

EB-2017-0022

EB-2017-0223

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B);

**AND IN THE MATTER OF** two Notices of Intention to Make an Order for Compliance and Payment of an Administrative Penalty against Active Energy Inc. (Retailer Licence No. ER-2012-0045).

**ONTARIO ENERGY BOARD ENFORCEMENT TEAM**  
**BRIEF OF WITNESS STATEMENTS**

**STOCKWOODS LLP**

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Enforcement Staff

## INDEX

<b>Tab No.</b>	<b>Description</b>
<b>A</b>	Witness Statement of Birgit Armstrong, August 18, 2017
<b>B</b>	Further Witness Statement of Birgit Armstrong, October 18, 2017
<b>1.</b>	5 excluded contracts
<b>2.</b>	Notice of Motion of Active Energy Inc., September 25, 2017
<b>3.</b>	Letter to I. Mondrow from J. Safayeni dated October 5, 2017
<b>4.</b>	A – Industry Relations Enquiry, December 22, 2010 B – Industry Relations Enquiry, January 5, 2011 C - Industry Relations Enquiry, August 1, 2012 D – Industry Relations Enquiry, February 2, 2015 E – Industry Relations Enquiry, July 9, 2015 F – Industry Relations Enquiry, August 31, 2015
<b>5.</b>	OEB Staff letter to retailers, March 10, 2014
<b>6.</b>	Letter from G. Girardi to L. Mustillo, March 31, 2014
<b>7.</b>	OEB Notice inviting comments, October 30, 2015
<b>8.</b>	Letter from G. Girardi to K. Walli, November 16, 2015
<b>9.</b>	OEB Notice of Revised Proposal to Amend a Code and to Amend a Rule, September 8, 2016
<b>10.</b>	Ontario Energy Board Report to the Minister of Energy, May 28, 2015



**EB-2017-0022**

**IN THE MATTER OF** the *Ontario Energy Board Act*, 1998, S.O. 1998, c. 15, (Schedule B);

**AND IN THE MATTER OF** a Notice of Intention to Make an Order for Compliance and Payment of an Administrative Penalty against Active Energy Inc. (ER-2012-0045)

**WTINESS STATEMENT OF BIRGIT ARMSTRONG**

It is anticipated that Birgit Armstrong will be called as witness at the hearing of this matter and she will give the following evidence:

- 1) I have been employed by the Ontario Energy Board (OEB) since November of 2008. From June 20, 2016 to July 10, 2017 I held the position of Advisor, Investigations. On July 10, 2017 I was promoted to Project Advisor, Major Applications.
- 2) I accepted the new position with the understanding that I will continue to fulfill my role as the lead inspector for compliance cases I inspected prior to July 10, 2017. As the lead inspector assigned to the OEB's Enforcement Team, in respect of above matters, I have personal knowledge of the matters to which I depose in this witness statement. I had primary responsibility for evaluating the information related to the original complaint as well as the information received from Active Energy Inc. (Active).
- 3) On August 4, 2010 the OEB initiated a consultation process to implement the consumer protection provisions of the *Energy Consumer Protection Act, 2010* (ECPA), which came into force on January 1, 2011.
  - i) In January 17, 2011 the OEB issued FAQs that addressed amongst other issues, the question of whether a consumer with multiple locations which are each separate low-volume accounts (less than 150,000 kWh/year consumption), but in the aggregate consume 150,000 kWh or more annually, should be considered a single high-volume consumer.
  - ii) The answer to the FAQ was "no, each account is considered to be a separate consumer for the purposes of determining whether the low-volume

consumption threshold is exceeded.”<sup>1</sup>

- 4) On May 18, 2016, the OEB received a complaint from one of Active’s customers alleging misrepresentation of the conditions of a retail contract to serve her commercial property. The contract included three accounts associated with three meters on a single property (with a single municipal address). Each individual meter has annual consumption below 150,000 kWh. The total consumption for all three meters 2015 was 293,196 kWh. In her complaint, the customer alleged that she was not given the protection under the ECPA and Ontario Regulation 389/10 under the ECPA (O.Reg. 389/10), although each of her accounts fall below the ECPA threshold for low-volume consumers (150,000kWh/year).
- 5) On August 30, 2016, I initiated an inspection regarding the aggregation of these three low-volume accounts into a single high-volume retail contract and requested information from Active.
- 6) Active Energy responded on September 9, 2016 showing the consumption for each of the three accounts. Active noted that since the customer’s annual combined consumption is more than 150,000 kWh; Active did not believe the customer was a “consumer” as defined in the ECPA<sup>2</sup>.
- 7) After reviewing the information provided by Active, I requested further information on September 21, 2016. I included a question regarding the aggregation of accounts and associated consumption, for the purpose of establishing the ECPA protection threshold if these accounts are across multiple locations, in order to clarify Active’s general business practices regarding account aggregation.
- 8) In its response of October 11, 2016, Active stated that it retails energy to customers, not to accounts, and that a customer may have more than one account or meter to which the supply is delivered<sup>3</sup>. Active further stated that it services large volume customers which take energy at multiple locations and suggested that the customer is the “consumer” under the ECPA, whose volume is delivered by the consumer’s distributor(s) to different locations<sup>4</sup>.
- 9) On October 18, 2016, I requested confirmation that Active is in fact aggregating multiple low-volume accounts into a single high-volume retail account. I also requested a complete list of customers that would have been impacted by this business practice.

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<sup>1</sup> Frequently Asked Questions, January 17, 2011, <https://www.oeb.ca/industry-initiatives-and-consultations/ecpa-implementation-frequently-asked-questions-faq>

<sup>2</sup> Active Energy, Gaetana Girardi, Response to Request for Information, September 9, 2016, p. 2-3

<sup>3</sup> Active Energy, Gaetana Girardi, Response to Request for Information, October 11, 2016, p. 2, Q#4

<sup>4</sup> Active Energy, Gaetana Girardi, Response to Request for Information, October 11, 2016, p. 2, Q#5

- 10) On November 4, 2016, Active provided its response. Active noted at that time that it "currently has 141 large volume electricity consumers that are a result of aggregating two or more low-volume utility accounts."<sup>5</sup> Active also provided an excel file listing the customers and the number of low volume utility accounts under each such contract. The list included 141 customers (1481 accounts). Active confirmed that it does not apply ECPA protection to those accounts<sup>6</sup>.
- 11) On February 1, 2017, I requested that Active classify which of the customers identified on November 4, 2016 are served at multiple locations vs. a single location via multiple meters.
- 12) On February 10, 2017, Active Energy updated its original list by adding 2 columns that identified whether the customers are served at a single location versus multiple locations. Active also classified some accounts as a hybrid model, identifying the customer as both a single location as well as multiple locations. 107 customers were classified as having multiple locations.
- 13) Following the review of this information, I requested copies of first a random sample size of contracts and, subsequently, copies of each contract listed by Active.
- 14) I reviewed each contract provided by Active and identified those contracts where Active engaged in an aggregation of accounts across multiple locations.
- 15) The OEB Enforcement Team considers Active's failure to apply ECPA requirements (and/or the provisions of O. Reg. 389/10, and the *Electricity Retailers Code of Conduct*) to customers based on an aggregation of their accounts across multiple locations as affording inadequate protection to those customers.

  
Signature

  
Date

<sup>5</sup> Active Energy, Gaetana Girardi, Response to Request for Information, November 4, 2016, p. 1 of the cover e-mail, Q#1b

<sup>6</sup> Active Energy, Gaetana Girardi, Response to Request for Information, November 4, 2016, p. 1. Q#1c



EB-2017-0022

EB-2017-0223

**IN THE MATTER OF** the *Ontario Energy Board Act*, 1998, S.O. 1998, c. 15, (Schedule B);

**AND IN THE MATTER OF** a Notice of Intention to Make an Order for Compliance and Payment of an Administrative Penalty against Active Energy Inc. (ER-2012-0045)

#### **FURTHER WITNESS STATEMENT OF BIRGIT ARMSTRONG**

It is anticipated that Birgit Armstrong will be called as witness at the hearing of this matter and she will give the following evidence:

1. I have been employed by the Ontario Energy Board (OEB) since November of 2008. From June 20, 2016 to July 10, 2017, I held the position of Advisor, Investigations. On July 10, 2017, I was promoted to Project Advisor, Major Applications.

#### **Five single location Contracts not included**

2. I have reviewed the Joint Witness Statement of Michael Stedman and Chris Waddick dated September 27, 2017 ("Joint Witness Statement") and delivered by Active Energy Inc. ("Active") in this matter.
3. At paragraph 38 and Attachment 3, the Joint Witness Statement states that five contracts for "multiple location customers" were not pursued in this matter (see Attachment 3 to the Joint Witness Statement) ("Contracts"). The characterization of the Contracts as relating to "multiple location customers" does not appear to be accurate. The Schedule "A" for each of the Contracts only lists a single location (*i.e.* municipal address) for the customer in question. True copies of the Contracts are attached at **Tab 1**.

I was the person responsible for drafting "Appendix A" to the Notices of Intention to Make an Order for Compliance and Payment of an Administrative Penalty against Active ("Notices"). Based on my review of the Contracts, I understood that the Contracts were for multiple meters at a single location, and excluded them from the Notices on that basis.

### **Guidance from OEB Staff on the practice of aggregating consumption levels across multiple locations**

4. Paragraphs 15-17 of the Joint Witness Statement suggest that it is “common” practice amongst energy retailers to aggregate the energy consumption of customers across multiple locations for the purposes of evaluating whether that customer is a “consumer” entitled to protections under the *Energy Consumer Protection Act, 2010* (“ECPA”). If such a practice did in fact exist, OEB Staff was (and remains) unaware of such a practice actually being implemented by retailers, apart from the present case.
5. I note that Active has failed to provide any details with respect to which retailers might be engaging in such a practice.
6. On September 25, 2017, Active brought a motion (“Motion”) seeking, among other things, documents and information concerning “whether OEB Staff have had any previous inquiries from, or discussions with, any Ontario energy retailers or other external parties other than Active regarding the practice of aggregating customer volumes across multiple meters and/or premises in determining the applicability of the ECPA.” A true copy of the Notice of Motion is attached at **Tab 2**.
7. Although the OEB Enforcement Team did not concede that all of the information sought by Active was necessary or relevant to the issues in this proceeding, in an effort to move things along expeditiously the OEB Enforcement Team nevertheless conducted a thorough records search and provided a fulsome response by way of a letter with attachments. A true copy of the OEB Enforcement Team’s response to Active (without attachments) is included at **Tab 3**.
8. As part of the OEB Enforcement Team’s efforts in reviewing documents in response to the Motion, the OEB Enforcement Team located and disclosed OEB Staff’s responses to inquiries from retailers on the issue of aggregation since the passage of the ECPA, as diarized in MPE and IRE reports. True copies of those reports and attached at **Tabs 4A-4F**.
9. Paragraphs 18-19 of the Joint Witness Statement suggest that certain (unnamed) retailers have asked for OEB Staff’s position on the issue of aggregation across multiple locations, but have not received a response. The OEB Enforcement Team did not uncover any evidence of such unanswered communications in the course of responding to the Motion. All communications found by the OEB Enforcement Team on the issue of aggregation were disclosed to Active in response to the Motion.



10. What the documents disclosed to Active (specifically, the MPE and IRE reports), as well as the FAQ (Agreed Statement of Fact, Tab 19), demonstrate is that guidance from OEB Staff to retailers has consistently been that aggregation across multiple locations is not permissible for the purpose of determining whether a customer is entitled to the protections of the ECPA.

#### **Multiple location verification scripts**

11. Paragraph 43 of the Joint Witness Statement states that OEB Staff's guidance on the issue of aggregation is "included as a sub-question under the heading '*Verification and Renewal Scripts*' which has nothing to do with the determination of ECPA application."
12. Although I agree that the issue of aggregation and the issue of multiple location verification scripts are distinct, I do not agree that the issues are totally unrelated. Retailers who wish to avail themselves of a multiple location verification script may naturally ask whether it is even necessary to verify a contract in a situation where a customer's energy consumption across all locations covered by that contract exceeds 150,000 kWh. That is exactly what the FAQ aims to address.
13. I note that the OEB has yet to approve a multiple location verification script, but the issue has been the subject of communications and discussions between the OEB, OEB Staff and retailers, including Active, for years. In particular:
- a) On March 10, 2014, OEB Staff issued a letter via email to retailers dealing with "Proposed Changes to the Board's Verification Scripts" (**Tab 5**);
  - b) On March 31, 2014, Active responded with comments (**Tab 6**);
  - c) On October 30, 2015, the OEB issued a Notice inviting comments on (among other items) a proposed multiple location verification script to retailers (**Tab 7**);
  - d) On November 16, 2015, Active responded with comments (**Tab 8**); and
  - e) On September 8, 2016, the OEB issued a Notice to retailers of a revised proposal to amend a code and amend a rule (which references the issue of multiple location verification scripts on page 8) (**Tab 9**).



### **"Consumers Come First" report**

14. Paragraph 22 of the Joint Witness Statement discusses Active's view of the relative sophistication of different types of energy consumers in Ontario. On May 28, 2015, the OEB submitted a Report to the Minister of Energy titled "Consumers Come First: A Report of the Ontario Energy Board on the Effectiveness of Part II of the *Energy Consumer Protection Act, 2010*" ("Report"). Pages 8-9 of the Report discusses consumer understanding and awareness of the energy sector, the impact of verification calls, and the fact that many contract holders are unaware that they even have a contract. A true copy of the Report is attached at **Tab 10**.

### **FAQ**


15. At paragraph 41 of the Joint Witness Statement, Mr. Stedman and Mr. Warrick claim they were unaware of OEB Staff's guidance on the issue of aggregation until after the Notices of Intention in this matter were issued. However, the following entries in the FAQ (see Agreed Statement of Fact, Tab 19) have been available online and have remained unchanged since January 20, 2011:

**3. When a contract includes multiple site locations, can all locations be included in one verification call?**

At the December 14, 2010 stakeholder meeting, Board staff indicated that it would bring forward to the Board the potential to accommodate this request, on the understanding that the multiple location script would apply only: (a) to non-residential consumers; (b) where all of the locations are covered by the same contract; and (c) where all of the terms and conditions (including price and term) are the same for all locations. Update on this issue is pending.

**4. Can a consumer with multiple locations which are each separate accounts that may individually consume not more than 150,000 kWh of electricity annually or 50,000 cubic metres of gas annually, but in the aggregate consume 150,000 kWh or more annually or 50,000 cubic metres or more annually be considered a single high-volume consumer?**

No. Each account is considered to be a separate consumer for the purposes of determining whether the low-volume consumption threshold is exceeded.

  
BIRGIT ARMSTRONG

  
DATE



# NATURAL GAS AND ELECTRICITY PROGRAMS (Customer Agreement)

LCV 01156

390 Brant Street, Suite 402, Burlington, ON, Canada L7R 4J4

416-238-5540 905-333-0982 [activeenergy.ca](http://activeenergy.ca) [commercial@activeenergy.ca](mailto:commercial@activeenergy.ca)

This Customer Agreement forms part of the Agreement entered into by and between Active Energy Inc. ("Active Energy") and the Customer identified in the Customer Information section below. This Customer Agreement shall only become binding and enforceable when it is executed by both Customer and Active Energy. Nothing herein shall be deemed to require Active Energy to execute the Agreement. The Date on which Active Energy executes this Customer Agreement shall be deemed the "Effective Date" of the Agreement.

## Customer Information

The Customer is responsible for ensuring the accuracy of the information set out below.

Account Holder ("Customer" as written on Utility bill, Provide full legal business name.)

First Last Title (if a business) owner

Signatory (Name & Title)

Business Address Street Number Street Name Unit Number

City Province Country Postal Code

Preferred Phone (with ext.) Alternative Phone Fax E-Mail

This Agreement is for: ☐ Single Location (complete attached Schedule "A") ☒ Multiple Locations (complete attached Schedule "A")

## Natural Gas & Electricity Price

Commodity	Term	Estimated Start Date	Select One		Authorization
Natural Gas Price	Year (s)	DDMM/YYYY	<input type="checkbox"/> Fixed Price of \$/m <sup>3</sup>	<input type="checkbox"/> Market Price + \$/m <sup>3</sup>	Customer Initial
Electricity Price	5 Year (s)	Aug 27, 2014 DDMM/YYYY	<input checked="" type="checkbox"/> Fixed Price of \$/kWh	<input checked="" type="checkbox"/> Market Price + \$/kWh	Customer Initial

\* Active Energy will bill a Transportation Charge in addition to the Natural Gas Price listed above. See section 7.4 of the General Terms and Conditions.

## Agreement Information

Customer appoints Active Energy as its supplier of natural gas and/or electricity commodity ("Energy") to each Location enrolled under this Agreement for the selected Term. You, the Customer, understand and agree as set out in Schedule "A":

- This Agreement is with Active Energy, a licensed Energy marketer/retailer and not your local Utility. You will continue to be supplied with Energy whether or not you sign this Agreement. In addition to the Prices above, as always, you will remain responsible for natural gas regulated delivery, transportation, storage and other charges billed by your Utility, and/or electricity delivery, debt retirement, regulatory and other charges billed by your Utility.
- If you sign up for the electricity program, you will have to settle your Regulated Price Plan (RPP) variance with your Utility, and will be entitled to be bound by the Global Adjustment.
- This Agreement does not guarantee financial savings. At any time, Customer's Utility commodity rates may be lower or higher than Active Energy's prices for Energy.
- This Agreement can be automatically renewed on a month to month basis (see Section 6). You may also request the Blend & Extend Option (see Section 9). Customer will owe Exit Fees to Active Energy if Customer causes this Agreement to end early (see Section 11).
- By signing this Agreement, Customer agrees to initiate Energy service and begin enrollment with Active Energy. Active Energy, following its execution of this Agreement, will supply Energy at the Price Customer agrees to on the Customer Agreement. Customer will pay any related charges, plus applicable taxes.

Customer has read and accepts the above, has received a signed copy of this Agreement (including the attached Schedule "A" and Terms and Conditions) and agrees to be bound by it.

Customer Initial

## Authorization

By signing this Agreement, each party agrees to be bound by the terms of this Customer Agreement and the General Terms and Conditions, and Customer acknowledges having read, understood and accepts the contents of this Agreement, including without limitation, the Price and Term as indicated and agrees to be bound by same. The undersigned acknowledges having full authority to sign this Agreement and enter a binding contract for the Location(s) and Utility accounts listed in Schedule "A".

Customer

Active Energy

Authorized Signature ☒

Authorized Signature

Print Name

Print Name

Print Title

Print Title

Date

Date

I have the authority to bind Customer

I have the authority to bind Active Energy

CONSULTANT #

CONSULTANT NAME

CONSULTANT SIGNATURE

THIS AGREEMENT IS ONLY VALID FOR NEW COMMERCIAL CUSTOMERS. NO CHANGES TO THE PRE-PRINTED TERMS APPLY. PLEASE PROVIDE A COPY OF YOUR BILL TO ASSIST IN PROCESSING YOUR ENROLLMENT.

[illegible]

Signature: \_\_\_\_\_

Print Title: Lower

Date: T. 1. 3. 2014

**"I have the authority to sign on behalf of the Customer."**



**NATURAL GAS AND ELECTRICITY PROGRAMS**

LCV 01161

**(Customer Agreement)**

390 Brant Street, Suite 402, Burlington, ON, Canada L7R 4J4

416-238-5540 905-333-0982 [activeenergy.ca](mailto:activeenergy.ca) [commercial@activeenergy.ca](mailto:commercial@activeenergy.ca)

This Customer Agreement forms part of the Agreement entered into by and between Active Energy Inc. ("Active Energy") and the Customer identified in the Customer Information section below. This Customer Agreement shall only become binding and enforceable when it is executed by both Customer and Active Energy. Nothing herein shall be deemed to require Active Energy to execute the Agreement. The Date on which Active Energy executes this Customer Agreement shall be deemed the "Effective Date" of the Agreement.

**Customer Information**

The Customer is responsible for ensuring the accuracy of the information set out below.

Account Holder ("Customer") as written on Utility bill, Print Name: \_\_\_\_\_ Title (if a business) Owner

First \_\_\_\_\_ Last \_\_\_\_\_

Signatory (Name & Title) \_\_\_\_\_

Street Number \_\_\_\_\_ Street Name \_\_\_\_\_ Unit Number \_\_\_\_\_

City \_\_\_\_\_ Province \_\_\_\_\_ Postal Code \_\_\_\_\_

Preferred Phone (with ext.) \_\_\_\_\_ Alternative Phone \_\_\_\_\_ FAX \_\_\_\_\_ E-MAIL \_\_\_\_\_

This Agreement is for: ☒ Single Location (complete attached Schedule "A") ☐ Multiple Locations (complete attached Schedule "A")

**Natural Gas & Electricity Price**

Commodity	Term	Estimated Start Date	Select One		Authorization
Natural Gas Price	____ Year (s)	____/____/____	<input type="checkbox"/> Fixed Price of _____ \$/m <sup>3</sup>	<input type="checkbox"/> Market Price + _____ \$/m <sup>3</sup>	Customer Initial _____
Electricity Price	<u>5</u> Year (s)	<u>01/July/2014</u>	<input checked="" type="checkbox"/> Fixed Price of _____ \$/kWh	<input checked="" type="checkbox"/> Market Price + <u>0.5</u> \$/kWh	Customer Initial _____
			<input type="checkbox"/> Block Price of _____ \$/kWh	<input type="checkbox"/> Pay _____ \$/kWh	

\* Active Energy will bill a Transportation Charge in addition to the Natural Gas Price listed above. See section 7.4 of the General Terms and Conditions.

**Agreement Information**

Customer appoints Active Energy as its supplier of natural gas and/or electricity commodity ("Energy") to each Location enrolled under this Agreement for the selected Term. You, the Customer, understand and agree as set out in Schedule "A":

- This Agreement is with Active Energy, a licensed Energy marketer/retailer and not your local Utility. You will continue to be supplied with Energy whether or not you sign this Agreement. In addition to the Prices above, as always, you will remain responsible for natural gas regulated delivery, transportation, storage and other charges billed by your Utility, and/or electricity delivery, debt retirement, regulatory and other charges billed by your Utility.
- If you sign up for the electricity program, you will have to settle your Regulated Price Plan (RPP) variance with your Utility, and will be entitled to be bound by the Global Adjustment.
- This Agreement does not guarantee financial savings. At any time, Customer's Utility commodity rates may be lower or higher than Active Energy's prices for Energy.
- This Agreement can be automatically renewed on a month to month basis (see Section 8). You may also request the Bland & Extend Option (see Section 9). Customer will owe Exit Fees to Active Energy if Customer causes this Agreement to end early (see Section 11).
- By signing this Agreement, Customer agrees to initiate Energy service and begin enrollment with Active Energy. Active Energy, following its execution of this Agreement, will supply Energy at the Price Customer agrees to on the Customer Agreement. Customer will pay any related charges, plus applicable taxes.

Customer has read and accepts the above, has received a signed copy of this Agreement (including the attached Schedule "A" and Terms and Conditions) and agrees to be bound by it.

Customer Initial \_\_\_\_\_

**Authorization**

By signing this Agreement, each party agrees to be bound by the terms of this Customer Agreement and the General Terms and Conditions, and Customer acknowledges having read, understood and accepts the contents of this Agreement, including without limitation, the Price and Term as indicated and agrees to be bound by same. The undersigned acknowledges having full authority to sign this Agreement and enter a binding contract for the Location(s).

Customer	Active Energy
Authorized Signature _____	Authorized Signature <u>[Signature]</u>
Print Name _____	Print Name _____
Print Title _____	Print Title _____
Date <u>July 01 2014</u>	Date _____
I have the authority to bind Customer	
<input checked="" type="checkbox"/> CONSULTANT # _____	CONSULTANT NAME <u>Greg Berry</u>
	CONSULTANT SIGNATURE <u>[Signature]</u>

THIS AGREEMENT IS ONLY VALID FOR NEW COMMERCIAL CUSTOMERS. NO CHANGES TO THE PRE-PRINTED TERMS APPLY.  
PLEASE PROVIDE A COPY OF YOUR BILL TO ASSIST IN PROCESSING YOUR ENROLLMENT.

[illegible]

"I have the authority to sign on behalf of the Customer."







active energy

## NATURAL GAS AND ELECTRICITY PROGRAMS

(Customer Agreement)

390 Brant Street, Suite 402, Burlington, ON, Canada L7R 4J4

416-238-5540 905-333-0982 info@activeenergy.ca commercial@activeenergy.ca

LCV 01762

This Customer Agreement forms part of the Agreement entered into by and between Active Energy Inc. ("Active Energy") and the Customer identified in the Customer Information section below. This Customer Agreement shall only become binding and enforceable when it is executed by both Customer and Active Energy. Nothing herein shall be deemed to require Active Energy to execute the Agreement. The Date on which Active Energy executes this Customer Agreement shall be deemed the "Effective Date" of the Agreement.

