible for OESP, with a new section incorporating by reference the classes described in the regulation. The amendments also delete section 5.2, which provided that unit sub-meter provider customers were eligible for the same OESP credits as distributor customers. That requirement remains,

but has been combined with section 5.1, which refers to the amounts set out in the regulation.

These amendments merely reflect the OESP changes that have already been implemented as of May 1, 2017 by way of the amended regulation and the OEB's subsequent order and direction. Accordingly, the OEB is not inviting comments on the amendments.

C. Anticipated Costs and Benefits

Because these are housekeeping amendments that do not change the obligations of distributors or unit sub-meter providers concerning the OESP, but simply bring the Codes into line with the amended regulation and the OEB's April 25, 2017 order to distributors and direction to unit sub-meter providers, they will not result in any costs or benefits for distributors, unit sub-meter providers, or other stakeholders.

D. Coming into Force

The final amendments come into force immediately.

Questions regarding the matters addressed in this Notice should be directed to <u>IndustryRelations@oeb.ca</u> or by phone at 416-314-2455. The OEB's toll free number is 1-877-632-2727 (toll-free within Ontario).

DATED MAY 25, 2017

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli Board Secretary

Attachments:

Attachment A:	Amendments to the Distribution System Code
Attachment B:	Amendments to the Unit Sub-Metering Code

Attachment A

Amendments to the Distribution System Code

1. Section 9.1 of the Distribution System Code is deleted.

Attachment B

Amendments to the Unit Sub-Metering Code

1. Section 5.1 of the Unit Sub-Metering Code is deleted and replaced with the following:

5.1 Eligibility for OESP Rate Assistance; Rate Assistance Amounts

5.1.1 The classes of unit sub-meter provider customers eligible for OESP rate assistance, and the amounts of rate assistance for which they qualify, are the same as those set out in Ontario Regulation 314/15 (Ontario Electricity Support Program) under the Act, except that the definition of "account-holder" in the regulation shall be read as "a consumer who has an account with a unit sub-meter provider for electricity service at a residential dwelling, and who lives at the dwelling for at least six months in a year."

2. Section 5.2 of the Unit Sub-Metering Code is deleted.