## Customer Information

The Customer is responsible for ensuring the accuracy of the information set out below.

Account Holder ("Customer" as written on Utility Bill. Provide full legal business name.)

First Last Title (if a business) Owner

Signature (Name & Title)

Business Address Street Number Street Name Unit Number

City Province Country Postal Code

Preferred Phone (with ext.) Alternative Phone Fax E-Mail

This Agreement is for: ☐ Single Location (complete attached Schedule "A") ☒ Multiple Locations (complete attached Schedule "A")

## Natural Gas &amp; Electricity Price

Commodity	Term	Estimated Start Date	Select One		Authorization
Natural Gas Price	Year (s)	1/1/2014	<input type="checkbox"/> Fixed Price of \$/m <sup>3</sup>	<input type="checkbox"/> Market Price + \$/m <sup>3</sup>	Customer Initial
Electricity Price	5 Year (s)	01/03/2014	<input type="checkbox"/> Fixed Price of \$/kWh	<input checked="" type="checkbox"/> Market Price + \$/kWh	Customer Initial
				<input type="checkbox"/> Block Price of \$/kWh <input type="checkbox"/> Peak <input type="checkbox"/> Base Load KW	Customer Initial

\* Active Energy will bill a Transportation Charge in addition to the Natural Gas Price listed above. See section 7.A of the General Terms and Conditions.

## Agreement Information

Customer appoints Active Energy as its supplier of natural gas and/or electricity commodity ("Energy") to each Location enrolled under this Agreement for the selected Term. You, the Customer, understand and agree as set out in Schedule "A":

- This Agreement is with Active Energy, a licensed Energy marketer and not your local Utility. You will continue to be supplied with Energy whether or not you sign this Agreement. In addition to the Prices above, as always, you will remain responsible for natural gas regulated delivery, transportation, storage and other charges billed by your Utility, and/or electricity delivery, debt retirement, regulatory and other charges billed by your Utility.
- If you sign up for the electricity program, you will have to settle your Regulated Price Plan (RPP) balance with your Utility, and will be entitled to be bound by the Global Adjustment.
- This Agreement does not guarantee financial savings. At any time, Customer's Utility commodity rates may be lower or higher than Active Energy's prices for Energy.
- This Agreement can be automatically renewed on a month to month basis (see Section 6). You may also request the Suspend & Extend Option (see Section 9). Customer will owe Exit Fees to Active Energy if Customer causes this Agreement to end early (see Section 11).
- By signing this Agreement, Customer agrees to initiate Energy service and begin enrollment with Active Energy. Active Energy, following its execution of this Agreement, will supply Energy at the Price Customer agrees to on the Customer Agreement. Customer will pay any related charges, plus applicable taxes.

Customer has read and accepts the above, has received a signed copy of this Agreement (including the attached Schedule "A" and Terms and Conditions) and agrees to be bound by it.

Customer Initial

## Authorization

By signing this Agreement, each party agrees to be bound by the terms of this Customer Agreement and the General Terms and Conditions, and Customer acknowledges having read, understood and accepts the contents of this Agreement, including without limitation, the Price and Term as indicated and agrees to be bound by same. The undersigned understands and agrees to sign this Agreement and enter a binding contract for the Location(s) and Utility accounts listed in Schedule "A".

Customer

Active Energy

Authorized Signature

Authorized Signature

Print Name

Print Name

Print Title Owner

Print Title

Date 5<sup>th</sup> March Feb 14 2014

Date

I have the authority to bind Customer

I have the authority to bind Active Energy

CONSULTANT NAME

CONSULTANT SIGNATURE

THIS AGREEMENT IS ONLY VALID FOR NEW COMMERCIAL CUSTOMERS. NO CHANGES TO THE PRE-PRINTED TERMS APPLY. PLEASE PROVIDE A COPY OF YOUR BILL TO ASSIST IN PROCESSING YOUR ENROLLMENT.







# NATURAL GAS AND ELECTRICITY PROGRAMS (Customer Agreement)

LCV 01181

390 Brant Street, Suite 402, Burlington, ON, Canada L7R 4J4  
416-238-5540 905-333-0982 activeenergy.ca commercial@activeenergy.ca

ANNED



This Customer Agreement forms part of the Agreement entered into by and between Active Energy Inc. ("Active Energy") and the Customer identified in the Customer Information section below. This Customer Agreement shall only become binding and enforceable when it is executed by both Customer and Active Energy. Nothing herein shall be deemed to require Active Energy to execute the Agreement. The Date on which Active Energy executes this Customer Agreement shall be deemed the "Effective Date" of the Agreement.

## Customer Information

The Customer is responsible for ensuring the accuracy of the information set out below.

Account No. \_\_\_\_\_ as written on Utility bill. (For default local business name.)

First \_\_\_\_\_ Last \_\_\_\_\_

Title (if a business) owner

Signatory (Name & Title)

Billing Address

Street Number

Street Name

Unit/Room Number

City

Province

Postal Code

Preferred Phone (with ext.)

Alternative Phone

Fax

E-Mail

This Agreement is for:

☐ Single Location  
(complete attached Schedule "A")

☒ Multiple Locations  
(complete attached Schedule "A")

## Natural Gas & Electricity Price

Commodity	Term	Estimated Start Date	Select One	Authorization
Natural Gas Price	Year (s)	DDMM/YYYY	<input type="checkbox"/> Fixed Price of \$/m <sup>3</sup> <input type="checkbox"/> Market Price + \$/m <sup>3</sup>	Customer Initial
Electricity Price	5 Year (s)	01/05/2014 DDMM/YYYY	<input checked="" type="checkbox"/> Fixed Price of 5.35 \$/kWh <input type="checkbox"/> Market Price + \$/kWh <input type="checkbox"/> Block Price of \$/kWh <input type="checkbox"/> Peak <input type="checkbox"/> Base-load kW	

\* Active Energy will bill a Transportation Charge in addition to the Natural Gas Price listed above. See section 7.4 of the General Terms and Conditions.

## Agreement Information

Customer appoints Active Energy as its supplier of natural gas and/or electricity commodity ("Energy") to each Location enrolled under this Agreement for the selected Term. You, the Customer, understand and agree as set out in Schedule "A":

- This Agreement is with Active Energy, a licensed Energy marketer/retailer and not your local Utility. You will continue to be supplied with Energy whether or not you sign this Agreement. In addition to the Price above, as always, you will remain responsible for natural gas regulated delivery, transportation, storage and other charges billed by your Utility, and/or electricity delivery, debt retirement, regulatory and other charges billed by your Utility.
- If you sign up for the electricity program, you will have to settle your Regulated Price Plan (RPP) variance with your Utility, and will be entitled to/bound by the Global Adjustment.
- This Agreement does not guarantee financial savings. At any time, Customer's Utility commodity rates may be lower or higher than Active Energy's prices for Energy.
- This Agreement can be automatically renewed on a month to month basis (see Section 6). You may also request the Blend & Extend Option (see Section 9). Customer will owe Exit Fees to Active Energy if Customer causes this Agreement to end early (see Section 11).
- By signing this Agreement, Customer agrees to initiate Energy service and begin enrollment with Active Energy. Active Energy, following its execution of this Agreement, will supply Energy at the Price Customer agrees to on the Customer Agreement. Customer will pay any related charges, plus applicable taxes.

Customer has read and accepts the above, has received a signed copy of this Agreement (including the attached Schedule "A" and Terms and Conditions) and agrees to be bound by it.

Customer Initial

## Authorization

By signing this Agreement, each party agrees to be bound by the terms of this Customer Agreement and the General Terms and Conditions, and Customer acknowledges having read, understood and accepts the contents of this Agreement, including without limitation, the Price and Term as indicated and agrees to be bound by same. The undersigned acknowledges having full authority to sign this Agreement and enter a binding contract for the Location(s) and Utility accounts listed in Schedule "A".

Customer

Active Energy

Authorized Signature

Authorized Signature

Print Name

Print Name

Print Title

Print Title

Date

Date

I have the authority to bind Customer

I have the authority to bind Active Energy

050019000  
CONSULTANT #

Greg Barry  
CONSULTANT NAME

Greg Barry  
CONSULTANT SIGNATURE

THIS AGREEMENT IS ONLY VALID FOR NEW COMMERCIAL CUSTOMERS. NO CHANGES TO THE PRE-PRINTED TERMS APPLY. PLEASE PROVIDE A COPY OF YOUR BILL TO ASSIST IN PROCESSING YOUR ENROLLMENT.

[illegible]

**Signature:**

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Title: owner  
Date: 2/20/14

Date: 11/01/2014

"I have the authority to sign on behalf of the Customer."





# NATURAL GAS AND ELECTRICITY PROGRAMS (Customer Agreement)

LV 03078

390 Brant Street, Suite 402, Burlington, ON, Canada L7R 4J4  
416-238-5540 905-333-0982 activeenergy.ca commercial@activeenergy.ca

This Customer Agreement forms part of the Agreement entered into by and between Active Energy Inc. ("Active Energy") and the Customer identified in the Customer Information section below. This Customer Agreement shall only become binding and enforceable when it is executed by both Customer and Active Energy. Nothing herein shall be deemed to require Active Energy to execute the Agreement. The Date on which Active Energy executes this Customer Agreement shall be deemed the "Effective Date" of the Agreement.

## Customer Information

The Customer is responsible for ensuring the accuracy of the information set out below.

Account Holder ("Customer" as written on Utility bill. Provide full legal business name.)

First Last Title (if a business) OWNER

Signatory (Name & Title)

Billing Address Street Number Street Name Unit Number

Province Country Postal Code

Preferred Phone (with ext.)

Alternative Phone

Fax

E-Mail

This Agreement is for:

☐ Single Location  
(complete attached Schedule "A")

☐ Multiple Locations  
(complete attached Schedule "A")

## Natural Gas, Electricity & Green Offsets Price

Commodity	Term	Estimated Start Date	Select One			Green Natural Gas Offset %	<input checked="" type="checkbox"/>	Green Natural Gas Offset Price	Authorization
Natural Gas Price	5 Year (s)	1/1/15 DD/MM/YYYY	<input type="checkbox"/> Fixed Price of	<input type="checkbox"/> Market Price +		100%	<input type="checkbox"/>	1.09 \$/m <sup>3</sup>	Customer Initial
			19.5 \$/m <sup>3</sup>	____ \$/m <sup>3</sup>		88%	<input type="checkbox"/>		
Electricity Price	3 Year (s)	1/1/15 DD/MM/YYYY	<input type="checkbox"/> Fixed Price of	<input type="checkbox"/> Market Price +	<input type="checkbox"/> Block Price of	100%	<input type="checkbox"/>	1.09 \$/kWh	Customer Initial
			7.0 \$/kWh	____ \$/kWh	____ \$/kWh	88%	<input type="checkbox"/>		
					<input type="checkbox"/> Peak <input type="checkbox"/> BaseLoad	60%	<input type="checkbox"/>		
					kW	40%	<input type="checkbox"/>		
						20%	<input checked="" type="checkbox"/>		

\* Active Energy will bill a Transportation Charge in addition to the Natural Gas Price listed above. See section 8.4 of the General Terms and Conditions.

## Agreement Information

Customer appoints Active Energy as its supplier of natural gas and/or electricity commodity ("Energy") and Green Offsets to each Location enrolled under this Agreement for the selected Term. You, the Customer, understand and agree:

- This Agreement is with Active Energy, a licensed Energy marketer/retailer and not your local Utility. You will continue to be supplied with Energy whether or not you sign this Agreement. In addition to the Prices above, as always, you will remain responsible for natural gas regulated delivery, transportation, storage and other charges billed by your Utility, and/or electricity delivery, debt retirement, regulatory and other charges billed by your Utility.
- If you sign up for the electricity program, you will have to settle your Regulated Price Plan (RPP) variance with your Utility, and will be entitled to/bound by the Global Adjustment.
- This Agreement does not guarantee financial savings. At any time, Customer's Utility commodity rates may be lower or higher than Active Energy's prices for Energy.
- This Agreement can be automatically renewed (see Section 8). You may also request the Blend & Extend Option (see Section 10). Customer will owe Exit Fees to Active Energy if Customer causes this Agreement to end early (see Section 12).
- By signing this Agreement, Customer agrees to initiate Energy (along with Green Natural Gas and/or Green Electricity Offsets, if selected) service and begin enrollment with Active Energy. Active Energy, following its execution of this Agreement, will supply Energy (along with Green Natural Gas and/or Green Electricity Offsets, if selected) at the Price Customer agrees to on the Customer Agreement. Customer will pay any related charges, plus applicable taxes.

Customer has read and accepts the above, has received a signed copy of this Agreement (including the attached Schedule "A" and Terms and Conditions) and agrees to be bound by it.

Customer Initial

## Authorization

By signing this Agreement, each party agrees to be bound by the terms of this Customer Agreement and the General Terms and Conditions, and Customer acknowledges having read, understood and accepts the contents of this Agreement, including without limitation, the Price and Term as indicated and agrees to be bound by same. The undersigned acknowledges having full authority to sign this Agreement and enter a binding contract for the Location(s) and Utility accounts listed in Schedule "A".

Customer

2

Active Energy

Authorized Signature

Authorized Signature

Print Name

Print Name

Print Title

OWNER

Print Title

Date

DEC 2/14

Date

I have the authority to bind Customer

I have the authority to bind Active Energy

1800000000

CONSULTANT #

CONSULTANT NAME

CONSULTANT SIGNATURE

THIS AGREEMENT IS ONLY VALID FOR NEW COMMERCIAL CUSTOMERS. NO CHANGES TO THE PRE-PRINTED TERMS APPLY.  
PLEASE PROVIDE A COPY OF YOUR BILL TO ASSIST IN PROCESSING YOUR ENROLLMENT.

LVC09302013C000001

[illegible]

**"I have the authority to sign on behalf of the Customer."**

**ONTARIO ENERGY BOARD**

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*;

**AND IN THE MATTER OF** Notice of Intention to Make an Order for Compliance and Payment of an Administrative Penalty against Active Energy Inc. (ER-2012-0045).

**NOTICE OF MOTION**

Active Energy Inc. (Active) will make a motion to the Ontario Energy Board (OEB or Board) on a date and at a time to be determined by the Board.

**PROPOSED METHOD OF HEARING:** Orally, to be heard at 2300 Yonge Street, 27<sup>th</sup> Floor, Toronto, Ontario.

**THE MOTION IS FOR:**

An order directing OEB Enforcement Staff to respond to the following interrogatories:

1. *The Complaint File Summary included as Attachment 1 to the Agreed Statement of Facts (ASF) indicates that the OEB Staff who engaged with Active's customer C.C. in respect of the complaint which led to the investigation which has ultimately led to this proceeding considered that the Ontario Energy Consumer Protection Act, 2010 (ECPA) applied to a customer with 3 low volume meters on one property.*

*Based on the fact that C.C. is not one of the customers included in the lists of customers attached to the Notices of Compliance, Active assumes that OEB Staff have now determined that aggregation of multiple meters on one premises is permitted in determining whether the ECPA applies to a particular retail energy customer.*

*Active would like to better understand what standard or standards OEB Staff has, and is now, applying to determine whether the ECPA applies to retail energy customers with multiple meters. Active would also like to understand whether, and to what extent, this topic has been given attention by the Board internally.*

- (a) *Please advise if OEB Staff taking customer inquiries/complaints are trained on the ECPA.*
  - (b) *If so, please provide copies of any training materials provided for such training.*
  - (c) *Please provide copies of any other internal OEB training or briefing materials not addressed in response to part 1.b. which address ECPA requirements.*
2. *In support of its position on the permissibility of aggregation of a customer's multiple accounts/premises in determining applicability of the ECPA, OEB Staff refers (paragraph 25 of the ASF) to the FAQ posted by the Board on January 17, 2011 and included as Attachment 19 to the ASF.*
- Active would like to determine whether any other Board published materials exist addressing this topic, and if so how this topic has been addressed.*
- (a) *Please advise whether that FAQ has changed since its initial posting.*
  - (b) *If the FAQ has changed in any respect since its initial posting, please file copies of all versions of the posting, or if not available please explain in detail what the various changes have been.*
  - (c) *The FAQ includes reference (Q&A 3 under the hearing "Verification and Renewal Scripts") to the potential to accommodate a request for a verification call to verify all locations for a multi-location customer in one verification call.*
    - (i) *Please advise whether any such script was ever produced by the OEB, and if so please provide a copy of any such script.*
    - (ii) *Please advise whether any other materials or notifications were ever produced or published by the OEB in relation to aggregation of meters/premises in determining ECPA eligibility, and if so please provide copies of all such materials or notifications.*
3. *Please advise whether OEB Staff have had any previous inquiries from, or discussions with, any Ontario energy retailers or other external parties other than Active regarding the practice of aggregating customer volumes across multiple meters and/or premises in determining applicability of the ECPA. If so, please:*
- (a) *Indicate which retailers the OEB has had any such discussions with, and approximately when such discussions were had.*
  - (b) *Advise, in each case, by whom the discussions were initiated (i.e. by OEB Staff or the external party) and whether the discussions resulted from a*



*customer complaint or inquiry or some other initiating factor (and if another initiating factor, please explain what that initiating factor was).*

- (c) *Provide copies of any correspondence or other materials received by the OEB or OEB Staff from, or sent by the OEB or OEB Staff to, any retailer or third party in respect of such previous discussions.*
- (d) *Advise what the outcome of such discussions was in each case in respect of OEB Staff's advice, position or feedback on the practice of aggregating customer volumes across multiple meters and/or premises in determining applicability of the ECPA.*

#### **THE GROUNDS FOR THE MOTION ARE:**

1. In respect of interrogatory 1, as set out above:
  - (a) The disclosure provided by OEB Enforcement Staff when indicates that as recently as the complaint by Active's customer which has ultimately given rise to this proceeding, OEB Staff have been inconsistent and unclear in their application of the ECPA to electricity customers with multiple low-volume meters whose annual aggregate consumption exceeds the legislated low-volume threshold.
  - (b) Further, Active's evidence will be that it remains unclear precisely how OEB Staff are seeking to apply the ECPA to such electricity customers.
  - (c) Active wishes to explore the extent to which additional internal OEB materials relevant to this issue exist, or not, and if they do exist how they address application of the ECPA to electricity customers with multiple low-volume meters whose annual aggregate consumption exceeds the legislated low-volume threshold.
  - (d) The inconsistency of OEB Staff on this matter is relevant to;
    - (i) determination of precisely what OEB Staff's position is;
    - (ii) the veracity and persuasiveness of such position; and
    - (iii) should OEB Staff's current position ultimately be found to be persuasive, the degree to which Active should be penalized for its conduct in this area which has historically been unclear to, and inconsistently applied by, even OEB Staff.
  - (e) Active would also like to assess the extent to which the degree of attention paid to this issue internally by the Board and externally in Board publications

is consistent, a matter going to the appropriateness of the Board proceeding in the manner in which it has in this enforcement proceeding at this time.

2. In respect of interrogatory 2, as set out above:

- (a) OEB Enforcement Staff rely on the FAQ posted by the Board on January 17, 2011, and included as attachment 19 to the ASF, in support of the statement in the Notices of Intention that *"[t]he OEB's guidance on this issue [of applicability of the ECPA to an electricity consumer with multiple meters] has been available to Active and the rest of the electricity retailer sector since the ECPA took effect in 2011"* as included in each of the Notices of Intention issue by the Board herein and leading to this proceeding (paragraphs 4 of the Notices of Intention).
- (b) Active's evidence will be that it was not aware of such guidance. Active will further argue that this one FAQ statement was insufficient to provide proper notice and guidance to the industry of the Board's interpretation of the applicability of the ECPA to electricity customers with multiple meters.
- (c) In light of the anticipated reliance by OEB Enforcement Staff on the cited FAQ, and Active's position that this FAQ provides insufficient notice to the electricity retail sector of the Board's position on this issue, the extent to which the FAQ is the only reference to the issue at hand in the public domain is relevant to consideration of the extent to which Active should be found culpable, and penalized, should the Board ultimately accept OEB Enforcement Staff's interpretive position.


3. In respect of interrogatory 3 as set out above:

- (a) Active's evidence herein will describe its understanding that the issue of ECPA applicability to electricity customers with multiple meters has been raised with the Board by retailers in the past, and that the Board has neither indicated that such practice is unacceptable and contrary to the ECPA, nor has it taken any enforcement or other compliance related actions in respect thereof, in spite of its awareness of such practices.
- (b) The extent to which the issues herein have been engaged in by OEB Staff in the past, and the conduct and outcome of any such engagements, is relevant both to:
  - (i) the veracity and persuasiveness of OEB Enforcement Staff's current position; and
  - (ii) should OEB Enforcement Staff's current position ultimately be found to be persuasive, the degree to which Active should be penalized for its conduct in this area which has historically been unclear to, and inconsistently applied by, even OEB Staff.

**THE FOLLOWING MATERIALS WILL BE RELIED ON BY ACTIVE:**

1. The Notices of Intention issued by the Board herein (copies of which are included as Attachment 15 to the ASF).
2. The Complaint File Summary and Consumer Complaint Response forms included as Attachment 1 to the ASF.
3. The ASF.
4. The Joint Witness Statement of Michael Stedman and Chris Waddick to be filed by Active.

September 25<sup>th</sup>, 2017.



Gowling WLG (Canada) LLP  
Suite 1600, 100 King Street West  
Toronto, ON, M5X 1G5

Ian A. Mondrow  
Counsel for Active Energy Inc.  
416-369-4670  
ian.mondrow@gowlingwlg.com

TO: Justin Safayeni  
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Suite 4130, 77 King Street West  
Toronto, ON, M5K 1H1  
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**Justin Safayeni**  
Direct Line: 416-593-3494  
Direct Fax: 416-593-9345  
justins@stockwoods.ca  
File No.: 10802

October 5, 2017

**VIA EMAIL**

Ian A. Mondrow  
Gowling WLG (Canada) LLP  
1 First Canadian Place  
100 King Street West  
Suite 1600  
Toronto ON M5X 1G5

Dear Ian:

**Re: EB-2017-0022/0223 – Active Energy Inc. (“Active”) Disclosure motion**

On behalf of the OEB Enforcement Team, I write in response to the motion brought by Active in this matter by way of Notice of Motion dated September 25, 2017 (“**Motion**”).

In an effort to move this proceeding forward efficiently, cooperatively and without further delay, the OEB Enforcement Team has agreed to provide information and documents in response to Active’s Motion (“**Productions**”). This should not be taken as an admission that the Productions are relevant to the issues in this enforcement proceeding, or that the OEB Enforcement Team accepts the suggestion that OEB staff have been inconsistent in their approach or interpretation to the ECPA.

This should also not be taken as an acknowledgment that Active is entitled to the Productions under the OEB’s *Rules of Practice and Procedure for Enforcement Proceedings* (“*Rules*”), or otherwise at law. In particular, we note that there is no legal basis for the “interrogatories” requested by Active (as opposed to a request for further documentary disclosure), since the concept of “interrogatories” is not one that applies in enforcement proceedings.

In reviewing the Productions, you will see that the identity of individual retailers in the MPE/IRE reports have been redacted. These communications between retailers and OEB staff are designed to be frank and confidential – not aired in the course of enforcement proceedings of other retailers. In our view, a fair balance is struck by producing the content of the communications, and redacting the names of the individual retailers involved.

STOCKWOODS LLP

TD NORTH TOWER, 77 KING STREET WEST, SUITE 4130, P.O. BOX 140, TORONTO, ONTARIO M5K 1H1 • PH: 416-593-7200 • FAX: 416-593-9345

**OEB ENFORCEMENT TEAM'S PRODUCTIONS:**

<b>PARA IN NOTICE OF MOTION</b>	<b>RESPONSE</b>
<b>1A</b>	OEB Staff taking customer inquiries/complaints are trained on the <i>Energy Consumer Protection Act, 2010</i> ("ECPA").
<b>1B</b>	Training materials on the ECPA: <ul style="list-style-type: none"><li>• <b>Tab 1A:</b> ECPA Powerpoint presentation for Consumer Relations Centre, dated December 17, 2010</li><li>• <b>Tab 1B:</b> ECPA summary chart (provided to Consumer Relations Centre on or about February 3, 2011 and to analysts on or about March 11, 2011)</li><li>• <b>Tab 1C:</b> ECPA report implementation (Powerpoint presentation), dated December 14, 2016</li></ul>
<b>1C</b>	None.
<b>2A</b>	Yes, the FAQ (ASF, Tab 19) has changed since its initial posting on January 17, 2011. The initial FAQ is included at <b>Tab 2A</b> .
<b>2B</b>	The various changes to the FAQ are as follows: <ul style="list-style-type: none"><li>• On or about January 20, 2011 (see <b>Tab 2B</b>)</li><li>• On or about March 4, 2011 (see <b>Tab 2C</b>)</li><li>• On or about February 16, 2012 (see <b>Tab 2D</b>)</li><li>• On or about March 16, 2012 (see <b>Tab 2E</b>)</li></ul>
<b>2Ci</b>	A multi-location verification script has not yet been approved by the OEB.
<b>2Cii</b>	No materials or notifications have been produced or published by the OEB on the specific issue of aggregating meters/premises in determining ECPA eligibility.
<b>3</b>	OEB staff have had discussions with Ontario energy retailers regarding the practice of aggregating customer volumes across multiple locations in determining the applicability of the ECPA.

<b>Date (3A)</b>	<b>Retailer(s) (3A)</b>	<b>Initiating factor (3B)</b>	<b>OEB Staff advice / response (3D)</b>	<b>Documents (3C)</b>
Dec. 14, 2010	All retailers	Regular supplier meeting held by OEB.  This meeting focused on implementing the ECPA.	OEB staff's feedback from this meeting was in the form of the FAQ, which was posted online as of Jan 17, 2011.	Invitation ( <b>Tab 3A</b> ) <sup>1</sup>  Powerpoint presentation ( <b>Tab 3B</b> ) <sup>2</sup>
Dec 22, 2010	Retailer "A"	Question from retailer	Answer	MPE Report ( <b>Tab 3C</b> )
Jan 5, 2011	Retailer "B"	Question from retailer	Answer	MPE Report ( <b>Tab 3D</b> )
Feb/Mar, 2012	Just Energy; Sunwave Gas and Power; Summitt Energy	Retailers proposed a multiple-location verification script for OEB staff to consider.	None.  On April 13, 2012, retailers advised OEB staff that proposal would be forthcoming.	None.
June 1, 2012	Just Energy; Sunwave Gas and Power; Summitt Energy	Retailers proposed a multiple location verification script for OEB staff to consider.	Staff acknowledged receipt of the submission and would review the proposals.	Proposal sent by retailers to OEB staff ( <b>Tab 3E</b> )  Email from OEB staff dated June 1, 2012 ( <b>Tab 3F</b> )
Aug 1, 2012	Retailer "C"	Question from retailer	Answer	MPE Report ( <b>Tab 3G</b> )

1 The Invitation refers to a "Notice of Revocation and Re-Issuance of a Code" dated November 17, 2010. That document is available here: [https://www.oeb.ca/oeb/\\_Documents/EB-2010-0245/notice\\_revocation\\_reissuance\\_code\\_20101117.pdf](https://www.oeb.ca/oeb/_Documents/EB-2010-0245/notice_revocation_reissuance_code_20101117.pdf)

2 Note that this presentation was posted on the OEB website following the meeting, where it remains available at this link: <https://www.oeb.ca/industry/policy-initiatives-and-consultations/implementation-consumer-protection-provisions-energy>

<b>Date (3A)</b>	<b>Retailer(s) (3A)</b>	<b>Initiating factor (3B)</b>	<b>OEB Staff advice / response (3D)</b>	<b>Documents (3C)</b>
October 22, 2012	Summitt Energy	Request for an update on the submission	In an email on October 23, 2012, OEB staff responded that the submission has been reviewed and staff is prepared to recommend changes to the Board's scripts	Email exchange between Gaetana Girardi (Summitt Energy) and OEB staff <b>(Tab 3H)</b>
Dec 5, 2013	All retailers	Regular supplier meeting held by OEB staff.  Active asked to add verification scripts to the agenda, which OEB staff did.	At the meeting, OEB staff advised orally that staff intends to recommend a multiple locations verification script for non-residential customers.	Invitation and agenda <b>(Tab 3I)</b>
Jan 14, 2014	Active	Active emails OEB staff	See documents and March 10 <sup>th</sup> script proposal	Email from Active to OEB staff <b>(Tab 3J)</b>
Mar 10, 2014	All retailers	OEB staff	See documents	Email sent to all participants of the OEB Quarterly Supplier Meeting with document providing background and proposed changes and draft verification script attached <b>(Tab 3K and 3L)</b> .



<b>Date (3A)</b>	<b>Retailer(s) (3A)</b>	<b>Initiating factor (3B)</b>	<b>OEB Staff advice / response (3D)</b>	<b>Documents (3C)</b>
				Responses from Just Energy and Active (Tabs 3M and 3N).  OEB staff acknowledged receipt of responses (Tab 3O)
Feb 2, 2015	Retailer "C"	Question from retailer	Answer	IRE Report (Tab 3P)
July 9, 2015	Retailer "C"	Question from retailer	Answer	IRE Report (Tab 3Q)
Aug 25, 2015	All retailers	Regular supplier meeting held by OEB.  This meeting focused on some of the changes to the ECPA.  At Just Energy's request, the issue of aggregation across multiple locations was included as part of the discussion on verification.	At the meeting OEB staff said that they would continue with the recommendation to make a script for verifying non-residential multiple locations.  This meeting led to the October 30, 2015 Invitation for Comments on proposed verification script (see following entry)	Invitation and agenda (Tab 3R)  This meeting led to the October 30, 2015 Invitation for Comments on proposed verification script (Tab 3S)
Aug 31, 2015	Retailer "D"	Question from retailer	Answer	IRE Report (Tab 3T)

Date (3A)	Retailer(s) (3A)	Initiating factor (3B)	OEB Staff advice / response (3D)	Documents (3C)
Oct 30, 2015	All retailers	OEB staff notice, with proposed script (Tab 3S)		Responses received on November 16 <sup>th</sup> from:  - Active (Tab 3U) - Canadian RiteRate (Tab 3V) - Just Energy (Tab 3W) - Ontario Wholesale Energy (ONIT) (Tab 3X) - Planet Energy (Tab 3Y) - Summitt Energy (Tab 3Z)
Sept 8, 2016	All retailers	OEB Notice of Revised Proposal (Tab 3AA)		

Once you have reviewed the Productions set out in, and appended to, this letter, please advise as soon as possible whether you intend to proceed with the Motion (and, if so, what aspects of the Motion you intend to pursue.)

Finally, if Active intends to rely on any of the Productions in this proceeding, please give me notice by no later than **October 26<sup>th</sup>** (as required under rule 16.02 of the *Rules*). The OEB Enforcement Team will do the same.

Yours truly,



Justin Safayeni  
JS/sn

Encls.

**TAB 4A**

# Industry Relations Enquiry (IRE)

September 22, 2017

## Summary

**Date Received** 12/22/2010  
**IRE Number** MPE-2010-0864  
**Created By** Operatma  
**Owner** Operations, Market  
**IRE Media Type** E-mail

## Status

**IRE Status** Closed  
**IRE Type** Standard Enquiry  
**IRE Results** Enquiry Answered  
**Date Closed** 12/24/2010

## Enquirer Contact Information

### General Contact

**First Name**  
**Last Name**  
**Phone**  
**Email**

**Company**

**Address**

**City**  
**Province** ON  
**Postal Code**  
**Country** Canada  
**Third Party** No  
**Language** English  
**Primary Contact** Yes  
**Privacy Consent** No

## Industry Classification

**Concern Received From:** Licensee  
**Related to Enquirer:**  
**Energy Type:** Electricity  
**Energy Sub Type:** Electricity Retailer  
**Related to Enquiry:**  
**Licensee Company:**

## Classification

**IRE Requires Classification** No  
**Classification Resolve Date**  
**Classification** Legacy  
**Topic** All  
**Sub Topic** All

## IRE Staff Assignment

**Department** Retail Markets & Compliance Management  
**Unit Manager**  
**Override** No  
**Staff Assigned** Mustillo, Lou

## Dates

<b>Response Due Date</b>	12/29/2010	<b>Completed Response</b>	<b>Closed Due Date</b>
<b>Date</b>	12/24/2010	<b>Due Date</b>	<b>Date</b>
<b>Board Metric</b>	Yes	<b>Date</b>	<b>Re-Open Date</b>

## Initial Enquiry

I have 2 questions regarding the new consumer protection rules with energy marketers:

1. If the customer has 3 accounts, do they need to sign 3 disclosure statements?
2. Is the residential/non-residential designations with regards to volume of consumption or location of customer?

Sincerely,



---

**History Notes**

[\*\*\* Entered by MuckleSu on 22/12/2015 3:02:38 PM \*\*\*]

I have 2 questions regarding the new consumer protection rules with energy marketers:

1. If the customer has 3 accounts, do they need to sign 3 disclosure statements?
2. Is the residential/non-residential designations with regards to volume of consumption or location of customer?

Sincerely,



---

**SME Response**

<u>Response Type</u>	<u>Create Date</u>	<u>Response Sent</u>
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**Regulatory Instruments**

<u>Instrument Type</u>	<u>Regulatory Instrument</u>	<u>Chapter</u>	<u>Section</u>	<u>Sub Section</u>	<u>Other Details</u>
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**IRE Attachments**

<u>Date</u>	<u>Attachment Name</u>
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**Links**

<u>Date</u>	<u>URL</u>
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**Activity Summary - Outstanding Item**

<u>Planned Date</u>	<u>Description</u>	<u>Assigned To</u>
---------------------	--------------------	--------------------

# Activity Summary - Notes View

<u>Type</u>	<u>Assigned To</u>	<u>Date</u>	<u>Date Complete</u>	<u>Notes</u>	<u>Compulsory</u>
To-Do	Mustillo, Lou	12/29/2010	12/24/2010	H [REDACTED]	Yes

Here are my responses to your questions,

1. Each account is considered to be a separate consumer. Therefore, if has a customer has multiple accounts, they would each require a separate disclosure statement and price comparison.

2. Residential price comparison templates should be used for residential consumers. Non-residential price comparison templates should be used for commercial consumers.

Please let me know if you have additional questions or concerns.

Thanks,  
Lou

## History

<u>Date Completed</u>	<u>Description</u>
12/29/2010	Completed: 24/12/2010 by mustillo - OEB consumer protection questions [OEB Ref#

## Email

<u>Subject</u>	<u>Date</u>	<u>Completed</u>	<u>Attachment</u>
----------------	-------------	------------------	-------------------

## OEB Staff Involvement

<u>Employee Name</u>	<u>Role</u>	<u>Notes</u>
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## Licensee Involvement

<u>Licence Type</u>	<u>Organization</u>	<u>Contact Name</u>
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## IRE Analysis Activity (Office Use ONLY)

<u>Initial Response Email</u>	<u>Complete Response Email</u>
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**TAB 4B**



# Industry Relations Enquiry (IRE)

September 22, 2017

## Summary

**Date Received** 1/5/2011  
**IRE Number** MPE-2011-0045  
**Created By** Operatma  
**Owner** Operations, Market  
**IRE Media Type** E-mail

## Status

**IRE Status** Closed  
**IRE Type** Standard Enquiry  
**IRE Results** Enquiry Answered  
**Date Closed** 1/11/2011

## Enquirer Contact Information

### General Contact

**First Name**

**Last Name**

**Phone**

**Email**

**Company**

### Address

**City**

**Province** ON

**Postal Code**

**Country** Canada

**Third Party** No

**Language** English

**Primary Contact** Yes

**Privacy Consent** No

## Industry Classification

**Concern Received From:** Licensee

**Related to Enquirer:**

**Energy Type:** Electricity

**Energy Sub Type:** Electricity Retailer

**Related to Enquiry:**

**Licensee Company:**

## Classification

**IRE Requires Classification** No

**Classification Resolve Date**

**Classification** Legacy

**Topic** All

**Sub Topic** All

## IRE Staff Assignment

**Department** Retail Markets & Compliance Management

**Unit Manager**

**Override** No

**Staff Assigned** Mustillo, Lou

## Dates

Response Due Date	1/12/2011	Completed Response Due Date	Closed Due Date
Date	1/11/2011	Date	Date
Board Metric	Yes	Re-Open Date	

## Initial Enquiry

██████████ is requesting direction regarding the contracting of multiple low-volume locations for commercial customers in regards to the execution of the contract, disclosure statements, and price comparison forms.

### Scenario:

A property management group wishes to sign-up 80 of its locations (all in the Enbridge territory) to a natural gas and electricity contract with ██████████. Thirty locations are over the low-volume gas and electricity consumption thresholds (50,000 m3/year for gas and 150,000 kWh/year for electricity) and the other 50 locations are below the low-volume consumption thresholds. The assumption is that all locations are contracted under the same price and term.

### Questions:

- Can the OEB confirm that ██████████ is of the correct understanding, as per the last retailer meeting, that the OEB does not consider the aggregate grouping of all the locations as a single customer to be managed like a large volume commercial consumer?
- In the OEB's opinion would ██████████ be compliant if the customer signed one gas and one electricity Disclosure Statement for all the low-volume locations, instead of having the customer sign 100 Disclosure Statements?
- In the OEB's opinion would ██████████ be compliant if one Gas Price Comparison Form and one Electricity Comparison Form was signed by the customer for the 50 locations?
- Can the OEB advise if one verification call can be completed for all of the 50 locations where ██████████ lists all the service addresses on the call?

**History Notes**

[\*\*\* Entered by MarijaCh on 9/22/2017 11:16:42 AM \*\*\*]

██████████ is requesting direction regarding the contracting of multiple low-volume locations for commercial customers in regards to the execution of the contract, disclosure statements, and price comparison forms.

**Scenario:**

A property management group wishes to sign-up 80 of its locations (all in the Enbridge territory) to a natural gas and electricity contract with ██████████. Thirty locations are over the low-volume gas and electricity consumption thresholds (50,000 m3/year for gas and 150,000 kWh/year for electricity) and the other 50 locations are below the low-volume consumption thresholds. The assumption is that all locations are contracted under the same price and term.

**Questions:**

1. Can the OEB confirm that ██████████ is of the correct understanding, as per the last retailer meeting, that the OEB does not consider the aggregate grouping of all the locations as a single customer to be managed like a large volume commercial consumer?
2. In the OEB's opinion would ██████████ be compliant if the customer signed one gas and one electricity Disclosure Statement for all the low-volume locations, instead of having the customer sign 100 Disclosure Statements?
3. In the OEB's opinion would ██████████ be compliant if one Gas Price Comparison Form and one Electricity Comparison Form was signed by the customer for the 50 locations?
4. Can the OEB advise if one verification call can be completed for all of the 50 locations where ██████████ lists all the service addresses on the call?

**SME Response**

<u>Response Type</u>	<u>Create Date</u>	<u>Response Sent</u>
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**Regulatory Instruments**

<u>Instrument Type</u>	<u>Regulatory Instrument</u>	<u>Chapter</u>	<u>Section</u>	<u>Sub Section</u>	<u>Other Details</u>
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**IRE Attachments**

<u>Date</u>	<u>Attachment Name</u>
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**Links**

<u>Date</u>	<u>URL</u>
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**Activity Summary - Outstanding Item**

<u>Planned Date</u>	<u>Description</u>	<u>Assigned To</u>
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Activity Summary - Notes View

<u>Type</u>	<u>Assigned To</u>	<u>Date</u>	<u>Date</u> <u>Complete</u>	<u>Notes</u>	<u>Compulsory</u>
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I have provided responses below to your enquiry.  
Please note the Board has not yet addressed issues relating to multiple locations. Therefore, responses to those issues are pending.

Thanks,

Lou

-----Original Message-----

From: [REDACTED]

Sent: January 5, 2011 2:58 PM

To: Market Operations

Subject: ECPA and Commercial Accounts - [REDACTED]

Energy Questions [OEB Ref# MPE-2011-0045]

Good afternoon:

[REDACTED] is requesting direction regarding the contracting of multiple low-volume locations for commercial customers in regards to the execution of the contract, disclosure statements, and price comparison forms.

Scenario:

A property management group wishes to sign-up 80 of its locations (all in the Enbridge territory) to a natural gas and electricity contract with [REDACTED]. Thirty locations are over the low-volume gas and electricity consumption thresholds (50,000 m3/year for gas and 150,000 kWh/year for electricity) and the other 50 locations are below the low-volume consumption thresholds. The assumption is that all locations are contracted under the same price and term.

Questions:

1. Can the OEB confirm that [REDACTED] is of the correct understanding, as per the last retailer meeting, that the OEB does not consider the aggregate grouping of all the locations as a single

customer to be managed like a large volume commercial consumer? This is correct. Each account is considered to be a separate consumer for the purposes of determining whether the low-volume consumption threshold is exceeded.

2. In the OEB's opinion would [REDACTED] be compliant if the customer signed one gas and one electricity Disclosure Statement for all the low-volume locations, instead of having the customer sign 100 Disclosure Statements? Please note the Board has not yet addressed issues relating to multiple locations. Therefore, responses to those issues are pending

3. In the OEB's opinion would [REDACTED] be compliant if one Gas Price Comparison Form and one Electricity Comparison Form was signed by the customer for the 50 locations? Please note the Board has not yet addressed issues relating to multiple locations. Therefore, responses to those issues are pending

4. Can the OEB advise if one verification call can be completed for all of the 50 locations where [REDACTED] lists all the service addresses on the call? At the December 14, 2010 stakeholder meeting, Board staff indicated that it would bring forward to the Board the potential to accommodate this request, on the understanding that the multiple location script would apply only: (a) to non-residential consumers; (b) where all of the locations are covered by the same contract; and (c) where all of the terms and conditions (including price and term) are the same for all locations. Unless and until the Board provides a verification call script for multiple locations, compliance with current provisions of the Codes is expected.

---

#### History

<u>Date Completed</u>	<u>Description</u>
1/12/2011	Completed: 11/01/2011 by mustillo - ECPA and Commercial Accounts - [REDACTED]

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#### Email

<u>Subject</u>	<u>Date</u>	<u>Completed</u>	<u>Attachment</u>
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#### OEB Staff Involvement

<u>Employee Name</u>	<u>Role</u>	<u>Notes</u>
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#### Licensee Involvement

<u>License Type</u>	<u>Organization</u>	<u>Contact Name</u>
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#### IRE Analysis Activity (Office Use ONLY)

<input type="checkbox"/> No	Initial Response Email	<input type="checkbox"/> No	Complete Response Email
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**TAB 4C**

# Industry Relations Enquiry (IRE)

September 26, 2017

## Summary

Date Received 8/1/2012  
IRE Number MPE-2012-0346  
Created By Operatma  
Owner Operations, Market  
IRE Media Type E-mail

## Status

IRE Status Closed  
IRE Type Standard Enquiry  
IRE Results Enquiry Answered  
Date Closed 8/2/2012

## Enquirer Contact Information

General Contact  
First Name  
Last Name  
Phone  
Email  
Company

## Address

City  
Province ON  
Postal Code  
Country Canada  
Third Party No  
Language English  
Primary Contact Yes  
Privacy Consent No

## Industry Classification

Concern Received From: Industry Stakeholder

Related to Enquirer:  
Energy Type: Gas  
Energy Sub Type:  
Related to Enquiry:  
Licensee Company:

## Classification

IRE Requires Classification No  
Classification Resolve Date  
Classification Legacy  
Topic All  
Sub Topic All

## IRE Staff Assignment

Department Retail Markets & Compliance Management  
Unit Manager  
Override No  
Staff Assigned Mustillo, Lou

## Dates

Response Due Date	8/13/2012	Completed Response	Closed Due Date
Date	8/2/2012	Due Date	Date
Board Metric	Yes		Re-Open Date

## Initial Enquiry

If an individual has signing authority to sign up for natural gas service on behalf of multiple account (i.e., same company that has different store locations), and one of those accounts is a "low-volume account, please let me know if the retailer needs that individual to sign a Low Volume Contract, Disclosure Statement and Price Comparison form for that one account.

## History Notes

["\*\* Entered by mustillo on 18/07/2017 4:17:11 PM \*\*"]  
If an individual has signing authority to sign up for natural gas service on behalf of multiple account (i.e., same company that has different store locations), and one of those accounts is a "low-volume account, please let me know if the retailer needs that individual to sign a Low Volume Contract, Disclosure Statement and Price Comparison form for that one account.

## SME Response

Response Type	Create Date	Response Sent
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## Regulatory Instruments

Instrument Type	Regulatory Instrument	Chapter	Section	Sub Section	Other Details
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## IRE Attachments

Date	Attachment Name
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<u>Date</u>	<u>URL</u>
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### Activity Summary - Outstanding Item

### Activity Summary - Notes View

I received a voice message from [REDACTED] at 10:57am on August 2, 2012. I returned her call on the same day at 2:15pm -- she was available and we spoke for 15 minutes.

█'s question was essentially the same as that asked in the MPE, and I responded verbally. I am documenting the information provided in the call, and closing the MPE.

I advised that Board staff has previously expressed the view that the determination of the low-volume threshold, and thus the application of the ECPA legislation, is based on each distributor account. I noted that we have not suggested that the consumer and the supplier cannot aggregate distributor accounts into a single supplier contract, but that in so doing, the supplier is required to give the protections set out in the legislation in relation to those accounts that are less than the low-volume threshold.

██████ asked if we had provided any documentation on this, and I referred her to the FAQs on our website at the following location:

<http://www.ontarioenergyboard.ca/OEB/Industry/Regulatory+Proceedings/Policy+Initiatives+and+Consultations/Consumer+Protection+ECPA/ECPA+Implementation+FAQs>

Question 4 and Answer under Verification and Renewal Scripts which reads as follows:

Q - Can a consumer with multiple locations which are each separate accounts that may individually consume not more than 150,000kWh of electricity annually or 50,000 cubic metres or more annually be considered a single high-volume consumer?

A - No. Each account is considered to be a separate consumer for the purposes of determining whether the low-volume consumption threshold is exceeded.

I also advised [REDACTED] that some suppliers had made a joint submission during the consultation requesting a verification script for multiple locations, but that the Board had not at the time agreed to this proposal. I was not aware of a supplier submission that specifically addressed the question she has now asked.

B. Robertson  
02Aug12

## History

<u>Date Completed</u>	<u>Description</u>
8/13/2012	Completed: 02/08/2012 by mustillo - Low Volume Customers (OEB Ref# MPE-2012-034)

## Email

<u>Subject</u>	<u>Date</u>	<u>Completed</u>	<u>Attachment</u>
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**OEB Staff Involvement**

<u>Employee Name</u>	<u>Role</u>	<u>Notes</u>
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**Licensee Involvement**

<u>Licence Type</u>	<u>Organization</u>	<u>Contact Name</u>
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**IRE Analysis Activity (Office Use ONLY)**

<input type="checkbox"/> No	Initial Response Email	<input type="checkbox"/> No	Complete Response Email
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**TAB 4D**



**Industry Relations Enquiry (IRE)**

September 26, 2017

**Summary**

**Date Received** 2/2/2015  
**IRE Number** IRE-2015-0049  
**Created By** FrancisVe  
**Owner** Francis, Velma  
**IRE Media Type** E-mail

**Status**

**IRE Status** Closed  
**IRE Type** Standard Enquiry  
**IRE Results** Enquiry Answered  
**Date Closed** 2/9/2015

**Enquirer Contact Information****General Contact**

**First Name**  
**Last Name**  
**Phone**  
**Email**

**Company**

**Address**

**City**  
**Province** ON  
**Postal Code**  
**Country** Canada  
**Third Party** No  
**Language** English  
**Primary Contact** Yes  
**Privacy Consent** No

**Industry Classification**

**Concern Received From:** Licensee

**Related to Enquirer:**  
**Energy Type:** Gas  
**Energy Sub Type:** Gas Marketer  
**Related to Enquiry:**  
**Licensee Company:**

**Classification**

**IRE Requires Classification** No  
**Classification Resolve Date**  
**Classification** Licensing  
**Topic** Changes to Licence  
**Sub Topic** Requirements for licence amendments

**IRE Staff Assignment**

**Department** Consumer Protection  
**Unit Manager**  
**Override** No  
**Staff Assigned** Mustillo, Lou

**Dates**

<b>Response Due Date</b> 2/12/2015	<b>Completed Response</b> 3/4/2015	<b>Closed Due Date</b> 3/19/2015
<b>Date</b> 2/9/2015	<b>Due Date</b> 2/5/2015	<b>Date</b> 2/9/2015
<b>Board Metric</b> Yes		<b>Re-Open Date</b>

**Initial Enquiry**

Hello

I'm looking for guidance on the regulation for low volume consumers. My question is outlined below

Would we be allowed, based on our current license conditions, to supply electricity to a group of commercial association members aggregated under a single contract, even if some individual accounts are classed as low volume accounts? Can we consider the group as a whole to be an aggregated volume which would not be considered as low volume. This is allowing for the fact that the Association organizer is given signing authority by the members?

Your urgent response would be appreciated

Regards



follow us

**History Notes**

[\*\*\* Entered by mustillo on 12/07/2017 5:08:46 PM \*\*\*]  
Hello

I'm looking for guidance on the regulation for low volume consumers. My question is outlined below

Would we be allowed, based on our current license conditions, to supply electricity to a group of commercial association members aggregated under a single contract, even if some individual accounts are classed as low volume accounts? Can we consider the group as a whole to be an aggregated volume which would not be considered as low volume. This is allowing for the fact that the Association organizer is given signing authority by the members?

Your urgent response would be appreciated

Regards



follow us

**SME Response**

<u>Response Type</u>	<u>Create Date</u>	<u>Response Sent</u>
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**Regulatory Instruments**

<u>Instrument Type</u>	<u>Regulatory Instrument</u>	<u>Chapter</u>	<u>Section</u>	<u>Sub Section</u>	<u>Other Details</u>
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**IRE Attachments**

<u>Date</u>	<u>Attachment Name</u>
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**Links**

<u>Date</u>	<u>URL</u>
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**Activity Summary - Outstanding Item**

<u>Planned Date</u>	<u>Description</u>	<u>Assigned To</u>
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**Activity Summary - Notes View**

<u>Type</u>	<u>Assigned To</u>	<u>Date</u>	<u>Date Complete</u>	<u>Notes</u>	<u>Compulsory</u>
To-Do	Mustillo, Lou	2/12/2015	2/5/2015	Initial Response: e-mail	Yes
To-Do	Mustillo, Lou	3/4/2015	2/5/2015	Complete Response: e-mail response	Yes
To-Do	Hayle, Ashley Dawn	3/19/2015	2/9/2015	File Complete: REVIEWED BY QA	Yes

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**History**

<u>Date Completed</u>	<u>Description</u>
2/12/2015	Completed: 2/5/2015 by mustillo - Initial Response
3/4/2015	Completed: 2/5/2015 by mustillo - Complete Response
3/19/2015	Completed: 2/9/2015 by HayleDa - File CompleteREVIEWED BY QA

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**Email**

<u>Subject</u>	<u>Date</u>	<u>Completed</u>	<u>Attachment</u>
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**OEB Staff Involvement**

<u>Employee Name</u>	<u>Role</u>	<u>Notes</u>
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**Licensee Involvement**

<u>Licence Type</u>	<u>Organization</u>	<u>Contact Name</u>
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**IRE Analysis Activity (Office Use ONLY)**

<input type="checkbox"/> No	Initial Response Email	<input type="checkbox"/> No	Complete Response Email
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**Chris Marijan**

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**From:** IndustryRelations@ontarioenergyboard.ca  
**Sent:** Thursday, February 5, 2015 11:38 AM  
**To:** IndustryRelations  
**Subject:** RE: FW: Guidance regarding regulation on Electricity consumers - [REDACTED]  
[REDACTED]

!\$start\$!

---

**From:** IndustryRelations <IndustryRelations-mb@ontarioenergyboard.ca>  
**Date:** Thursday, February 05, 2015  
**To:** IndustryRelations@ontarioenergyboard.ca <IndustryRelations@ontarioenergyboard.ca>  
**Subject:** FW: Guidance regarding regulation on Electricity consumers - [REDACTED]  
[REDACTED]

Hi [REDACTED]

I am responding to your enquiry on behalf of the OEB. Each account is considered to be a separate consumer for the purposes of determining whether the low-volume consumption threshold is exceeded.

In this case, a licence for retailing electricity to low-volume consumers would be required.

Please let me know any further questions.

Thanks  
Lou

**Lou Mustillo**

Advisor, Consumer Protection

Consumer Services

Ontario Energy Board

Phone: 416-544-5185

Fax: 416-440-7656

Email: [lou.mustillo@ontarioenergyboard.ca](mailto:lou.mustillo@ontarioenergyboard.ca)

P.O. Box 2319

2300 Yonge Street, 27<sup>th</sup> Floor

Toronto ON M4P 1E4

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**From:** [REDACTED]  
**Date:** Monday, February 02, 2015

To: [IndustryRelations@ontarioenergyboard.ca](mailto:IndustryRelations@ontarioenergyboard.ca) <[IndustryRelations@ontarioenergyboard.ca](mailto:IndustryRelations@ontarioenergyboard.ca)>

Subject: Guidance regarding regulation on Electricity consumers - [REDACTED]

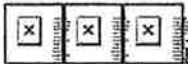
Hello

I'm looking for guidance on the regulation for low volume consumers. My question is outlined below.

Would we be allowed, based on our current license conditions, to supply electricity to a group of commercial association members aggregated under a single contract, even if some individual accounts are classed as low volume accounts? Can we consider the group as a whole to be an aggregated volume which would not be considered as low volume. This is allowing for the fact that the Association organizer is given signing authority by the members?

Your urgent response would be appreciated

Regards



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**TAB 4E**

# Industry Relations Enquiry (IRE)

September 26, 2017

## Summary

**Date Received** 7/9/2015  
**IRE Number** IRE-2015-0512  
**Created By** LonerGLi  
**Owner** LonerGAN, Liam  
**IRE Media Type** E-mail

## Status

**IRE Status** Closed  
**IRE Type** Standard Enquiry  
**IRE Results** Enquiry Answered  
**Date Closed** 7/28/2015

## Enquirer Contact Information

### General Contact

**First Name**  
**Last Name**  
**Phone**  
**Email**

**Company**

### Address

**City**  
**Province** ON  
**Postal Code**  
**Country** Canada  
**Third Party** No  
**Language** English  
**Primary Contact** Yes  
**Privacy Consent** No

## Industry Classification

**Concern Received From:** Licensee

**Related to Enquirer:**  
**Energy Type:** Electricity  
**Energy Sub Type:** Electricity Retailer  
**Related to Enquiry:**  
**Licensee Company:**

## Classification

**IRE Requires Classification** No  
**Classification Resolve Date**  
**Classification** Electricity Rates  
**Topic** Customer Classes  
**Sub Topic** All

## IRE Staff Assignment

**Department** Consumer Protection  
**Unit Manager**  
**Override** No  
**Staff Assigned** Mustillo, Lou

## Dates

<b>Response Due Date</b> 7/20/2015	<b>Completed Response</b> 8/10/2015	<b>Closed Due Date</b> 8/24/2015
<b>Date</b> 7/10/2015	<b>Due Date</b> 7/10/2015	<b>Date</b> 7/24/2015
<b>Board Metric</b> Yes		<b>Re-Open Date</b>

## Initial Enquiry

Hello

I'd appreciate some guidance on the following in relation to our license.

A client owns several rental properties under his company name, which aggregated would be eligible for us to supply as a large volume. However, he has asked for his house, and his 2 partner houses to be added to the contract? Is this eligible as they would technically be classed as low volume, and the bills are not in the company name.

Please let me know if you require any further information.

## History Notes

[\*\*\* Entered by mustillo on 12/07/2017 4:59:57 PM \*\*\*]  
Hello

I'd appreciate some guidance on the following in relation to our license.

A client owns several rental properties under his company name, which aggregated would be eligible for us to supply as a large volume. However, he has asked for his house, and his 2 partner houses to be added to the contract? Is this eligible as they would technically be classed as low volume, and the bills are not in the company name.

Please let me know if you require any further information.

## SME Response

Response Type      Create Date      Response Sent

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### Regulatory Instruments

<u>Instrument Type</u>	<u>Regulatory Instrument</u>	<u>Chapter</u>	<u>Section</u>	<u>Sub Section</u>	<u>Other Details</u>
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### IRE Attachments

<u>Date</u>	<u>Attachment Name</u>
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### Links

<u>Date</u>	<u>URL</u>
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### Activity Summary - Outstanding Item

<u>Planned Date</u>	<u>Description</u>	<u>Assigned To</u>
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### Activity Summary - Notes View

<u>Type</u>	<u>Assigned To</u>	<u>Date</u>	<u>Date Complete</u>	<u>Notes</u>	<u>Compulsory</u>
To-Do	Mustillo, Lou	7/20/2015	7/10/2015	Initial Response:email sent	Yes
To-Do	Mustillo, Lou	8/10/2015	7/10/2015	Complete Response:email sent	Yes
To-Do	Hayle, Ashley Dawn	8/24/2015	7/24/2015	File Complete:	Yes

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### History

<u>Date Completed</u>	<u>Description</u>
7/20/2015	Completed: 7/10/2015 by mustillo - Initial Response
8/10/2015	Completed: 7/10/2015 by mustillo - Complete Response
8/24/2015	Completed: 7/24/2015 by HayleDa - File Complete

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### Email

<u>Subject</u>	<u>Date</u>	<u>Completed</u>	<u>Attachment</u>
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### OEB Staff Involvement

<u>Employee Name</u>	<u>Role</u>	<u>Notes</u>
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### Licensee Involvement

<u>Licence Type</u>	<u>Organization</u>	<u>Contact Name</u>
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### IRE Analysis Activity (Office Use ONLY)

☐ Initial Response Email      ☐ Complete Response Email

## Chris Marijan

---

**From:** Lou Mustillo <Lou.Mustillo@ontarioenergyboard.ca>  
**Sent:** Friday, July 10, 2015 10:57 AM  
**To:** [REDACTED]  
**Cc:** Charlotte Ellis-Morgan; IndustryRelations@ontarioenergyboard.ca  
**Subject:** RE: IRE-2015-0512 Guidance regarding regulation on Electricity consumers - [REDACTED]  
[REDACTED]

Hi [REDACTED]

I am responding to your enquiry on behalf of the OEB. Each account is considered to be a separate consumer for the purposes of determining whether the low-volume consumption threshold is exceeded.

In addition, a licence for retailing electricity to low-volume consumers would be required.

Please let me know any further questions.

Thanks  
Lou

### Lou Mustillo

Advisor, Consumer Protection

Consumer Services

Ontario Energy Board

Phone: 416-544-5185

Fax: 416-440-7656

Email: [lou.mustillo@ontarioenergyboard.ca](mailto:lou.mustillo@ontarioenergyboard.ca)

P.O. Box 2319

2300 Yonge Street, 27<sup>th</sup> Floor

Toronto ON M4P 1E4

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**From:** [REDACTED]  
**Sent:** July-09-15 1:22 PM  
**To:** IndustryRelations@ontarioenergyboard.ca  
**Subject:** IRE-2015-0512 Guidance regarding regulation on Electricity consumers - [REDACTED]  
[REDACTED]

Hello

I'd appreciate some guidance on the following in relation to our license.

A client owns several rental properties under his company name, which aggregated would be eligible for us to supply as a large volume. However, he has asked for his house, and his 2 partners houses to be added to the contract? Is this eligible as they would technically classed as low volume, and the bills are not in the company name.

Please let me know if you require any further information.





**TAB 4F**

**Industry Relations Enquiry (IRE)**

September 26, 2017

**Summary**

**Date Received** 8/31/2015  
**IRE Number** IRE-2015-0666  
**Created By** FranciVe  
**Owner** Francis, Velma  
**IRE Media Type** E-mail

**Status**

**IRE Status** Closed  
**IRE Type** Standard Enquiry  
**IRE Results** Enquiry Answered  
**Date Closed** 9/1/2015

**Enquirer Contact Information**

**General Contact**  
**First Name**  
**Last Name**  
**Phone**  
**Email**  
**Company**

**Address**

**City**  
**Province** ON  
**Postal Code**  
**Country** Canada  
**Third Party** No  
**Language** English  
**Primary Contact** Yes  
**Privacy Consent** No

**Industry Classification**

**Concern Received From:** Market Participant Enquiry

**Related to Enquirer:**  
**Energy Type:** Electricity  
**Energy Sub Type:**  
**Related to Enquiry:**  
**Licensee Company:**

**Classification**

**IRE Requires Classification** No  
**Classification Resolve Date**  
**Classification** Electricity Rates  
**Topic** Customer Classes  
**Sub Topic** All

**IRE Staff Assignment**

**Department** Consumer Protection  
**Unit Manager**  
**Override** No  
**Staff Assigned** Mustillo, Lou

**Dates**

<b>Response Due Date</b> 9/10/2015	<b>Completed Response Due Date</b> 9/30/2015	<b>Closed Due Date</b> 10/15/2015
<b>Date</b> 8/31/2015	<b>Date</b> 8/31/2015	<b>Date</b> 9/1/2015
<b>Board Metric</b> Yes		<b>Re-Open Date</b>

### Initial Enquiry

From:

Date: Monday, August 31, 2015

To: [IndustryRelations@ontarioenergyboard.ca](mailto:IndustryRelations@ontarioenergyboard.ca) <[IndustryRelations@ontarioenergyboard.ca](mailto:IndustryRelations@ontarioenergyboard.ca)>

Subject: Supplier Threshold [CSE: tU1vUg, TKT: g8D5cv]

Good morning,

We are a licensed broker/consultant, and have agreements with multiple suppliers in Canada. Recently, we sent out some requests for indicative prices for a particular customer, and only a few suppliers replied to us. Upon asking the ones who didn't reply, we came to find out that some energy providers have interpreted the OEB's usage requirements differently. One group claims that as long as all meters aggregately are above the 150,000 kWh/yr OR 50,000 m3/yr threshold, that the customer is eligible for competitive supply. However, another group is claiming that this rule applies for each site separately.

Can you please shed light on this? Or send me some documentations and/or web site links which explain the requirements in detail? I appreciate it.

Thanks,

To: Lou Mustillo <Lou.Mustillo@ontarioenergyboard.ca>

Cc:IndustryRelations@ontarioenergyboard.ca <IndustryRelations@ontarioenergyboard.ca>;

Charlotte Ellis-Morgan <Charlotte.Ellis-Morgan@ontarioenergyboard.ca>

Hi Lou,

Thanks for your prompt reply.

One more question. Does "high volume customer" equate to being eligible for competitive supply? Any customer less than this cannot elect their own supplier? I tried to find your glossary online but was unable to do so.

Thanks,

**History Notes**

[\*\*\* Entered by RobinsDo on 06/07/2016 2:18:01 PM \*\*\*]

From: [REDACTED]

Date: Monday, August 31, 2015

To: IndustryRelations@ontarioenergyboard.ca &lt;IndustryRelations@ontarioenergyboard.ca&gt;

Subject: Supplier Threshold [CSE: tU1vUg, TKT: g8D5cv]

Good morning,

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Can you please shed light on this? Or send me some documentations and/or web site links which explain the requirements in detail? I appreciate it.

Thanks,



To: Lou Mustillo <Lou.Mustillo@ontarioenergyboard.ca>

Cc: IndustryRelations@ontarioenergyboard.ca <IndustryRelations@ontarioenergyboard.ca>;

Charlotte Ellis-Morgan <Charlotte.Ellis-Morgan@ontarioenergyboard.ca>

Hi Lou,

Thanks for your prompt reply.

One more question. Does "high volume customer" equate to being eligible for competitive supply? Any customer less than this cannot elect their own supplier? I tried to find your glossary online but was unable to do so.

Thanks,

**SME Response**

<u>Response Type</u>	<u>Create Date</u>	<u>Response Sent</u>
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**Regulatory Instruments**

<u>Instrument Type</u>	<u>Regulatory Instrument</u>	<u>Chapter</u>	<u>Section</u>	<u>Sub Section</u>	<u>Other Details</u>
------------------------	------------------------------	----------------	----------------	--------------------	----------------------

**IRE Attachments**

<u>Date</u>	<u>Attachment Name</u>
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**Links**

<u>Date</u>	<u>URL</u>
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**Activity Summary - Outstanding Item**

<u>Planned Date</u>	<u>Description</u>	<u>Assigned To</u>
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**Activity Summary - Notes View**

<u>Type</u>	<u>Assigned To</u>	<u>Date</u>	<u>Date Complete</u>	<u>Notes</u>	<u>Compulsory</u>
To-Do	Mustillo, Lou	9/10/2015	8/31/2015	Initial Response: e-mail	Yes
To-Do	Mustillo, Lou	9/30/2015	8/31/2015	Complete Response: e-mail	Yes
To-Do	Manzano, Azalyn	10/15/2015	9/1/2015	File Complete:	Yes

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**History**

<u>Date Completed</u>	<u>Description</u>
9/10/2015	Completed: 8/31/2015 by mustillo - Initial Response
9/30/2015	Completed: 8/31/2015 by mustillo - Complete Response
10/15/2015	Completed: 9/1/2015 by ManzanAz - File Complete

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**Email**

<u>Subject</u>	<u>Date</u>	<u>Completed</u>	<u>Attachment</u>
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**OEB Staff Involvement**

<u>Employee Name</u>	<u>Role</u>	<u>Notes</u>
----------------------	-------------	--------------

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**Licensee Involvement**

<u>Licence Type</u>	<u>Organization</u>	<u>Contact Name</u>
---------------------	---------------------	---------------------

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**IRE Analysis Activity (Office Use ONLY)**

<input type="checkbox"/> Initial Response Email	<input type="checkbox"/> Complete Response Email
---	--

**Chris Marijan**

---

**From:** [REDACTED]  
**Sent:** Tuesday, September 1, 2015 10:25 AM  
**To:** Lou Mustillo  
**Cc:** IndustryRelations@ontarioenergyboard.ca; Charlotte Ellis-Morgan  
**Subject:** RE: ire-2015-0666 Supplier Threshold

Thanks Lou. As a 3<sup>rd</sup> party consultant, can [REDACTED] assist low and large volume customers with their energy procurement?

Sorry for the 20 questions, but I'm trying to figure out why some suppliers are unable to provide us with indicative pricing.

Thanks,

**From:** Lou Mustillo [mailto:Lou.Mustillo@ontarioenergyboard.ca]  
**Sent:** Monday, August 31, 2015 1:38 PM  
**To:** [REDACTED]  
**Cc:** IndustryRelations@ontarioenergyboard.ca; Charlotte Ellis-Morgan <Charlotte.Ellis-Morgan@ontarioenergyboard.ca>  
**Subject:** RE: ire-2015-0666 Supplier Threshold

Hi [REDACTED]

A high-volume or large-volume customer is one whose annual consumption exceeds the low-volume threshold set out in legislation (150,000 kWh of electricity or 50,000 cubic metres of gas).

All customers, whether low or large volume, can elect their own competitive supplier.

Thanks  
Lou

---

**From:** [REDACTED]  
**Sent:** August-31-15 1:40 PM  
**To:** Lou Mustillo  
**Cc:** IndustryRelations@ontarioenergyboard.ca; Charlotte Ellis-Morgan  
**Subject:** RE: ire-2015-0666 Supplier Threshold

Hi Lou,

Thanks for your prompt reply.

One more question. Does "high volume customer" equate to being eligible for competitive supply? Any customer less than this cannot elect their own supplier? I tried to find your glossary online but was unable to do so.

Thanks,

**From:** Lou Mustillo [mailto:Lou.Mustillo@ontarioenergyboard.ca]  
**Sent:** Monday, August 31, 2015 12:28 PM



To: [REDACTED]

Cc: [IndustryRelations@ontarioenergyboard.ca](mailto:IndustryRelations@ontarioenergyboard.ca); Charlotte Ellis-Morgan <[Charlotte.Ellis-Morgan@ontarioenergyboard.ca](mailto:Charlotte.Ellis-Morgan@ontarioenergyboard.ca)>

Subject: RE: ire-2015-0666 Supplier Threshold

Hi [REDACTED]

I am responding to your enquiry on behalf of the OEB.

Here is a link to the OEB website with FAQs that address your question below -

<http://www.ontarioenergyboard.ca/oeb/Industry/Regulatory%20Proceedings/Policy%20Initiatives%20and%20Consultations/Consumer%20Protection%20ECPA/ECPA%20Implementation%20FAQs>

I have also reproduced the relevant Q&A below for convenience.

**Q.4** *Can a consumer with multiple locations which are each separate accounts that may individually consume not more than 150,000 kWh of electricity annually or 50,000 cubic metres of gas annually, but in the aggregate consume 150,000 kWh or more annually or 50,000 cubic metres or more annually be considered a single high-volume consumer?*

**A.4** *No. Each account is considered to be a separate consumer for the purposes of determining whether the low-volume consumption threshold is exceeded.*

Please let me know any questions.

Thanks

Lou

**Lou Mustillo**

Advisor, Consumer Protection

Consumer Services

Ontario Energy Board

Phone: 416-544-5185

Fax: 416-440-7656

Email: [lou.mustillo@ontarioenergyboard.ca](mailto:lou.mustillo@ontarioenergyboard.ca)

P.O. Box 2319

2300 Yonge Street, 27<sup>th</sup> Floor

Toronto ON M4P 1E4

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From: [REDACTED]

Sent: August-31-15 10:59 AM

To: [IndustryRelations@ontarioenergyboard.ca](mailto:IndustryRelations@ontarioenergyboard.ca)

Subject: ire-2015-0666 Supplier Threshold

Good morning,

We are a licensed broker/consultant, and have agreements with multiple suppliers in Canada. Recently, we sent out some requests for indicative prices for a particular customer, and only a few suppliers replied to us. Upon asking the ones who didn't reply, we came to find out that some energy providers have interpreted the OEB's usage requirements differently. One group claims that as long as all meters aggregately are above the 150,000 kWh/yr OR 50,000 m3/yr threshold, that the customer is eligible for competitive supply. However, another group is claiming that this rule applies for each site separately.

Can you please shed light on this? Or send me some documentations and/or web site links which explain the requirements in detail? I appreciate it.

Thanks,



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**Ontario Energy  
Board**  
P.O. Box 2319  
2300 Yonge Street  
27<sup>th</sup> Floor  
Toronto ON M4P 1E4  
Telephone: 416-481-1967  
Facsimile: 416-440-7656  
Toll free: 1-888-632-6273

**Commission de l'énergie  
de l'Ontario**  
C.P. 2319  
2300, rue Yonge  
27<sup>e</sup> étage  
Toronto ON M4P 1E4  
Téléphone: 416-481-1967  
Télécopieur: 416-440-7656  
Numéro sans frais: 1-888-632-6273



**BY EMAIL**

**DATE ISSUED: March 10, 2014**

**TO: All Participants in OEB Quarterly Supplier Meeting**

**RE: Proposed Changes to the Board's Verification Scripts**

---

Board staff is proposing changes to the Board's scripts for verification of retail energy contracts for low-volume consumers ("Retail Contracts").

### **Background**

The *Energy Consumer Protection Act, 2010* ("ECPA") established a new framework for the regulation of the activities of licensed electricity retailers and gas marketers ("Suppliers"). The ECPA requires that verification of Retail Contracts are conducted in accordance with Board codes and rules. Accordingly, Suppliers must use the applicable script approved by the Board for that purpose.

At the request of the Ontario Energy Association's Marketers and Retailers Sector Committee, Board staff held a workshop with representatives from various suppliers to discuss concerns about and suggested changes to the Board's verification scripts. Following the workshop a group of Suppliers made a joint written submission to Board staff which outlined various recommendations for changes to the Board's scripts.

### **Proposed Changes to the Board's Verification Scripts**

Board staff recommends the following:

- that the Board's scripts be separated into residential and non-residential versions;
- changes to sequencing/organization of questions for better flow and customer understanding;

- making some questions regarding customer information optional (i.e. telephone number, address, account number, etc.); and
- including a verification script for multiple locations for non-residential consumers.

Board staff also proposes additional changes to the verification scripts to clarify or enhance consumer protection requirements.

#### **Invitation to Comment**

Attachments A and B to this letter contain a proposed residential and non-residential verification call script, respectively. All participants in the OEB quarterly supplier meeting, including consumer advocates, are invited to provide written comments on the proposed scripts. Any changes to Board scripts must be approved by the Board.

The deadline for submission of comments is **March 31, 2014**. Comments should be sent to [lou.mustillo@ontarioenergyboard.ca](mailto:lou.mustillo@ontarioenergyboard.ca).

If you have any questions, please contact me at 416-544-5185 or [lou.mustillo@ontarioenergyboard.ca](mailto:lou.mustillo@ontarioenergyboard.ca). The Board's toll free number is 1-888-632-6273.

Yours truly,



Lou Mustillo, Advisor  
Consumer Protection  
Consumer Services

#### **Attachments:**

Attachment A:	Proposed Verification Call Script for Residential Consumers
Attachment B:	Proposed Verification Call Script for Non-Residential Consumers

## **Attachment A**

### **Proposed Verification Call Script for Residential Consumers – Natural Gas and Electricity**

*This script may only be used for residential consumers.*

*In this script, the term "supplier" is used to refer to the gas marketer / electricity retailer.*

*In accordance with the Board's Codes of Conduct, the verification call must be terminated if Ontario Regulation 389/10 (General) made under the Energy Consumer Protection Act, 2010 (the "ECPA Regulation") or this script so requires.*

*The ECPA Regulation requires that the verification representative stop the verification process if he or she is advised that the supplier has committed an unfair practice, or if the verification representative has reasonable grounds to believe that the supplier has committed an unfair practice.*

*The verification representative must, among other things, terminate the call at any time if the verification representative knows or ought to know that the supplier has taken or is taking an unconscionable action as defined in the ECPA Regulation, the consumer is not reasonably able to protect his or her interests by reason of inability to understand English, or if the consumer is not comfortable with the verification call being recorded. In this case, before terminating the call the verification representative must explain to the consumer the reason for not proceeding with the verification process.*

*For points that need confirmation from the consumer, a Yes / No (Y/N) is indicated at the end of the question.*

#### **Outbound Introduction**

1. **Option A** – *If the supplier considers it necessary for the purpose of ensuring compliance with the CRTC's telemarketing rules:*

*"Good [morning / afternoon / evening], my name is [verification representative's name] from [name of third party telemarketer]. I am calling you on behalf of [supplier name]. This call is the final step before your enrollment with [supplier name] is completed. This call is being recorded. If you are not comfortable with this call being recorded, please let me know at any time".*

**Option B** – *If the supplier does not consider Option A to be necessary for the purpose of ensuring compliance with the CRTC's telemarketing rules:*

"Good [morning/ afternoon / evening], my name is [verification representative's name] and I am calling on behalf of [supplier name]. This call is the final step before your enrollment with [supplier name] is completed. This call is being recorded. If you are not comfortable with this call being recorded, please let me know at any time".

2. "Am I speaking with [account holder name]"? Y/N

If no - "Are you the spouse or legally authorized to enter into a contract for this residence on behalf of the account holder"? Y/N

*If no, the verification representative shall indicate to the consumer that the verification process cannot proceed because the consumer does not appear to have the authority to verify the contract, and the call must then be terminated.*

### **Inbound Introduction**

1. "Thank you for calling [supplier name], my name is [verification representative's name]. Can I please confirm that you are calling to verify that you would like to continue with a contract with [supplier name] for the supply of your natural gas and electricity"? Y/N

*If no, the verification representative may either end the call or transfer the call to the correct department at the supplier to deal with the consumer's enquiry.*

2. "May I please have your full name"?

3. "This call is the final step before your enrollment with [supplier name] is completed. This call is being recorded. If you are not comfortable with this call being recorded, please let me know at any time".

4. "Are you the account holder"? Y/N

If no - "Are you the spouse or legally authorized to enter into a contract for this residence on behalf of the account holder"? Y/N

*If no, the verification representative shall indicate to the consumer that the verification process cannot proceed because the consumer does not appear to have the authority to verify the contract, and the call must then be terminated.*

### **All calls**

5. "Today's date is [date]. Our records show that you received and signed a written



copy of the contract / written copies of the contracts, including all of the terms and conditions on [date]. Is that correct"? Y/N

*If based on the date of receipt of the contract(s), verification is occurring outside of the 10-45 day window, the verification representative must explain to the consumer why the verification process cannot proceed, and the call must then be terminated.*

6. "You should also have been given a business card from the salesperson that came to your home. Were you provided with a business card"? Y/N

*If the consumer indicates that they did not receive a business card, the verification representative must explain to the consumer why the verification process cannot proceed, and the call must then be terminated.*

7. "You should also have been given disclosure statements and price comparison documents that have important information about natural gas and electricity contracts. Did you get copies of the disclosure statements and the price comparison documents and sign them to acknowledge you read and understood them"? Y/N

*If the consumer indicates that they did not receive and sign the documents, the verification representative must explain to the consumer why the verification process cannot proceed, and the call must then be terminated.*

*If the consumer does not recall whether they received and signed the documents, the verification representative may offer to send a copy of the signed documents to the consumer by email or other means of delivery. The verification representative may also ask the consumer if there is a convenient time to call again once the signed copies of the documents have been received by the consumer, but otherwise the call must then be terminated and the verification representative must advise the consumer as follows:*

*"I am required to terminate the verification call at this time. A new verification call must be completed once you have received and signed the documents".*

8. "[Supplier name] is a private company. Do you understand that it is not your utility and that it is not associated with the Ontario Energy Board or the Government of Ontario and that if you do not enter into this contract / these contracts with our company your natural gas and electricity service will continue without interruption"? Y/N

If no - "Do you wish to proceed"? Y/N

*If no, the verification representative shall indicate to the consumer that the*

*verification process cannot proceed because the consumer does not appear to understand the independence of the supplier, and the call must then be terminated.*

9. "Do you understand that you will continue to be eligible for the Ontario Clean Energy Benefit whether or not you verify your contract with [supplier name]"? Y/N

If no – "The Ontario Clean Energy Benefit was created by the government and provides you with a 10% reduction on all or part of your electricity bill until the end of 2015. You can obtain further information about the Ontario Clean Energy Benefit from the Ministry of Energy. Would you like the Ministry of Energy's website address or toll-free number"? Y/N

*If yes, provide the following contact information for the Ministry of Energy: [ontario.ca/energyplan](http://ontario.ca/energyplan) and 1-888-668-4636.*

10. "If you verify this contract / these contracts, [supplier name] will become your natural gas and electricity supplier and your utility will provide for billing, emergency service and delivery"
11. "If you cancel this contract / these contracts after you have verified the contract / these contracts today, you may have to pay a cancellation fee. You can also cancel the electricity contract up to 30 days after you receive your first bill".
12. "Energy cost savings under this contract / these contracts are not guaranteed".
13. "The natural gas contract is for a term of [x] years at a contract price of [price details]. Is that correct"? Y/N

"The electricity contract is for a term of [x] years at a contract price of [price details]. Is that correct"? Y/N

"Do you understand this contract / these contracts is only for the natural gas and electricity that you use and that you will continue to pay delivery charges and additional energy charges"? Y/N

*If no – the verification representative shall indicate to the consumer that the contract is only for the supply of natural gas and electricity and that the consumer will continue to pay delivery charges and additional energy charges.*

*Read if a green energy contract option was selected by the consumer – "Also, you have selected [option and price details] for a total contract price of [price details]. Is this correct"? Y/N (Repeat for both natural gas and electricity, if applicable).*

*If the consumer states that they no longer wish to have the additional option(s), the verification representative must then confirm that the consumer is only verifying the contract and price details above.*

14. "Do you agree to verify this contract / these contracts and proceed with the purchase of natural gas and electricity"? Y/N

*No - consumer wants more time - If the consumer states that they do not wish to verify the natural gas / electricity contract(s) today as they need more time to make a decision as to whether or not to proceed with the contract(s), the verification representative may ask if there is a convenient time when the verification representative may call back but otherwise the call must be terminated. Where there is one contract for natural gas and another for electricity and the consumer wishes to defer a decision on one contract only but continue with the call for the other, the verification representative may continue with the call in respect of the contract for which the consumer is willing to proceed.*

*No - consumer does not want to verify the contract(s) - If the consumer states that they do not wish to verify the natural gas / electricity contract(s), the verification representative may thank the consumer for their time but otherwise the call must be terminated and the verification representative must inform the supplier of the consumer's choice not to verify the contract(s). Where there is one contract for natural gas and another for electricity and the consumer states that they do not wish to verify one of the contracts but they wish to proceed with the other, the verification representative may continue the call in respect of the contract for which the consumer is willing to proceed, and must inform the supplier of the consumer's choice not to verify the other contract.*

15. "You can get more information from the Ontario Energy Board. Would you like the Ontario Energy Board's website address or toll-free number"? Y/N

*If yes, provide the Board's contact details.*

16. "Thank you. Now that you have verified your contract / contracts, [supplier name]'s name and toll free number will start to appear on your natural gas bill and electricity bill. If you have questions, you can use contact information that is on your contract, or you can call us at our toll free number at [number]".

**Questions 17 – 20 are Optional**

17. "Can you confirm that your name is spelled [consumer name]"? Y/N

*If no, ensure the correct spelling is recorded.*

18. "Can you confirm that the spelling of your street address is [consumer address]"?  
Y/N

*If no, ensure the correct spelling is recorded.*

19. "Is your natural gas account number [account number]. Is this correct"? Y/N "And is your electricity account number [account number]. Is this correct"? Y/N

*If no, ensure correct account number(s) are recorded.*

20. "For our records, is the best telephone number to reach you [consumer telephone number]"?

*If no, ensure the correct telephone number is recorded.*

## **Attachment B**

### **Proposed Verification Call Script for Non-Residential Consumers – Natural Gas and Electricity**

*This script may only be used if all of the following conditions are met:*

- (a) none of the locations are residential premises;*
- (b) all of the locations are covered by the same contract;*
- (c) no location covered by the contract has a level of consumption that annually is equal to or exceeds the amount prescribed under section 4 of Ontario Regulation 389/10 (General) made under the Energy Consumer Protection Act, 2010 (the "ECPA Regulation"); and*
- (d) all of the contract terms and conditions are the same for all of the locations (the contract terms and conditions for the supply of natural gas may be different from the contract terms and conditions for the supply of electricity, but the terms and conditions for the supply of each commodity must be the same for all locations).*

*In this script, the term "supplier" is used to refer to the gas marketer / electricity retailer.*

*In accordance with the Board's Codes of Conduct, the verification call must be terminated if the ECPA Regulation or this script so requires.*

*The ECPA Regulation requires that the verification representative stop the verification process if he or she is advised that the supplier has committed an unfair practice, or if the verification representative has reasonable grounds to believe that the supplier has committed an unfair practice.*

*The verification representative must, among other things, terminate the call at any time if the verification representative knows or ought to know that the supplier has taken or is taking an unconscionable action as defined in the ECPA Regulation, the individual is not reasonably able to protect his or her interests by reason of inability to understand English, or if the individual is not comfortable with the verification call being recorded. In this case, before terminating the call the verification representative must explain to the individual the reason for not proceeding with the verification process.*

*For points that need confirmation from the individual, a Yes / No (Y/N) is indicated at the end of the question.*

## **Outbound Introduction**

1. **Option A** – *If the supplier considers it necessary for the purpose of ensuring compliance with the CRTC's telemarketing rules:*

"Good [morning / afternoon / evening], my name is [verification representative's name] from [name of third party telemarketer]. I am calling you on behalf of [supplier name]. This call is the final step before [name of business]'s enrollment with [supplier name] is completed. This call is being recorded. If you are not comfortable with this call being recorded, please let me know at any time".

**Option B** – *If the supplier does not consider Option A to be necessary for the purpose of ensuring compliance with the CRTC's telemarketing rules:*

"Good [morning/ afternoon / evening], my name is [verification representative's name] and I am calling on behalf of [supplier name]. This call is the final step before [name of business]'s enrollment with [supplier name] is completed. This call is being recorded. If you are not comfortable with this call being recorded, please let me know at any time".

2. "Am I speaking with [account holder name]"? Y/N

"Do you have specific authorization to make arrangements for the supply of natural gas and electricity for specific locations of this business"? Y/N

If no - "Has [account holder name] given you specific authorization to make arrangements for the supply of natural gas and electricity for specific locations of this business"? Y/N

If no – "Is there someone else there that has specific authorization from [account--holder name] to make arrangements for the supply of natural gas and electricity for specific locations of this business"? Y/N

*If no, the verification representative shall indicate to the individual that the verification process cannot proceed because the individual does not appear to have the authority to verify the contract, and the call must then be terminated.*

## **Inbound Introduction**

1. "Thank you for calling [supplier name], my name is [verification representative's name]. Can I please confirm that you are calling to verify that you would like to continue with a contract with [supplier name] for the supply of your natural gas and electricity to specific locations of [name of business]"? Y/N



*If no, the verification representative may either end the call or transfer the call to the correct department at the supplier to deal with the individual's enquiry.*

2. "May I please have your full name"?
3. "This call is the final step before your enrollment with [supplier name] is completed. This call is being recorded. If you are not comfortable with this call being recorded, please let me know at any time".
4. "Are you the account holder"? Y/N

"Do you have specific authorization to make arrangements for the supply of natural gas and electricity for specific locations of this business"? Y/N

If no - "Has [account holder name] given you specific authorization to make arrangements for the supply of natural gas and electricity for specific locations of this business"? Y/N

If no – "Is there someone else there that has specific authorization from [account holder name] to make arrangements for the supply of natural gas and electricity for specific locations of this business"? Y/N

*If no, the verification representative shall indicate to the individual that the verification process cannot proceed because the individual does not appear to have the authority to verify the contract, and the call must then be terminated.*

#### **All calls**

5. "Today's date is [date]. Our records show that you received and signed a written copy of the contract / written copies of the contracts, including all of the terms and conditions on [date]. Is that correct"? Y/N

*If based on the date of receipt of the contract, verification is occurring outside of the 10-45 day window, the verification representative must explain to the individual why the verification process cannot proceed, and the call must then be terminated.*

6. "Our records state that the contract applies to more than one location of [name of business]. Our records also state that each location has a distinct utility account number. Can you please confirm that this is correct"? Y/N

"I would like to confirm the details for each location to which the contract applies. Our records state that the contract applies to the following: "

*The verification representative shall identify each location covered by the contract,*

*including the billing address with correct spelling, the service address with correct spelling, the utility that serves the location and the utility account number for the location.*

"Can you please confirm that this information is correct"? Y/N

If no, ensure the correct information is recorded.

7. "You should also have been given a business card from the salesperson that came to your business. Were you provided with a business card"? Y/N

*If the individual indicates that they did not receive a business card, the verification representative must explain to the individual why the verification process cannot proceed, and the call must then be terminated.*

8. "You should also have been given disclosure statements and price comparison documents that have important information about natural gas and electricity contracts. Did you get copies of the disclosure statements and the price comparison documents and sign them to acknowledge you read and understood them"? Y/N

*If the individual indicates that they did not receive and sign the documents, the verification representative must explain to the individual why the verification process cannot proceed, and the call must then be terminated.*

*If the individual does not recall whether they received and signed the documents, the verification representative may offer to send a copy of the signed documents to the individual by email or other means of delivery. The verification representative may also ask the individual if there is a convenient time to call again once the copies of the signed documents have been received by the individual, but otherwise the call must then be terminated and the verification representative must advise the individual as follows:*

*"I am required to terminate the verification call at this time. A new verification call must be completed once you have received and signed the documents".*

9. "[Supplier name] is a private company. Do you understand that it is not your utility and that it is not associated with the Ontario Energy Board or the Government of Ontario and that if you do not enter into this contract / these contracts with our company your natural gas and electricity service will continue without interruption"? Y/N

If no - "Do you wish to proceed"? Y/N

*If no, the verification representative shall indicate to the individual that the verification process cannot proceed because the individual does not appear to understand the independence of the supplier, and the call must then be terminated.*

10. "Do you understand that you will continue to be eligible for the Ontario Clean Energy Benefit whether or not you verify your contract with [supplier name]"? Y/N

If no – "The Ontario Clean Energy Benefit was created by the government and provides you with a 10% reduction on all or part of your electricity bill until the end of 2015. You can obtain further information about the Ontario Clean Energy Benefit from the Ministry of Energy. Would you like the Ministry of Energy's website address or toll-free number"? Y/N

*If yes, provide the following contact information for the Ministry of Energy: [ontario.ca/energyplan](http://ontario.ca/energyplan) and 1-888-668-4636.*

11. "If you verify this contract, [supplier name] will become the natural gas and electricity supplier for each location and your utility will provide for billing, emergency service and delivery"
12. "If you cancel this contract after you have verified the contract today and cancel it in relation to any location, you may have to pay a cancellation fee. You can also cancel the electricity contract for a specific location up to 30 days after you receive your first bill".
13. "Energy cost savings under this contract are not guaranteed for any location of [name of business]".
14. "The natural gas contract is for a term of [x] years at a contract price of [price details]. Is that correct"? Y/N

"The electricity contract is for a term of [x] years at a contract price of [price details]. Is that correct"? Y/N

"Do you understand this contract / these contracts is only for the natural gas and electricity that you use and that you will continue to pay delivery charges and additional energy charges"? Y/N

*If no – the verification representative shall indicate to the individual that the contract is only for the supply of natural gas and electricity and that the individual will continue to pay delivery charges and additional energy charges.*

*Read if a green energy contract option was selected by the individual – “Also, you have selected [option and price details] for a total contract price of [price details]. Is this correct”? Y/N (Repeat for both natural gas and electricity if applicable).*

*If the individual states that they no longer wish to have the additional option(s), the verification representative must then confirm that the individual is only verifying the contract and price details above.*

15. “Do you agree to verify this contract and proceed with the purchase of natural gas and electricity for specific locations of [name of business]? Y/N

*No – individual wants more time - If the individual states that they do not wish to verify the natural gas / electricity contract today as they need more time to make a decision as to whether or not to proceed with the contract, the verification representative may ask if there is a convenient time when the verification representative may call back but otherwise the call must be terminated. Where there is one contract for natural gas and another for electricity and the individual wishes to defer a decision on one contract only but continue with the call for the other, the verification representative may continue with the call in respect of the contract for which the individual is willing to proceed.*

*No – individual does not want to verify the contract - If the individual states that they do not wish to verify the natural gas / electricity contract for any one or more of the locations covered by the contract, the verification representative may thank the individual for their time but otherwise the call must be terminated and the verification representative must inform the supplier of the individual's choice not to verify the contract(s). Where there is one contract for natural gas and another for electricity and the consumer states that they do not wish to verify one of the contracts but they wish to proceed with the other, the verification representative may continue the call in respect of the contract for which the individual is willing to proceed, and must inform the supplier of the individual's choice not to verify the other contract.*

16. “You can get more information from the Ontario Energy Board. Would you like the Ontario Energy Board’s website address or toll-free number”? Y/N

*If yes, provide the Board’s contact details.*

17. “Thank you. Now that you have verified the contract, [supplier name]’s name and toll free number will start to appear on [name of business]’s natural gas bill and electricity bills for each location. If you have questions, you can use contact information that is on the contract, or you can call us at our toll free number at [number]”.

**Questions 18 – 19 are Optional**

18. "Can you confirm for me that your business name is spelled [name of business]?"  
Y/N

*If no, ensure the correct spelling is recorded.*

19. "For our records, is the best telephone number to reach you [business telephone number]?"

*If no, ensure the correct telephone number is recorded.*



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March 31, 2014

Lou Mustillo, Advisor  
Consumer Protection, Consumer Services  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

Dear Lou Mustillo:

**Re: Proposed Changes to the Board's Verification Scripts**

Active Energy has reviewed the proposed changes to both the verification scripts for residential and non-residential consumers, and has only editorial comments to suggest (as outlined below). Thank you for undertaking the changes and for the opportunity to comment.

1. Non-Residential Script, question 6: suggest combining the two sentences as follows: "Our records state that the contract applies to more than one location of [name of business], and that each location has a distinct utility account number. Can you please confirm that this is correct"? Y/N.
2. Non-Residential Script, question 15: suggest adding the word "the" between the words "for" and "specific".
3. Residential Script, question 16: suggest adding the word "the" in the last sentence between the words "use" and "contact".

Please contact me if you have any questions.

Regards,

A handwritten signature in black ink, appearing to read 'Gaetana Girardi'.

Gaetana Girardi  
Director, Compliance & Regulatory Affairs  
Phone: 289-983-162  
Email: [gaetana.girard@activeenergy.ca](mailto:gaetana.girard@activeenergy.ca)



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**BY E-MAIL AND WEB POSTING**

October 30, 2015

**To: All Licensed Electricity Retailers  
All Licensed Gas Marketers  
All Licensed Electricity Distributors  
All Natural Gas Distributors  
All Participants in EB-2014-0158 (Consultation on the Effectiveness of Part  
II of the *Energy Consumer Protection Act, 2010*)  
All Other Interested Parties**

**Re: Giving Effect to the OEB's Report on the Effectiveness of the *Energy  
Consumer Protection Act, 2010* (EB-2015-0268)**

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The Ontario Energy Board (OEB) is hereby inviting comments on proposed revisions to the disclosure statement, price comparison and contract verification scripts that electricity retailers and gas marketers (collectively, "suppliers") are required to use. In addition, the OEB is inviting comments on two newly proposed documents: a cover sheet for electricity and gas contracts, and a consumer "tip sheet".

**A. Background**

On October 5, 2015, the OEB gave notice of its proposal (Notice) to amend the following rules and codes under sections 45 and 70.2 of the *Ontario Energy Board Act, 1998*:

- i. the Electricity Retailer Code of Conduct (Retailer Code);
- ii. the Code of Conduct for Gas Marketers (Marketer Code);
- iii. the Retail Settlement Code; and
- iv. the Gas Distribution Access Rule.

The purpose of the proposed amendments is to address certain findings and implement certain recommendations set out in the OEB's report called "Consumers Come First: A Report of the Ontario Energy Board on the Effectiveness of Part II of the *Energy Consumer Protection Act, 2010*" (ECPA Report), which was submitted to the Minister of Energy on June 1, 2015. The proposed amendments are also required to support proposed legislative changes that, if made, would amend the rules governing electricity retailers and gas marketers set out in and under the *Energy Consumer Protection Act, 2010* (ECPA) in respect of low-volume consumers.

In the Notice, the OEB indicated it would issue for stakeholder comment revised versions of the disclosure statement, the price comparison, and the contract verification scripts. The OEB also indicated that it would invite comments at the same time on two newly proposed documents: the contract cover sheet and the consumer "tip sheet".

As noted in the Notice, for elements of the OEB's proposals that are contingent on Bill 112 (the *Strengthening Consumer Protection and Electricity System Oversight Act, 2015*) being passed or on finalization of the government's proposed amendments to Ontario Regulation 389/10 (General) under the ECPA, the OEB does not intend to finalize and implement its proposals until the legislative process has run its course.

## **B. Proposed Amendments to Disclosure Statements, Price Comparison Templates and Scripts**

As noted in the ECPA Report, disclosure statements, price comparisons and standard scripts are important consumer protection measures, and are broadly used elsewhere. Based on the OEB's consumer research and a review of consumer complaints, however, these measures may not be working as well as they could. The OEB's objective is that these materials be more consumer-friendly, simpler and as short as possible.

### **Disclosure Statements**

The purpose of the disclosure statement (which is required under the ECPA Regulation) is to provide low-volume consumers with key information about contracting for electricity or natural gas, expressed in terms that are as easy as possible to understand. The OEB proposes a number of revisions to the disclosure statement with a view to simplifying the content as much as possible without detracting from the key pieces of information that the OEB believes should be provided to consumers.

Also, the OEB proposes to make provision for a "dual fuel" disclosure statement. Where both gas and electricity supply contracts are sold, a supplier should be allowed to contract for both products using a combined disclosure statement that meets the criteria established by the OEB as it pertains to each commodity rather than being required to provide disclosure statements twice, once for electricity and once for gas. The OEB is therefore proposing to make provision for a "dual fuel" disclosure statement. The proposed dual fuel disclosure statement for residential consumers is set out in Attachment A to this letter.

The OEB will also make similar updates to the other residential and non-residential versions of the disclosure statements which are:

- i. contracting in person;
- ii. contracting over the internet;
- iii. contracting by mail solicitation; and
- iv. contract renewals and extensions.

As is the case today, the OEB will make the disclosure statements available in French and in each of the other languages identified on the back of the disclosure statements.

In the coming weeks, the OEB will be addressing issues of format and graphic design, and interested parties should therefore be aware that the overall appearance and form of the disclosure statements may change as a result of that exercise.

#### Price Comparisons

The purpose of the price comparison template (which, like the Disclosure Statement, is required under the ECPA Regulation) is to explain the retail contract price of electricity or gas compared to the price of electricity or gas if purchased from a consumer's utility. The OEB proposes to require side-by-side price comparisons between utility prices and retail offerings. The OEB believes that a side-by-side price comparison will improve consumer understanding of the retail contract offering. The proposed revised price comparisons are set out in Attachment B to this letter.

The OEB will continue to make available different versions of the price comparisons, for electricity and gas, and to accommodate residential and non-residential low-volume

consumers, and in the gas sector to accommodate low-volume consumers served by rate-regulated utilities and non rate-regulated utilities.

In the coming weeks, the OEB will be addressing issues of format and graphic design, and interested parties should therefore be aware that the overall appearance and form of the price comparison templates may change as a result of that exercise.

#### Verification Call Scripts

The OEB proposes a number of revisions to its verification call scripts to ensure that low-volume consumers understand and accept the contractual arrangements to which they have previously agreed. The proposed revised scripts are set out in Attachment C to this letter.

The proposed revised scripts accommodate verification of internet contracts, as proposed under Bill 112, and build on an earlier consultation with suppliers that was suspended pending completion of the OEB's ECPA review. As indicated in its Notice, the OEB is proposing amendments to the Retailer Code and the Marketer Code to allow suppliers greater flexibility in relation to certain elements of the verification script, similar to the flexibility that currently exists with the renewal script.

The OEB proposes that the verification scripts be separated into residential and non-residential versions, as well as changes to the sequencing and organization of questions for better flow and customer understanding. Also, the OEB proposes that some questions regarding customer information (i.e. telephone number, address, account number, etc.) be made optional. In addition, the OEB proposes a verification script that would apply to contracts that cover multiple locations for non-residential consumers.

The OEB intends to make similar changes to its scripts for telephone renewals/extensions.

#### Contract Cover Sheet

In its ECPA Report, the OEB noted that certain key provisions in retail contracts, such as cancellation rights and fees, are of particular importance to consumers and need to be emphasized and in plain language.

The proposed amendments to the Retailer Code and the Marketer Code would require suppliers to: (a) use certain standardized headings in their contracts, principally for information that is required to appear in contracts under the ECPA Regulation; and (b) include an OEB-approved cover sheet with their contracts.

The OEB has developed a proposed cover sheet that contains a plain language description of certain contract provisions. The proposed contract cover sheet (dual fuel version) is set out in Attachment D to this letter. The OEB intends to issue separate versions of the proposed cover sheet, one for electricity contracts and one for gas contracts.

#### Consumer "Tip Sheet"

Although door-to-door sales at a consumer's home will be prohibited in the future if Bill 112 is passed in its current form, marketing and advertising at the door will not. The OEB believes that consumer understanding will be improved if residential consumers have ready access to information from different sources at any given point in time.

The OEB therefore proposes to amend the Retailer Code and the Marketer Code to require suppliers to provide an OEB-approved "tip sheet" to consumers when engaging in marketing activities at a consumer's home. This is what is contemplated by the proposed new requirement in Part B of both Codes to "provide and leave with the consumer such documents as may be approved by the OEB".

The "tip sheet" will include information in plain language that is useful to consumers in helping them think about whether a retail energy contract is right for them or not. The proposed "tip sheet" is set out in Attachment E to this letter.

#### **C. Invitation to Comment**

All interested parties are invited to submit written comments on the proposals, as set out in Attachments A to E, by **November 16, 2015**, in accordance with the filing instructions set out in section D below.

**D. Filing Instructions**

Three (3) paper copies of each filing must be provided, and should be sent to:

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

The OEB requests that interested parties make every effort to provide electronic copies of their filings in searchable/unrestricted Adobe Acrobat (PDF) format, and to submit their filings through the OEB's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/>. A user ID is required to submit documents through the OEB's web portal. If you do not have a user ID, please visit the "e-filings services" webpage on the OEB's website at [www.ontarioenergyboard.ca](http://www.ontarioenergyboard.ca), and fill out a user ID password request.

Additionally, interested parties are requested to follow the document naming conventions and document submission standards outlined in the document entitled "RESS Document Preparation – A Quick Guide" also found on the e-filing services webpage. If the OEB's web portal is not available, electronic copies of filings may be filed by e-mail at [boardsec@ontarioenergyboard.ca](mailto:boardsec@ontarioenergyboard.ca).

Those that do not have internet access should provide a CD containing their filing in PDF format.

Filings to the OEB must be received by the Board Secretary by **4:45 p.m.** on the required date. They must quote file number **EB-2015-0268** and include your name, address, telephone number and, where available, your e-mail address and fax number.

If the written comment is from a private citizen (i.e., not a lawyer representing a client, not a consultant representing a client or organization, not an individual in an organization that represents the interests of consumers or other groups, and not an individual from a regulated entity), before making the written comment available for viewing at the OEB's offices or placing the written comment on the OEB's website, the



OEB will remove any personal (i.e., not business) contact information from the written comment (i.e., the address, fax number, phone number, and e-mail address of the individual). However, the name of the individual and the content of the written comment will be available for viewing at the OEB's offices and will be placed on the OEB's website.

This letter, including the proposed revisions to the OEB's regulatory instruments set out in Attachments A to E, and all written comments received by the OEB in response to this letter will be available for public viewing on the OEB's web site at [www.ontarioenergyboard.ca](http://www.ontarioenergyboard.ca) and at the office of the OEB during normal business hours.

If you have any questions regarding the proposals described in this letter, please contact Lou Mustillo at [Lou.Mustillo@OntarioEnergyBoard.ca](mailto:Lou.Mustillo@OntarioEnergyBoard.ca) or at 416-544-5185. The OEB's toll free number is 1-888-632-6273.

**DATED** at Toronto, October 30, 2015

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary

Attachments:    Attachment A – Proposed Revised Disclosure Statement  
                         Attachment B – Proposed Revised Price Comparisons  
                         Attachment C – Proposed Revised Verification Call Scripts  
                         Attachment D – Proposed Contract Cover Sheet  
                         Attachment E – Proposed Consumer "Tip Sheet"

**Attachment A**  
**Proposed Revised Disclosure Statement**

*(Separate document attached)*

**Attachment B**  
**Proposed Revised Price Comparisons**

*(Separate documents attached)*

**Attachment C**

**Proposed Revised Scripts for Verification Calls**

*(Separate documents attached)*

**Attachment D**  
**Proposed Contract Cover Sheet**

*(Separate document attached)*

**Attachment E**  
**Proposed Consumer “Tip Sheet”**

*(Separate document attached)*





## **Verification Call Script for Non-Residential Consumers – Natural Gas and Electricity**

*This script must only be used if all of the following conditions are met:*

- (a) none of the locations covered by the contract are residential premises;*
- (b) all of the locations are covered by the same contract;*
- (c) no location covered by the contract has a level of consumption that annually is equal to or exceeds the amount prescribed under section 4 of Ontario Regulation 389/10 (General) made under the Energy Consumer Protection Act, 2010 (the ECPA Regulation); and*
- (d) all of the contract terms and conditions are the same for all of the locations (the contract terms and conditions for the supply of natural gas may be different from the contract terms and conditions for the supply of electricity, but the terms and conditions for the supply of each commodity must be the same for all locations).*

*In this script, the term “energy retailer” is used to refer to the gas marketer / electricity retailer.*

*The verification call must be terminated if the ECPA Regulation or this script so requires.*

*The ECPA Regulation requires that the verification representative stop the verification process if he or she is advised that the energy retailer has committed an unfair practice, or if the verification representative has reasonable grounds to believe that the energy retailer has committed an unfair practice.*

*The verification representative must terminate the call at any time if the verification representative knows or ought to know that the energy retailer has taken or is taking an unconscionable action as defined in the ECPA Regulation, the individual is not reasonably able to protect his or her interests by reason of inability to understand English, or if the individual is not comfortable with the verification call being recorded. In this case, before terminating the call the verification representative must explain to the individual the reason for not proceeding with the verification process.*

*The energy retailer or verification company may have additional questions to ask of the individual. These questions must be asked after the following compulsory questions. For points that need confirmation from the individual, a Yes / No (Y/N) response is indicated at the end of the question.*

## A. Greeting

Provide the following:

1. Your name.
2. The name of your verification company (if energy retailer considers it necessary for the purpose of ensuring compliance with the CRTC's telemarketing rules).
3. The energy retailer's name.
4. Purpose of your call. It must be explained to the individual that the purpose of the call/discussion is to verify the contract).

"I need to let you know that this call is being recorded. If you are not comfortable with this call being recorded, please let me know at any time."

## B. Questions

1. "Am I speaking with [account holder name]"? Y/N

*If the individual answers **yes** proceed to Q2*

*If the individual answers **no**, ask Q1A*

- 1a. "Do you have specific authorization to make arrangements for the supply of natural gas and electricity for specific locations of this business"? Y/N

*If **yes**, proceed to Q2*

*If **no**, ask:*

- 1b. "Has [account holder name] given you specific authorization to make arrangements for the supply of natural gas and electricity for specific locations of this business"? Y/N

*If **yes**, proceed to Q2*

*If **no**, ask:*

- 1c. "Is there someone else there that has specific authorization from [account holder name] to make arrangements for the supply of natural gas and electricity for specific locations of this business"? Y/N

*If no, the verification representative shall indicate to the individual that the verification process cannot proceed because the individual does not appear*

*to have the authority to verify the contract, and the call must then be terminated.*

2. "Today's date is [month, day and year]. Our records show that you signed a written copy of the contract[s], including all of the terms and conditions, on [month, day and year]. Is that correct"? Y/N

*For internet contracts:*

2. "Today's date is [month, day and year]. Our records show that you received a copy of the contract(s) by email, including the terms and conditions on [month, day and year]. Is that correct"? Y/N

*If yes, and today's date is within 20 to 45 days of the date the consumer received the contract[s], proceed to Q3.*

*If no, and/or today's date is outside of the 20 to 45-day verification window, explain why you are unable to continue the verification process and terminate the call.*

*If there are multiple locations, read Q3*

3. "Our records state that the contract applies to more than one location of [name of business]. Our records also state that each location has a distinct utility account number. Can you please confirm that this is correct"? Y/N

"I would like to confirm the details for each location to which the contract applies. Our records state that the contract applies to the following: "

*The verification representative shall identify each location covered by the contract, including the billing address with correct spelling, the service address with correct spelling, the utility that serves the location and the utility account number for the location.*

"Can you please confirm that this information is correct"? Y/N

If no, ensure the correct information is recorded.

4. "Did you receive and sign a copy of a Disclosure Statement? The Disclosure Statement explains basic information about energy contracts and your rights". Y/N

*If yes, proceed to Q5.*

*If **no**, explain why you are unable to continue the verification process and terminate call. If the individual does not recall whether they received and signed the documents, the verification representative may offer to send a copy of the signed documents to the individual by email or other means of delivery. The verification representative may also ask the individual if there is a convenient time to call again once the signed copies of the documents have been received by the individual, but otherwise the call must then be terminated and the verification representative must advise the individual as follows:*

*"I am required to terminate the verification call at this time. A new verification call must be completed once you have received and signed the documents".*

5. "Did you [receive and sign] a copy of a Price Comparison explaining [energy retailer]'s price compared to the price from your utility"? Y/N

*If **yes**, proceed to Q6.*

*If **no**, explain why you are unable to continue the verification process and terminate the call.*

*If the individual does not recall whether they received and signed the documents, the verification representative may offer to send a copy of the signed documents to the individual by email or other means of delivery. The verification representative may also ask the individual if there is a convenient time to call again once the signed copies of the documents have been received by the individual, but otherwise the call must then be terminated and the verification representative must advise the individual as follows:*

*"I am required to terminate the verification call at this time. A new verification call must be completed once you have received and signed the documents".*

6. "I now need to ask you some questions to ensure you understand what you will be paying under the contract".

*For electricity:*

*"Do you understand that you will pay [energy retailer]'s contract price of [xx cents per kWh for electricity for a term of [x] years"? Y/N*

*"You will continue to pay your utility for delivery charges as well as taxes. You will also pay your share of the Global Adjustment".*

*Read to explain the Global Adjustment if asked by the individual about the Global Adjustment (may also read even if not asked):*

"Most electricity generating companies are paid either a rate set by the Ontario Energy Board or a contract rate negotiated with, or set by, the Independent Electricity System Operator. The Global Adjustment is the difference between these contracted or regulated rates and the money the generators earn in the wholesale marketplace. The Global Adjustment also covers the costs of some conservation programs. The Global Adjustment is calculated each month, and can change every month. Although it can be a credit, the Global Adjustment has been a charge in almost every month since 2006. All electricity consumers have to pay their share of the Global Adjustment. The electricity prices offered by your utility already include an estimate of the Global Adjustment. If you switch to a retailer, you will have to pay your share of the Global Adjustment in addition to the contract price. And you will start to see the Global Adjustment as a separate line item on your electricity bill."

For natural gas:

"Do you understand that you will pay [energy retailer]'s contract price of [xx cents per cubic meter for natural gas for a term of [x] years"? Y/N

"You will continue to pay your utility for delivery charges, unless transportation and/or storage are included in the contract price, as well as taxes".

*If yes, proceed to Q7.*

*If no, explain the contract is only for the supply of natural gas and electricity and the business will continue to pay delivery charges, Global Adjustment on its electricity bills and taxes.*

7. "Do you understand that you will pay [energy retailer]'s contract price[s] for [X years]"? Y/N

"There is no guarantee that [name of business] will save money on its electricity and/or gas energy bill[s] during the contract period".

*Ask the following question only if a green energy contract option was selected by the individual.*

8. "I see you have selected ["green" option and price details]. Is this correct"? Y/N (Repeat for both natural gas and electricity, if applicable).

*If the individual states that they no longer wish to have the additional option(s), the verification representative must then confirm that the individual is only verifying the contract and price details in Q6.*



9. "Do you understand that you may cancel your [electricity contract and/or gas contract] with [energy retailer] in relation to any location any time up to [XX] days after you receive your second bill under the contract without paying a cancellation fee? You can cancel any time after that for a specific location but you may have to pay a cancellation fee". Y/N

*If **yes** to all of Qs 7 and 9, proceed to Q10.*

*If **no** to any of Qs 7 and 9, be sure to explain that these details are specified in the terms of contract and ask:*

7a/9a/ "Do you accept these terms"? Y/N

*If **yes**, continue to Q10*

*If **no**, explain why you are unable to continue the verification process and terminate the call.*

10. "Do you confirm that you want to continue with [this contract/these contracts] and would you like to proceed with the purchase of [natural gas and/or electricity] from [Energy Retailer Name] for specific locations of [name of business]"? Y/N

*If **yes**, proceed to closing.*

*If **no**, because the individual wants more time to make a final decision on the natural gas/electricity contract(s), the verification representative may ask if there is a convenient time to call back but otherwise the call must be terminated. Where there is one contract for natural gas and another for electricity and the individual wishes to delay a decision on only one contract, the verification representative may continue with confirmation of the accepted contract.*

*If **no**, because the individual does not want to verify the contract[s] for any one or more of the locations covered by the contract, the verification representative may thank the individual for their time but otherwise the call must be terminated and the verification representative must inform the energy retailer of the individual's choice not to verify the contract[s]. Where there is one contract for natural gas and another for electricity and the individual states that they do not wish to verify one of the contracts the verification representative may continue with confirmation of the accepted contract and must inform the energy retailer of the individual's choice not to verify the other contract.*

11. "You can get more information from the Ontario Energy Board. Would you like the Ontario Energy Board's website address or toll-free number"? Y/N

*If yes, provide the OEB's contact details.*

## **C. CLOSING**

"Thank you. Now that you have confirmed that you want to continue [this contract/these contracts], your electricity utility and your gas utility will each send

you a letter after the transfer has been done. The letters will tell you when [name of business] will start to pay the contract price for its electricity and natural gas. [Energy Retailer]'s name and telephone number will start to appear on [name of business]'s [natural gas /electricity] bill normally within 120 days. Please call that number if you have questions."

*Following the closing, the verification representative may ask additional information of the individual including confirming the correct spelling of the business name, address, utility account number[s], and telephone number[s].*

VIA COURIER AND EMAIL (boardsec@ontarioenergyboard.ca)

November 16, 2015

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

Dear Kirsten Walli:

**RE: OEB File Number EB-2015-0268**

On October 30, 2015 the Ontario Energy Board ("OEB") invited parties to comment on its proposed revisions to the Disclosure Statements, Price Comparison Forms, Cover Sheet, Tip Sheet and Verification Script ("Documents"). The changes are a continuation of the OEB's efforts to implement certain recommendations set out in the OEB's "Consumers Come First: A Report of the Ontario Energy Board on the Effectiveness of Part II of the *Energy Consumer Protection Act, 2010*" ("Report"), Bill 112 and the proposed changes to Regulation 389/10. Below are Active Energy's comments to the proposed Documents.

**Cover Sheet**

It appears to Active Energy that the OEB introduced the Cover Sheet as a tool to address the Report's finding that consumers need "clearer and better information in order to make informed decisions and to understand their rights and obligations under energy contracts" (page 20 of the Report). Active submits that the Cover Sheet is not necessary either for residential and commercial low-volume consumers for the following reasons.

1. It is premature to assume that a Cover Sheet will be required when door-to-door sales will no longer take place as proposed under Bill 112. With the removal of door-to-door sales, consumers will take time to consider all aspects of a retail contract by reviewing the contract terms and conditions, the Disclosure Statement, and Price Comparison Form; thus eliminating the need for a Cover Sheet.
2. The proposed changes to the Disclosures Statements, Price Disclosure Form, verification script, and the new heading requirements for retail contracts fully achieves the goal of clearly communicating, in a consumer-friendly manner, how an energy retail contract works and the

- consumer's rights under the contract. Requiring retailers to provide a Cover Sheet to consumers would result in an unnecessary use of resources on the retailer's part and not be environmentally friendly as it would require the printing of an additional document which contains content that is already provided to the consumer under existing instruments.
3. Active Energy submits that commercial low-volume consumers do not require additional disclosure as provided in the Cover Sheet. Commercial consumers are accustomed to entering into commercial contracts as part of their day to day business practices and familiar with reading contract terms and conditions. Therefore they do not require a separate document to summarize key contract terms.
  4. Should the OEB proceed with a Cover Sheet, Active Energy provides the following comment on the proposed Cover Sheet:
    - a. Under the Contract Price section, change the current wording of " Any other amount that the Energy Retailer is making you pay under the Contract" to " Any other amount under the Energy Retailer Contract." Active's submits that this recommended wording is more neutral and communicates that same idea.
    - b. Under Your Right to End the Contract: the statement "you can cancel without paying" is repetitive. Active suggest removing this statement in each of the bullet points, and inserting the following words in bold after the heading "Here are some of those reasons **you can cancel without paying a Cancellation Fee:** "

#### Disclosure Statement

Active Energy supports the introduction of a dual fuel Disclosure Statement and has no comment to make on this document. Active Energy reserves the right to provide comment on the non-residential Disclosure Statement that will be provided to the retail community at a later date as it was not part of the OEB's October 30, 2015 Notice.

#### Price Comparison Form

Active Energy submits that the Price Comparison Form disclose the Global Adjustment in Table A: "Prices if you purchase electricity from your Electricity Utility". Separating the GA from the RRP and disclosing it in Table A will address consumer concerns (as summarized on page 8 of the Report) that the difference in how the GA is presented when a consumer is purchasing their electricity from the utility versus how it's presented when energy is purchased from supplier "is an obstacle for consumers in comparing prices when considering whether to sign a retail electricity contract or remain with their utility." Active submits that electricity utilities can accommodate separating the GA from the RPP price since its already being done for supplier bills.

Active Energy reserves the right to provide comment on the non-residential Price Comparison Form that will be provided to the retail community at a later date as it was not part of the OEB's October 30, 2015 Notice.

#### Verification Script

Active Energy support's the OEB's introduction of a verification script for non-residential consumers and the accommodation for verifying multiple locations on a contract. Active Energy's only comment on the script is with respect to question 7 "Do you understand that you will pay [energy retailer]'s contract

price[s] for [X years]"? Y/N. Active submits that question 7 is not necessary, and should be removed, since the price and term are already confirmed in question 6.

Thank you for the opportunity to make this submission. Please contact me should you have any questions.

Regards,

A handwritten signature in black ink, appearing to be 'G. Girardi', written in a cursive style.

Gaetana Girardi

Director, Operations

Email: [Gaetana.girardi@activeenergy.ca](mailto:Gaetana.girardi@activeenergy.ca)

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**BY EMAIL AND WEB POSTING**

**SEPTEMBER 8, 2016**

**NOTICE OF REVISED PROPOSAL TO AMEND A CODE AND TO AMEND A RULE  
REVISED PROPOSED AMENDMENTS TO THE ELECTRICITY RETAILER CODE OF  
CONDUCT, THE CODE OF CONDUCT FOR GAS MARKETERS, THE RETAIL  
SETTLEMENT CODE AND THE GAS DISTRIBUTION ACCESS RULE**

**OEB FILE NO.: EB-2015-0268**

**To: All Licensed Electricity Retailers  
All Licensed Gas Marketers  
All Licensed Electricity Distributors  
All Natural Gas Distributors  
All Participants in Consultation Process EB-2014-0158 (Consultation on the  
Effectiveness of Part II of the *Energy Consumer Protection Act, 2010*) and EB-  
2015-0268 (Giving Effect to the OEB's Report on the Effectiveness of the  
*Energy Consumer Protection Act, 2010*)  
All Other Interested Parties**

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The Ontario Energy Board (OEB) is giving notice of revised proposed amendments to the following rules and codes under sections 45 and 70.2 of the *Ontario Energy Board Act, 1998* (OEB Act):

1. the Electricity Retailer Code of Conduct (Retailer Code);
2. the Code of Conduct for Gas Marketers (Marketer Code);
3. the Retail Settlement Code (RSC); and
4. the Gas Distribution Access Rule (GDAR).

**A. Background**

On October 5, 2015, the OEB issued a Notice of Proposal (October 5<sup>th</sup> Notice) in which it proposed a number of amendments to the Retailer Code, the Marketer Code, the RSC and the GDAR (October 5<sup>th</sup> Proposed Amendments). The purpose of the October 5<sup>th</sup> Proposed

Amendments was to address certain findings and implement certain recommendations set out in the OEB's *Consumers Come First* report to the Minister of Energy on the effectiveness of the *Energy Consumer Protection Act, 2010* (ECPA). Some of the October 5<sup>th</sup> Proposed Amendments were also required to support proposed legislative changes regarding rules governing electricity retailers and gas marketers (collectively, energy retailers) set out in and under the ECPA in respect of low volume consumers.

On October 30, 2015, the OEB issued a further Notice of Proposal to solicit comment on the following: a proposed revised disclosure statement; proposed revised price comparison templates; proposed revised verification scripts; a new proposed "tip sheet"; and a proposed new contract cover sheet (October 30<sup>th</sup> Proposed Amendments). Regulatory requirements relating to the use of these materials were included in the October 5<sup>th</sup> Proposed Amendments.

The OEB received written comments on the October 5<sup>th</sup> Proposed Amendments from 22 stakeholders: 8 energy retailers; 13 gas and electricity distributors, commenting individually, as a group or through their representative; and 1 consumer representative. The OEB received written comments on the October 30<sup>th</sup> Proposed Amendments from 6 energy retailers. All of the written comments are available for viewing on the OEB's website at <http://www.ontarioenergyboard.ca/oeb/Industry/Regulatory%20Proceedings/Policy%20Initiatives%20and%20Consultations/ECPA%20Report%20Implementation>.

At the time of issuance of the two Notices of Proposal in October 2015, changes to the legislative framework governing energy retailers were pending. That legislative process has now been completed. A proclamation has been issued naming January 1, 2017 as the date on which amendments to the ECPA contained in the *Strengthening Consumer Protection and Electricity System Oversight Act, 2015* come into force. Amendments to Ontario Regulation 389/10 (General) (ECPA Regulation) will also come into force on January 1, 2017.<sup>1</sup>

The OEB has considered the comments received from stakeholders on the proposals issued in October 2015 as well as the amendments to the ECPA Regulation, and has determined that revisions should be made to the October 5<sup>th</sup> Proposed Amendments and to the verification scripts as issued for comment on October 30, 2015. Details are set out below.

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<sup>1</sup> The amendments are set out in Ontario Regulation 241/16.



**B. Revised Proposals****1. *Revised Proposed Amendments to the Retailer Code and the Marketer Code regarding Plain Language Contracts***

The October 5<sup>th</sup> Proposed Amendments to the Retailer Code and the Marketer Code included a requirement for energy retailers to use an OEB-approved contract cover sheet as well as standardized headings in their contracts. Energy retailers generally did not support this proposal, stating that consumers do not need additional documents beyond those that are already required, and that the OEB's proposed approach would add to consumer confusion. Electricity and gas distributors generally did not comment on these proposals, and the consumer representative stated that this and other OEB proposals are a step in the right direction.

In the October 5<sup>th</sup> Notice, the OEB indicated that its proposal to require the use of an OEB-approved contract cover sheet and standardized contract headings was an interim approach, at least for residential consumers. The OEB also stated that standardized contracts will be clearer for consumers and enhance consumer understanding of their rights and obligations. However, it was noted that the development of a standardized contract would require time and more extensive consultation with the industry and others in order to ensure that contracts suit the needs of both energy retailers and consumers.

The OEB believes that it is appropriate to move forward now with a degree of standardization of contracts, to provide greater clarity for consumers and enhance consumer understanding. In its *Consumers Come First* report, the OEB noted that certain key provisions in retail contracts, such as cancellation rights and fees, need to be emphasized and in plain language. Some other jurisdictions require some form of plain language contract terms to be available to consumers.

The OEB is therefore proposing that energy retailers be required to use plain language standard contract terms and conditions principally for provisions that are identified in section 7 of the ECPA Regulation as mandatory contract terms. The proposed standard contract terms and conditions for a dual fuel contract for residential and non-residential consumers are set out in Attachment A to this Notice, and revised proposed amendments to section 3 (3.2A to 3.2D) of the Retailer Code and section 3 (3.2A to 3.2D) of the Marketer Code to support this approach are set out in Attachments B and C, respectively. The OEB is proposing that these standard terms and conditions be used for all low volume consumers. The proposed contract terms and conditions assume distributor-consolidated billing but allow some flexibility to accommodate other forms of billing. If a distributor or energy retailer confirms a need for them, versions specifically tailored to retailer-consolidated billing or split billing will be prepared.

The OEB will prepare standard contract terms and conditions for single fuel contracts based on the dual fuel contract terms and conditions. The OEB is adapting the contract terms and conditions as set out in Attachment A for use in the renewal context and will be releasing that material in the coming days.

Focus group testing<sup>2</sup> of the proposed standard contract terms and conditions yielded generally positive results. Residential and small business consumers found the provisions to be largely clear and easy to understand. Feedback on specific provisions was considered in finalizing the proposed standard contract terms and conditions.

The proposed standard contract terms and conditions allow energy retailers to include additional provisions and to populate certain sections with information that is specific to the circumstances, such as the contract price, the energy retailer's contact information and the energy retailer's cancellation rights (if any). The OEB believes that greater efforts could be made by energy retailers to ensure that such other contract terms are easily understandable by consumers. The OEB is therefore also proposing to amend the Retailer Code and the Marketer Code to require that energy retailer-drafted contract provisions be in plain language.

The OEB remains of the view that a fully standardized form of contract is the most desirable end-state for consumers. The OEB intends to proceed with that initiative, but recognizes that this may not be achieved by January 1, 2017. To inform this initiative, the OEB requests that each energy retailer file with the OEB all provisions that it intends to add to the standard contract terms and conditions, whether mandatory or discretionary. These provisions should be filed no later than the deadline for submitting comments in response to this Notice as set out in section F. Once the OEB's proposed standard contract terms and conditions have been finalized, the OEB will also require energy retailers to file a copy of all contracts that they intend to use with low volume consumers as of January 1, 2017.

## *2. Revised Proposed Amendments to the RSC and the GDAR Mandating a Written Notice of Switch*

The October 5<sup>th</sup> Proposed Amendments included proposed amendments to the RSC and the GDAR to require electricity and gas distributors to provide written notice to low volume consumers of the switch to an energy retailer. The OEB indicated that it would prepare a form of letter that distributors may use for the purposes of this new notice requirement.

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<sup>2</sup> Six focus group sessions were held, 2 in each of Toronto, Kitchener and Sudbury. One focus group session in each of Toronto and Kitchener was for small business consumers, and the remaining 4 were for residential consumers. These focus groups were used to obtain feedback on the standard contract terms and conditions, as well as the notice of switch letter and the revised verification script discussed later in this Notice.

Energy retailers generally did not support this proposal, stating that a notice of switch is not necessary and will cause confusion. They indicated that, if the OEB does proceed with this proposal, the energy retailer's telephone number should be included in the notice and that the cost of implementing this proposal should be borne by distributors. Distributors expressed a mixed level of support for this proposal. The main concerns noted were increased administrative costs and a greater volume of customer enquiries. Most distributors expressed the view that the notice should instead be sent by energy retailers but, if not, then the notice should include the energy retailer's telephone number rather than the distributor's number. Distributors also asked that they be allowed to recover the associated costs as part of billing and settlement transaction fees charged to energy retailers.

The OEB remains of the view that a written notice of switch will serve as a useful reminder to consumers that their supply arrangements are changing. The OEB believes that there is merit in having a common form of notice in use across the Province. The OEB is therefore proposing to mandate the use of an OEB-approved form of notice. In light of comments received on the October 5<sup>th</sup> Proposed Amendments, the proposed form of notice:

- directs consumers to the energy retailer for inquiries relating to the switch;
- refers to the contract price appearing on the next bill rather than specifying the date of the bill; and
- does not include a reference to the effective date of the switch.

The proposed form of notice for each of electricity and gas is set out in Attachment D, and supporting revised proposed amendments to the RSC and the GDAR are set out in Attachments E and F, respectively. The proposed form of notice assumes distributor-consolidated billing. If a distributor or energy retailer confirms a need for them, versions suited to retailer-consolidated billing or split billing will be prepared. The OEB understands that, given constraints in the EBT systems, it may be the case that the notice of switch is sent to larger volume consumers. While larger volume consumers may not have the same need for a reminder, the OEB does not believe that their receipt of the notice is problematic.

Focus group testing of the proposed form of notice was positive in almost all respects. Residential consumers in particular considered it useful for the notice to include a reference to the OEB. Small business consumers indicated a desire for website and additional contact information for the energy retailer and the distributor. The OEB is not proposing to mandate this additional information but will allow for it to be included if agreed between the distributor and the energy retailer.

The OEB believes that it is appropriate for distributors to recover the transactional cost of sending the notice of switch from the energy retailer that has contracted with the consumer. The OEB is currently reviewing the miscellaneous rates and charges applied by electricity

distributors (EB-2015-0304) and will include this issue as part of that initiative. The OEB will also consider how best to implement cost recovery by natural gas distributors.

*3. Revised Proposed Amendments to the RSC and the GDAR to Make Retail Contracts More Visible on the Bill*

The October 5<sup>th</sup> Proposed Amendments included proposed amendments to the RSC and the GDAR to require that a distributor-consolidated bill issued to a low volume consumer that has a contract with an energy retailer include a statement, in capital letters, to the effect that the consumer's supply is being provided under contract. The OEB also proposed to require distributors to provide for up to 500 text characters for the display of this statement, together with the energy retailer's name, telephone number, website and e-mail address on the bill.

Energy retailers generally supported the OEB's proposal to make retail contracts more visible on the bill, and requested the ability to include their own unique company logo as well. Distributors expressed concerns about the OEB's proposal, including a concern that it will result in a 2-page bill which distributors say is not desirable and will increase printing and mailing costs. Some gas distributors have estimated implementation costs in the range of \$40,000 to \$70,000. Gas distributors have estimated the implementation time at 6-12 months, and electricity distributors have estimated 4-12 months for implementation.

The OEB is proposing to proceed with the proposal to require a mandatory statement on the consumer's bill that their energy supply is being provided under contract. To address some of the comments received in response to the October 5<sup>th</sup> Notice and during follow-up meetings with representatives of gas and electricity distributors, the OEB will not mandate the number of text characters to be made available. In addition, the OEB will only mandate that an energy retailer's telephone number and website address be included on the bill. The display of the energy retailer's e-mail address will be optional. The OEB does not believe that it is necessary to make provision for an energy retailer's logo on the bill. Space and cost considerations aside, the OEB is concerned that the addition of an energy retailer's logo on the bill will tend towards confusion in terms of who is sending the consumer their bill.

The OEB remains of the view that the commodity line of the bill is the appropriate location for the mandatory statement. The OEB is prepared, however, to consider providing some flexibility for bill presentation in the case of gas bills given that natural gas contracts can also include transportation, storage or both.

Revised proposed amendments to the RSC and the GDAR reflecting the above are set out in Attachments E and F, respectively. Given the comments received from electricity and

natural gas distributors regarding implementation timelines, the OEB is proposing that these provisions apply as of July 1, 2017. The provisions have been drafted accordingly.

#### 4. *Revised Proposed Verification Call Scripts*

The October 30<sup>th</sup> Proposed Amendments included proposed revised verification call scripts that, among other things, accommodate the verification of internet contracts. In the October 5<sup>th</sup> Proposed Amendments, the OEB also proposed to allow energy retailers greater flexibility in relation to certain elements of the verification call script, similar to the flexibility that currently exists with the renewal script.

Energy retailers commented that the proposed revised script is still too long and that the script itself does not allow for the desired level of flexibility. A number of energy retailers provided more detailed comments on various parts of the script. One energy retailer indicated that, for the most part, the proposed revised script addresses issues previously brought forth to the OEB by energy retailers.

The OEB's *Consumers Come First* report highlighted that materials like the verification and renewal call scripts are not working as well as they could, and need to be more consumer-friendly, simpler and as short as possible. Focus group testing of a sample verification script indicates that the script is considered too long by some consumers, and was felt by others to have too much of a tele-marketing flavour. Consumers do appreciate the opportunity to ask questions, as well as the opportunity to refer back to the contract, disclosure statement and price comparison during the call.

While energy retailers and some consumers consider that the revised script is too long, the OEB does not believe that it is appropriate to pare the script down further at this time. All of the questions and statements contribute in a positive way to consumer understanding and awareness and enhance consumer protection. Although the OEB is not proposing a material reduction in the number of questions and statements, the OEB is proposing a number of revisions to the verification call script relative to the version that was issued for comment on October 30, 2015, including:

- re-introduction of the statement that exists in the script today to the effect that the consumer is not required to verify the contract;
- a requirement that the consumer be provided with an opportunity to retrieve a copy of the contract, disclosure statement and price comparison for reference purposes;
- mandatory scripting for the statement that describes the purpose of the verification call;
- a change in the format of some questions from "Do you understand that [statement]...Y/N" to "[Statement.] Do you have any questions about that?"; and
- changes to scripting, organization and instructions for the verification representative.



Revised proposed verification call scripts for residential and non-residential consumers for dual fuel contracts entered into on the internet are set out in Attachment G. Based on these versions, the OEB will prepare verification call scripts for single fuel contracts, for contracts that are not entered into on the internet and for contracts that cover multiple non-residential locations. The OEB is adapting the verification scripts as set out in Attachment G for use in the renewal context and will be releasing that material in the coming days.

The recent amendments to the ECPA Regulation enable online verification, but do so conditional on the OEB having rules in place to support that process. The OEB has received inquiries from some energy retailers regarding the timing of issuance of such rules.

The OEB acknowledges that energy retailers have an interest in online verification, and focus group testing has confirmed that consumers, particularly small business consumers, do as well. Although online verification is permitted in British Columbia, the OEB understands that no energy retailers are currently using that process.

The OEB believes that a move to online verification may be appropriate in the future. However, the OEB's priority is the move to standardized contracts and the finalization of consumer-facing materials that need to be in place by January 1, 2017. The OEB will therefore defer further consideration of rules to support online verification until after January 1, 2017. Energy retailers may, if they wish, provide the OEB with proposals for an online verification process over the coming months. In this regard, energy retailers should be mindful that the OEB will want to be assured that the consumer protection elements of the verification process are not lessened.

#### *5. Energy Retailer Scorecards*

In the October 5<sup>th</sup> Notice, the OEB confirmed its intention to proceed with the recommendation contained in the *Consumers Come First* report regarding the availability of information on the complaint and compliance "track record" of different energy retailers.

The OEB is in the process of developing an energy retailer "scorecard" for this purpose, informed by experience in other jurisdictions and other sectors. The OEB believes that each energy retailer should be required to post its OEB scorecard on its website and also include on its website a prominent link to the page on the OEB's website that houses the scorecards. The OEB intends to consult with interested stakeholders on its scorecard approach, but considers it expedient to introduce the supporting regulatory requirements into the Retailer Code and the Marketer Code now.

Proposed amendments to section 7 of the Retailer Code and section 7 of the Marketer Code are included in Attachments B and C, respectively. These provisions will only take

effect when the form of scorecard has been finalized. The OEB will provide appropriate advance notice of the effective date of these requirements.

### **C. Anticipated Costs and Benefits**

The anticipated costs and benefits of the October 5<sup>th</sup> Proposed Amendments and the October 30<sup>th</sup> Proposed Amendments were set out in the Notices accompanying those Proposed Amendments. Generally speaking, those anticipated costs and benefits apply to the revised proposals described in and attached to this Notice. The OEB believes that incremental benefits in the form of improved consumer understanding and awareness will result from the move to standard contract terms and conditions. Energy retailers are expected to incur additional one-time costs to integrate the standard terms and conditions into their contracting process. The OEB does not believe that the revised proposals will result in incremental costs for electricity or natural gas distributors relative to the OEB's October 2015 proposals.

### **D. Coming into Force**

The OEB proposes that the final amendments to the Retailer Code, the Marketer Code, the RSC and the GDAR come into force on January 1, 2017, the date on which amendments to the ECPA and the ECPA Regulation come into force. As noted above, certain of the amendments will only become effective as of July 1, 2017 (making retail contracts more visible on the bill) or on a date to be determined by the OEB (energy retailer scorecards).

### **E. Other Measures**

The OEB will be issuing revised proposed disclosure statements, price comparison templates and "tip sheet" for stakeholder comment in the near term.

The OEB also takes this opportunity to confirm that it is proceeding with the development of an OEB-supervised price comparison website. Further details regarding this initiative will be made available at a later date.

### **F. Invitation to Comment**

All interested parties are invited to submit written comments on the revised proposed amendments to the Retailer Code, the Marketer Code, the RSC and the GDAR; the proposed standard contract terms and conditions; the proposed notice of switch letters; and the proposed revised verification call scripts as set out in Attachments A to G, by **October 5, 2016**, in accordance with the filing instructions set out in section H below.



### **G. Cost Awards**

Cost awards will be available under section 30 of the OEB Act to eligible participants, up to a maximum of 15 hours, in respect of the provision of written comments on the revised proposed amendments to the Retailer Code, the Marketer Code, the RSC and the GDAR; the proposed standard contract terms and conditions; the proposed notice of switch letters; and the proposed revised verification call scripts as set out in Attachments A to G, as well as the proposed standard renewal contract terms and conditions and proposed renewal call scripts when issued for comment.

As noted in the October 5<sup>th</sup> Notice, cost award eligibility has been extended to any participant that was determined by the OEB to be eligible for costs in the EB-2014-0158 consultation leading to the release of the OEB's *Consumers Come First* report. No additional requests for cost award eligibility were received by the OEB within the time established for that purpose in the October 5<sup>th</sup> Notice. The OEB wishes to remind eligible participants that this consultation pertains to a legislative and regulatory regime that applies to low volume consumers, and that cost awards will only be granted for participation that relates to low volume consumers.

### **H. Filing Instructions**

Three (3) paper copies of each filing must be provided, and should be sent to:

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

The OEB requests that interested parties make every effort to provide electronic copies of their filings in searchable/unrestricted Adobe Acrobat (PDF) format, and to submit their filings through the OEB's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/>. A user ID is required to submit documents through the OEB's web portal. If you do not have a user ID, please visit the "e-filings services" webpage on the OEB's website at [www.ontarioenergyboard.ca](http://www.ontarioenergyboard.ca), and fill out a user ID password request.

Additionally, interested parties are requested to follow the document naming conventions and document submission standards outlined in the document entitled "RESS Document Preparation – A Quick Guide" also found on the e-filing services webpage. If the OEB's web portal is not available, electronic copies of filings may be filed by e-mail at

[boardsec@ontarioenergyboard.ca](mailto:boardsec@ontarioenergyboard.ca). Those that do not have internet access should provide a CD containing their filing in PDF format.

Filings to the OEB must be received by the Board Secretary by **4:45 p.m.** on the required date. They must quote file number **EB-2015-0268** and include your name, address, telephone number and, where available, your e-mail address and fax number.

If the written comment is from a private citizen (i.e., not a lawyer representing a client, not a consultant representing a client or organization, not an individual in an organization that represents the interests of consumers or other groups, and not an individual from a regulated entity), before making the written comment available for viewing at the OEB's offices or placing the written comment on the OEB's website, the OEB will remove any personal (i.e., not business) contact information from the written comment (i.e., the address, fax number, phone number, and e-mail address of the individual). However, the name of the individual and the content of the written comment will be available for viewing at the OEB's offices and will be placed on the OEB's website.

This Notice, including the materials set out in Attachments A to G, and all written comments received by the OEB in response to this Notice will be available for public viewing on the OEB's web site at [www.ontarioenergyboard.ca](http://www.ontarioenergyboard.ca) and at the office of the OEB during normal business hours.

If you have any questions regarding the Revised Proposed Amendments described in this Notice, please contact Lou Mustillo at [Lou.Mustillo@OntarioEnergyBoard.ca](mailto:Lou.Mustillo@OntarioEnergyBoard.ca) or at 416-544-5185. The OEB's toll free number is 1-888-632-6273.

**DATED SEPTEMBER 8, 2016**

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary

Attachments:    Attachment A – Proposed Standard Contract Terms and Conditions  
                         Attachment B – Revised Proposed Amendments to the Retailer Code  
                         Attachment C – Revised Proposed Amendments to the Marketer Code  
                         Attachment D – Proposed Notice of Switch Letters  
                         Attachment E – Revised Proposed Amendments to the RSC  
                         Attachment F – Revised Proposed Amendments to the GDAR

**Attachment G – Revised Proposed Verification Scripts**

**Attachment A**

**Proposed Standard Contract Terms and Conditions**

*(Separate documents attached)*

**Attachment B**

**Revised Proposed Amendments to the Electricity Retailer Code of Conduct**

*(Separate document attached)*

**Attachment C**

**Revised Proposed Amendments to the Code of Conduct for Gas Marketers**

*(Separate document attached)*

**Attachment D**

**Proposed Notice of Switch Letters**

**1. For Natural Gas Contracts**

Dear [Consumer]:

**RE: YOU ARE NOW BUYING YOUR NATURAL GAS FROM [GAS MARKETER NAME]**

[Gas Marketer Name] informed us that you have a new contract to buy your natural gas from them. We have made changes to your account to show that your gas will now be supplied by [Gas Marketer Name].

We will still be sending you your gas bill every month. But the bill will show the price from your contract with [Gas Marketer Name] instead of the price you are paying today.

*[Insert the applicable version of the next paragraph depending on whether transportation and/or storage can be included in the contract price in the gas distributor's franchise area]*

The price in the contract covers only the cost of the natural gas that you use. It does not cover all of the charges on your bill. You should start to see the new contract price on your next gas bill. [Gas Marketer Name]'s name will also start to appear on your bill. The contract price does not cover all of the charges on your bill. It covers the cost of the natural gas that you use. It also covers the cost of gas transportation, gas storage or both.

You should start to see the new contract price for the contracted services on your next gas bill. [Gas Marketer Name]'s name will also start to appear on your bill. If you have any questions about this change to your account, please contact [Gas Marketer Name] at *[insert telephone number]* (toll-free). *[Reference to the Gas Marketer's website address and/or other contact information may be added here]*

For general questions about natural gas contracts, you can visit the Ontario Energy Board's website [www.ontarioenergyboard.ca](http://www.ontarioenergyboard.ca) or contact the OEB's Consumer Relations Centre at [consumerrelations@ontarioenergyboard.ca](mailto:consumerrelations@ontarioenergyboard.ca) or 1-877-632-2727 (toll free). The Ontario Energy Board is the independent government agency that oversees Ontario's electricity and natural gas sectors.

Yours truly,

*[Insert name, title and contact information for gas distributor representative, and gas distributor's website address if desired]*



## 2. For Electricity Contracts

Dear [Consumer]:

**RE: YOU ARE NOW BUYING YOUR ELECTRICITY FROM [ELECTRICITY RETAILER NAME]**

[Electricity Retailer Name] informed us that you have a new contract to buy your electricity from them. We have made changes to your account to show that your electricity will now be supplied by [Electricity Retailer Name].

We will still be sending you your electricity bill every month. But the bill will show the price from your contract with [Electricity Retailer Name] instead of the price you are paying today. The price in the contract covers only the cost of the electricity that you use. It does not cover all of the charges on your bill. You should start to see the new contract price on your next electricity bill. [Electricity Retailer Name]'s name will also start to appear on your bill, and the Global Adjustment will start to appear as a separate line on your bill.

If you have any questions about this change to your account, please contact [Electricity Retailer Name] at *[insert telephone number]* (toll-free). *[Reference to the Electricity Retailer's website address and/or other contact information may be added here]*

For general questions about electricity contracts or the Global Adjustment, you can visit the Ontario Energy Board's website [www.ontarioenergyboard.ca](http://www.ontarioenergyboard.ca) or contact the OEB's Consumer Relations Centre at [consumerrelations@ontarioenergyboard.ca](mailto:consumerrelations@ontarioenergyboard.ca) or 1-877-632-2727 (toll free). The Ontario Energy Board is the independent government agency that oversees the electricity and natural gas sectors in Ontario.

Yours truly,

*[Insert name, title and contact information for electricity distributor representative, and electricity distributor's website address if desired]*

## Attachment E

**Revised Proposed Amendments to the Retail Settlement Code  
(Comparison version highlighting changes relative to the October 5<sup>th</sup> Proposed  
Amendments)**

1. Section 1.2 of the Retail Settlement Code is amended by adding the following new definition after the definition of "lock box arrangement":

*"low volume consumer" means a consumer who annually uses less than 150,000 kilowatt hours of electricity or such other amount as may be prescribed for the purposes of section 2 of the Energy Consumer Protection Act, 2010;*

2. Section 7 of the Retail Settlement Code is amended by adding the following new section 7.2.3:

**7.2.3 Retailer Information on the Bill**

*Beginning on July 1, 2017, and despite any Service Agreement, a distributor shall, in respect of a low volume consumer that is served by a retailer, (a) include, on the part of each bill submitted to the low volume consumer that relates to the commodity price, the phrase "YOU ARE BUYING YOUR ELECTRICITY FROM", followed by the retailer's name in capital letters and the retailer's toll-free telephone number, and website address and e-mail address as provided by the retailer. A distributor may also include the retailer's e-mail address as provided by the retailer; and (b) make available on the bill up to 500 text characters, including blank spaces, for the information set out in (a).*

*Despite any Service Agreement, a retailer shall provide each applicable distributor with its name, toll-free telephone number, website address and e-mail address for the purposes of the above. the retailer information listed in (a).*

3. Section 10.5.2 of the Retail Settlement Code is amended by adding the words "or processed" to the end of paragraph 1.
4. Section 10.5.3 of the Retail Settlement Code is amended by adding the words "Subject to section 10.5.4A," at the beginning of the second paragraph of that, and changing the "A" of the first word of that section to "a".
5. Section 10.5 of the Retail Settlement Code is amended by adding the following new section 10.5.4A:

**10.5.4A Notification of Transfer to Low Volume Consumer**

*Where a distributor processes an STR for a change in supply in respect of a low volume consumer under section 10.5.3 or 10.5.4, the distributor shall notify the low volume consumer of the transfer in writing using the form of notice approved by the*

Board. The notice shall be sent within 5 business days of the date on which processing of the STR has been completed or such later date as may be required to ensure that the notice is not sent to the low volume consumer until the next bill to be issued to the low volume consumer reflects the change in supply. The notice must be sent to the low volume consumer separate from any other communication from the distributor, including the bill. Subject to any arrangements to the contrary that a distributor may have with a low volume consumer in relation to communications, the notice may be sent to the low volume consumer by courier, mail, facsimile or e-mail. The notice may not be given by telephone.

~~The notice must not include any promotional statements about the distributor's business or services, and must include the following:~~

- ~~(a) the name of the competitive retailer to which the consumer was transferred;~~
- ~~(b) the date on which the transfer became effective;~~
- ~~(c) whether the low volume consumer will continue to receive a bill from the distributor that includes the price of the electricity commodity under distributor consolidated billing or whether the low volume consumer will be billed using split billing or retailer consolidated billing; including the date on which the distributor expects the low volume consumer to receive their first bill from the distributor under the new supply arrangement; and~~
- ~~(d) information about how to contact the distributor if the low volume consumer has questions about the transfer.~~

## Attachment F

**Revised Proposed Amendments to the Gas Distribution Access Rule  
(Comparison version highlighting changes relative to the October 5<sup>th</sup> Proposed  
Amendments)**

1. Section 1.2.1 of the Gas Distribution Access Rule is amended by adding the following new definition after the definition of "gas vendor consolidated billing":

*"low volume consumer" means a consumer who annually uses less than 50,000 cubic meters of gas or such other amount as may be prescribed for the purposes of section 2 of the Energy Consumer Protection Act, 2010;*

2. Section 4.3 of the Gas Distribution Access Rule is amended by adding the following new sections 4.3.10 to 4.3.12:

4.3.10 *Where a gas distributor processes an STR for a change in supply in respect of a low volume consumer under section 4.3.5 or 4.3.6, the gas distributor shall notify the low volume consumer of the transfer in writing using the form of notice approved by the Board. The notice shall be sent within 5 business days of the date on which processing of the STR has been completed or such later date as may be required to ensure that the notice is not sent to the low volume consumer until the next bill to be issued to the low volume consumer reflects the change in supply. The notice must:* (a) *be sent to the low volume consumer in accordance with section 4.3.1.12 and separate from any other communication from the gas distributor, including the bill.;* *Subject to any arrangements to the contrary that a gas distributor may have with a low volume consumer in relation to communications, the notice may be sent to the low volume consumer by courier, mail, facsimile or e-mail. (b) include the information set out in 4.3.1.11; and (c) not include any promotional statements about the gas distributor's business or services.*

- 4.3.11 *The notice referred to in section 4.3.10 must include:*
- (a) the name of the gas vendor to which the consumer was transferred;*
  - (b) the date on which the transfer became effective;*
  - (c) whether the low volume consumer will continue to receive a bill from the gas distributor that includes the price of the gas commodity under gas distributor consolidated billing or whether the low volume consumer will be billed using split billing or gas vendor consolidated billing; including the date on which the gas distributor expects the low volume consumer to receive their first bill from the gas distributor under the new supply arrangement; and*
  - (d) information about how to contact the gas distributor if the low volume consumer has questions about the transfer.*



~~4.3.12 Subject to any arrangements to the contrary that a gas distributor may have with a low volume consumer in relation to communications, the notice referred to in section 4.3.10 may be sent to the low volume consumer by courier, mail, facsimile or e-mail. The notice may not be given by telephone.~~

3. Section 6 of the Gas Distribution Access Rule is amended by adding the following new sections 6.1.4 and 6.1.5:

6.1.4 Beginning on July 1, 2017, in the case of gas distributor-consolidated billing, and despite any Service Agreement, a gas distributor shall, in respect of a low volume consumer that is served by a gas vendor, (a) include, on the part of each bill submitted to the low volume consumer that relates to the commodity price, the phrase "YOU ARE BUYING YOUR GAS FROM", followed by the gas vendor's name in capital letters and the gas vendor's toll-free telephone number and, website address and e-mail address as provided by the gas vendor; and A gas distributor may also include the gas vendor's e-mail address as provided by the retailer. (b) make available on the bill up to 500 text characters, including blank spaces, for the information set out in (a).

6.1.5 Despite any Service Agreement, a gas vendor shall provide each applicable gas distributor with the gas vendor's name, toll-free telephone number, website address and e-mail address for the purposes of information identified in section 6.1.4(a).

**Attachment G**  
**Revised Proposed Verification Scripts**

*(Separate documents attached)*





## Verification Call Script for Non-Residential Consumers – Dual Fuel Contracts Entered into Over the Internet

### Instructions for the use of this script:

1. This script must only be used for non-residential consumers that have entered into a contract or contracts for natural gas and electricity over the internet.
2. In this script, the term “energy retailer” is used to refer to the gas marketer / electricity retailer.
3. The verification call must be terminated if Ontario Regulation 389/10 (General) made under the *Energy Consumer Protection Act, 2010* (the ECPA Regulation) or this script so requires. Among other things:
  - a. The ECPA Regulation requires that the verification representative stop the verification process if he or she is made aware that the energy retailer has committed an unfair practice, or if the verification representative has reasonable grounds to believe that the energy retailer has committed an unfair practice. Among other things, this requires that the verification representative terminate the verification process if at any time the verification representative knows or ought to know that the consumer is not reasonably able to protect his or her interests by reason of inability to understand English, physical or mental disability, ignorance, illiteracy or another disadvantage.
  - b. The verification representative must terminate the verification process if at any time the consumer indicates that he or she is not comfortable with the verification call being recorded.
  - c. The verification representative must terminate the call if at any time it appears that the verification call is taking place on a date that is outside the window allowed by the ECPA Regulation.

Where the verification call must be terminated for any of the above reasons or as otherwise required by this script, before terminating the call the verification representative must advise the consumer that the verification process cannot continue and must explain in plain language the reason why that is the case. In providing that explanation, the verification representative cannot make any statements regarding any benefit to the consumer that may be lost as a result of the termination of the verification process, but must indicate in neutral terms that the contract will become invalid and that the consumer's energy supply arrangements will remain as they are on the date of the call.

4. This script must be followed in the order presented below. Statements or questions in italics must be given or made verbatim as written. If the verification representative has any additional questions for the consumer, these may be asked once the script has been completed.

5. Where a question or statement calls for a yes or no response from the consumer and the consumer answers no, except where alternative instructions are provided in the script the verification representative must end the call.
6. If the consumer has entered into two separate contracts rather than one contract for both gas and electricity, the verification representative may refer to "contracts" instead of "contract" where appropriate in this script.

#### **A. Mandatory Greeting**

If at any time during the Greeting portion of the script the consumer indicates that the consumer did not enter into a contract with the energy retailer, or does not recall having entered into a contract with the energy retailer, the verification agent may make up to two attempts to jog the consumer's memory. If the consumer still does not recall having entered into the contract, the verification representative may offer to re-send the consumer a copy of the energy retailer's e-mail with the contract, disclosure statement and price comparisons. The verification representative may also ask the consumer if there is a convenient time to call again once the e-mail has been sent to the consumer, but otherwise must end the call.

1. The verification representative must provide the following information:
  - a. The name of the verification representative.
  - b. The name of the energy retailer on whose behalf the verification representative is acting.
  - c. The name of the company that employs the verification representative.
2. The verification representative may greet the consumer by name, and then must explain the purpose of the call:
  - a. For an inbound call: *May I please confirm that you are calling to verify that you would like to continue with a contract to buy electricity and natural gas from [energy retailer name] for the business at [address]? Y/N*  
  
If the consumer answers no, the verification representative may offer to refer the consumer to the energy retailer to answer the consumer's enquiry, but otherwise must end the call. No additional explanation for ending the call is required.
  - b. For an outbound call: *Our records show that you signed up for a contract over the internet to buy electricity and natural gas for the business at [address]. I am calling today to confirm that you want to continue with that contract.*

3. The verification representative must explain that the call is being recorded, after which the verification representative must add the following: *If you are not comfortable with this call being recorded, please let me know at any time.*
4. The verification representative must ask the consumer if the consumer would like an opportunity to retrieve a copy of the contract, the disclosure statement and price comparisons for reference purposes before proceeding with the call.

**B. Mandatory Questions and Statements**

1. *Am I speaking with the person whose name is on the electricity and natural gas bills for the business at [address]? Y/N*

If the consumer answers no, the verification representative may ask if the account holder is available for the call. If the consumer answers no, the verification representative may ask whether the consumer is authorized by the account holder to enter into a contract to buy electricity and natural gas for the business. When referring to the account holder, the verification representative must always refer to "the person whose name is on the electricity and natural gas bills" for the business. If no person that is legally permitted to enter into the contract comes to the phone, the verification representative must end the call.

2. The verification representative must confirm the consumer's full name.
3. *Before I go on, I first have to record that today's date is [month, day, year].*
4. *Can you please confirm for me that you signed up for a contract over the internet to buy electricity and natural gas from [energy retailer name] for the business? Y/N*

If the consumer answers no, the verification representative may make up to two attempts to jog the consumer's memory, but if the consumer still does not confirm having entered into the contract the verification representative must end the call.

5. *I have some other questions to ask you so that we can confirm that you want to continue with the contract. But before I do that, I have to tell you that you don't have to confirm that you want to continue with the contract if you don't want to. If you don't want to continue with the contract, you will keep buying your electricity and natural gas like you do today. And you won't have to pay any cancellation fees. Do you have any questions about that?*

If the consumer has questions, the verification representative may answer them. If the verification representative does not answer a consumer's question, or the consumer indicates that they do not understand something after an explanation has been given, the verification representative must end the call. If the consumer

indicates that they do not have any questions, the verification representative may go on to question 6.

6. *Do you understand that, if you confirm that you want to continue with the contract today, you will be buying your natural gas and electricity from [energy retailer name] for [X] years? Y/N*
7. *[Energy retailer name] was required to send you an e-mail with the contract and other important documents after you signed up for the contract. I just want to make sure that you did in fact get all of that information. So I am going to ask you a few questions about that. First, did you get a copy of the contract by e-mail from [energy retailer name] on [month, day, year]? Y/N*

If the consumer does not recall receiving the e-mail or the contract, the verification representative may offer to re-send the consumer a copy of the energy retailer's e-mail with the contract, disclosure statement and price comparison. The verification representative may also ask the consumer if there is a convenient time to call again once the e-mail has been sent to the consumer, but otherwise must end the call.

8. *Did the e-mail also include a disclosure statement that explains basic information about energy contracts and your rights as an energy consumer? Y/N*

If the consumer does not recall receiving the e-mail or the disclosure statement, the verification representative may offer to re-send the consumer a copy of the energy retailer's e-mail with the contract, disclosure statement and price comparison. The verification representative may also ask the consumer if there is a convenient time to call again once the e-mail has been sent to the consumer, but otherwise must end the call.

9. *Did the e-mail also include two price comparisons that explain how [energy retailer name's] prices for electricity and natural gas compare to the prices charged by your electricity utility and your natural gas utility? Y/N*

If the consumer does not recall receiving the e-mail or the price comparison, the verification representative may offer to re-send the consumer a copy of the energy retailer's e-mail with the contract, disclosure statement and price comparison. The verification representative may also ask the consumer if there is a convenient time to call again once the e-mail has been sent to the consumer, but otherwise must end the call.

10. *I now need to ask you some questions to make sure you understand what you will be paying for electricity and natural gas if you decide to continue with the contract today. Before I go on, I need to tell you that there is no guarantee that the contract will save you any money on your electricity or natural gas.*

11. The verification representative must explain the contract price for electricity and natural gas. Unless the contract provides for a combined price for both commodities, the verification representative must do this separately for each commodity. The verification representative must then select the applicable version of this question:

- a. For a contract with a combined price for electricity and natural gas: *Do you have any questions about how much you will be paying for electricity and natural gas under the contract?*

If the consumer has questions, the verification representative may answer them. If the verification representative does not answer a consumer's question, or the consumer indicates that they still do not understand something after an explanation has been given, the verification representative must end the call. If the consumer indicates that they do not have any questions, the verification representative may go on to question 12.

- b. For a contract with separate electricity and natural gas prices:

- i. *Do you have any questions about how much you will be paying for electricity under the contract?*

If the consumer has questions, the verification representative may answer them. If the verification representative does not answer a consumer's question, or the consumer indicates that they still do not understand something after an explanation has been given, the verification representative must end the call. If the consumer indicates that they do not have any questions, the verification representative may go on to question ii.

- ii. *Do you have any questions about how much you will be paying for natural gas under the contract?*

If the consumer has questions, the verification representative may answer them. If the verification representative does not answer a consumer's question, or the consumer indicates that they still do not understand something after an explanation has been given, the verification representative must end the call. If the consumer indicates that they do not have any questions, the verification representative may go on to question 12.

12. *We've now covered what you will be paying for electricity and natural gas if you continue with the contract. I have to explain that the contract price only covers part of your bill. You will still have to pay for other charges like delivery charges, the debt retirement charge and taxes. You will also have to keep paying your*

*share of the Global Adjustment, which will start to show up as a separate line on your electricity bill. Do you have any questions about the Global Adjustment or the other charges you will still have to pay on top of the contract price?*

If the consumer has questions, the verification representative may answer them. If the consumer's question is about the Global Adjustment, the following explanation must be given:

*Most electricity generating companies get a guaranteed price for the electricity that they produce. The Global Adjustment is the difference between that guaranteed price and the money the generators earn in the wholesale marketplace. The Global Adjustment also covers the costs of some conservation programs. The amount of the Global Adjustment can change every month. Although it can be a credit, the Global Adjustment has been a charge almost all the time since 2006. All electricity consumers have to pay their share of the Global Adjustment. The electricity prices charged by your electricity utility already include an estimate of the Global Adjustment. If you confirm the contract, you will have to pay your share of the Global Adjustment on top of the contract price.*

If the verification representative does not answer a consumer's question, or the consumer indicates that they still do not understand something after an explanation has been given, the verification representative must end the call. If the consumer indicates that they do not have any questions, the verification representative may go on to question 13.

13. *Do you agree to continue with the contract to buy electricity and natural gas from [energy retailer name] for [X] years at the price we talked about today? Y/N*

If the consumer indicates they want more time to decide, the verification representative may attempt to schedule another verification call on a later date, but otherwise must end the call.

14. *If you change your mind about the contract, you can tell [energy retailer name] that you want to cancel the contract up to 30 days after you receive the second bill that shows the contract price. You have to pay that bill, but you won't have to pay any cancellation fees. If you cancel after that, you may have to pay a cancellation fee. Do you have any questions about that?*

If the consumer has questions, the verification representative may answer them or refer the consumer to the contract for details about the consumer's cancellation rights. If the verification representative does not answer a consumer's question, or the consumer indicates that they still do not understand something after an explanation has been given, the verification representative must end the call. If the consumer indicates that they do not have any questions, the verification representative may go on to question 15.



15. *Now that you have confirmed that you want to continue with the contract, your electricity utility and gas utility will take steps to switch you to the contract price. They will send you a letter once the switch has been done. The contract price will start to show up on the electricity and natural gas bills for the business after that. If you have any questions about that, you should contact [energy retailer name]. Their contact information is on your contract, but I can give it to you now if you'd like.*

If the consumer wants contact information for the energy retailer, the verification representative must provide it.

16. *You can get information about energy contracts, energy prices and your rights and obligations as an energy consumer from the Ontario Energy Board. The Ontario Energy Board is the independent government agency that oversees the electricity and natural gas sectors in Ontario. Would you like the Ontario Energy Board's website address or toll-free number? Y/N*

If the consumer answers yes, the verification representative must provide the OEB's contact details.



**Ontario Energy  
Board**

**Commission de  
l'énergie de l'Ontario**



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# **Report to the Minister of Energy**

**Consumers Come First: A Report of the Ontario  
Energy Board on the Effectiveness of Part II of  
the *Energy Consumer Protection Act*, 2010**

**May 28, 2015**

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## Contents

Executive Summary .....	1
Introduction .....	3
The Ontario Market Today .....	4
The Energy Consumer Protection Act .....	5
The OEB's Review .....	6
Highlights of the Consumer Experience .....	8
Highlights of Stakeholder Perspectives .....	10
OEB Experience .....	11
Experience in Other Jurisdictions .....	13
The Value Proposition of Retail Energy Contracts .....	14
Recommendations .....	17

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## Executive Summary

The *Energy Consumer Protection Act, 2010*, (ECPA) took effect in January 2011 in response to a large number of consumer complaints related to activities in Ontario's retail energy markets for natural gas and electricity. The goal is to ensure low-volume consumers (residential and small business) have the information they need to make the right decisions about retail electricity and natural gas contracts, and confidence that they're protected by fair business practices.

The ECPA includes a provision that allows the Minister of Energy to request that the Ontario Energy Board (OEB) review Part II of the ECPA after three years. In December of 2013, the Minister made such a request.

The OEB undertook a broad and extensive consultation that sought input and opinions from energy sector stakeholders and consumer advocates, as well as consumers themselves. Focus groups, an online workbook and a survey of current and former contract holders and non-contract holders provided insight into consumers' attitudes, opinions and experiences regarding retail energy contracts and the effectiveness of the ECPA in meeting its goals. The OEB considered complaints received and enforcement activities undertaken since the ECPA took effect. We also looked at market and other data provided by energy retailers in their annual filings and in filings made as part of this review.

Focus group participants and those who completed the online workbook generally expressed strong support for the ECPA. Stakeholder submissions and discussions, generally, indicated that the ECPA had been successful in curbing inappropriate behaviour, but that problems persist. Consumers have told us they like choice, but the consequences of making that choice may not be well understood. There is general agreement that energy literacy and consumer awareness are low. Among other things, consumers have a hard time understanding their energy bills, which makes understanding the impact of energy choices and accurate price comparisons more difficult.

Most notably, roughly one-third of current residential and non-residential contract holders who were surveyed were unaware that they have a retail contract. Of particular concern is that "unaware contract holders," when compared with other groups of consumers in our survey, are less familiar with the retail energy markets, less confident when it comes to entering into contracts, less likely to have a university degree and score comparatively lower on the cognitive assessment index used in the survey.

More than half of the current contract holders who were surveyed had signed contracts with the goal of saving money, and many of them think that they are doing so. Yet, former residential contract holders expressed a high level of dissatisfaction, and most cancelled or chose not to renew because of the high cost.

Consumers do not generally search out energy retailers; the energy retailers more often go to them. Yet consumers are often unhappy with the door-to-door sales practice. Almost no residential survey respondents who were asked about their experience said it was better than a typical retail interaction. A significant proportion said it was worse, most often citing aggressive sales practices as the primary reason. Concerns with door-to-door sales were noted by stakeholders and focus group participants, and sales agent conduct at the door continues to be an important source of complaints made to the OEB and an ongoing subject of our compliance activities.

The OEB is recommending 14 new measures to further enhance consumer protection. Recommendations include measures to curb inappropriate behaviour at the door and to provide consumers with the information that they need to make informed decisions about retail energy contracts. The recommended measures are listed here and described in more detail later in this report.

### **Recommendations**

- Ban door-to-door sales for residential consumers
- Sales agents must be employees of the company they represent
- Increase administrative penalties
- Eliminate auto-renewal of all retail contracts
- Extend cancellation from one to two billing cycles
- Increase the “cooling-off” period from 10 to 20 days
- Require verification of all retail contracts
- Introduce requirements regarding pricing practices/hedging
- Publish a “consumer beware” list
- Post prices and comparisons on an OEB-supervised website
- Make contracts, disclosures and scripts more consumer-friendly
- Make retail contracts more visible on the bill
- Address the unique needs of low-income consumers
- Further consider an exemption for agricultural co-ops

## Introduction

For most Ontarians, buying electricity and natural gas means buying it from their utility.

However, since the early 1990s for natural gas, and since 2002 for electricity, Ontario consumers have also had choices available to them in retail markets for energy. Energy retailers offer consumers retail contracts with varied terms or offerings such as the opportunity to buy their energy at a fixed price for the term of the contract. They have a variety of sales channels available, and most sales are transacted using door-to-door marketing.

Creating retail markets was seen as a way of providing choice to consumers, and was based on a belief that the resulting competition for customers would lead to an overall improvement of offerings for all consumers. However, it hasn't worked out that way. Governments made decisions to limit volatility in prices in the electricity sector. In the natural gas market, the price of the commodity over the long run has declined significantly.

When the electricity market in Ontario opened up to competition in 2002, about one million customers did sign up with electricity retailers. However, later that same year the government decided to freeze prices. Important changes to the electricity market were made in later years. Industry experts have noted that some aspects of the current market structure are barriers to an ideal retail market, and they are skeptical about whether the market structure leaves room for electricity retailers to provide value to low-volume consumers.

In 2010, the year before the *Energy Consumer Protection Act, 2010*, (ECPA) came into effect, the Ontario Energy Board (OEB) was receiving 100 to 150 complaints per week about energy retailers. These amounted to more than 80 per cent of all complaints received. In addition, energy retailers cracked the top 10 list of complaints compiled each year by the Ministry of Consumer Services.

*"I think every member in the Legislature—I think I probably heard from every member of our caucus on this bill, and I think that's probably true for the opposition as well. This is an area that we get a lot of comments from our constituents on, and this bill is designed to address the issues that each of the members are dealing with."*

- Minister Gerry Phillips, Thursday 10 December 2009, Legislative Assembly of Ontario



## The Minister's Request for A Review

In 2010, the Government of Ontario introduced the *Energy Consumer Protection Act, 2010*, Part II of which is designed to protect low-volume energy consumers from unfair practices and ensure they have the information they need to make informed decisions about retail electricity and natural gas contracts.

The ECPA includes a provision that allows the Minister of Energy to request that the OEB review Part II of the ECPA three years after the Part took effect. In December of 2013, the Minister made such a request.

## The Ontario Market Today

In today's market, Ontario energy consumers have options in choosing their supplier. They can sign a contract with an energy retailer, or they can continue being supplied by their utility. Roughly 90 per cent of energy consumers choose to purchase their energy from their utility.

### Buying From A Utility

The price that most low-volume consumers pay for their natural gas or electricity when they buy from their utility is regulated by the OEB. The OEB does not allow utilities to make a profit on the sale of natural gas or electricity.

In electricity, the utility price is called the Regulated Price Plan, or RPP. For most low-volume consumers, it takes the form of time-of-use prices. RPP prices are based on a forecast of the wholesale market price and the Global Adjustment,<sup>1</sup> and can change every six months. For three of the province's gas utilities, including the two largest, the price charged by the utility is based on the forecasted price for natural gas in the competitive market and is set by the OEB for each utility every three months.

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<sup>1</sup> **The wholesale market price.** The wholesale market price (Hourly Ontario Energy Price, or HOEP) is determined by matching supply and demand for electricity. It is based on the offers and bids submitted by generators and large consumers (those connected to the high-voltage transmission system) to the Independent Electricity System Operator (IESO).

**The Global Adjustment.** The Global Adjustment (GA) is the difference between regulated and contract prices for electricity paid to certain generators and the market prices they would have received had they not been subject to regulation or contracts with the IESO. In Ontario, the vast majority of generators are compensated on the basis of either a regulated rate set by the OEB or a contractual rate primarily negotiated with, or set by the IESO. The GA recovers the difference between these contracted or regulated prices and the revenues that the generators earn in the wholesale market (i.e. the wholesale market price). The GA is calculated each month, and can change every month.

## **Buying From An Energy Retailer**

There are 13 active energy retailers in Ontario. Eleven of those are licensed for both electricity and gas. The other two are licensed for electricity only. These companies offer an alternative way for consumers to purchase natural gas or electricity. Both natural gas and electricity contracts can have different types of contract pricing. Energy retailers offer various price structures, including long-term fixed rates, variable prices and tiered prices. Some offer energy from renewable or alternative sources.

For a number of years, the retail energy market in Ontario has been in decline. Fewer consumers today are signing retail energy contracts. In electricity, market share declined from 16 per cent in 2006 to 6.3 percent in 2013. In natural gas, market share declined from 36 per cent in 2006 to less than 11 per cent in 2013.

## **The Energy Consumer Protection Act**

### **Goals of the ECPA**

When the ECPA became law, the government stated the legislation would protect consumers from hidden costs, excessive cancellation fees and other unfair industry practices. The goal is to ensure consumers have the information they need to make the right decisions about retail electricity and natural gas contracts, and confidence that they're protected from unfair business practices.

### **What It Does**

To ensure consumers know who they are dealing with, sales agents must provide a business card and wear photo identification, which both have to contain certain specific information.

To help consumers understand what they are buying, an energy retailer offering a retail contract must provide an OEB-approved Disclosure Statement with important information about energy contracts. Contracts must also be accompanied with a Price Comparison, in a form approved by the OEB. The energy retailer must provide consumers with a text-based copy of the contract, including all terms and conditions. The consumer has to acknowledge receipt of the contract or the contract is invalid.

After acknowledging receipt of the contract, consumers have 10 days of "cooling off" to cancel, without facing cancellation fees.

To ensure consumers understand that they agreed to a contract and its terms, they get a follow-up call where they "verify" the contract. If the contract is not verified, it becomes invalid. The verification process follows a script approved by the OEB. However, verification is not required if the consumer initiated the contact, responded to direct mail or signed up online. People who verify contracts on behalf of energy retailers are not

allowed to be paid on the basis of the number or percentage of contracts verified – in other words, they are not allowed to be paid on commission.

There are a number of rights to cancel. For example, a consumer can cancel if they move or if the energy retailer has committed an unfair practice. An electricity contract can also be cancelled within 30 days of receiving the first bill under the contract, and an auto-renewed natural gas contract can be cancelled at any time. A consumer can cancel a contract for no reason, but in that case must pay a cancellation fee. The maximum amount of this cancellation fee is capped by law.

## **The OEB's Review**

The OEB took a broad approach to the ECPA review. We looked at consumer experiences with energy retailers. We considered the OEB's experience with oversight of the retail energy sector. We sought feedback and data from energy retailers, and asked other stakeholders for input. We looked at products offered by energy retailers, conditions in the retail energy market and experience in other jurisdictions that also have retail energy markets. Details of the ECPA review process are on the OEB's website, and a brief overview is provided here.

### **Giving a Voice to Consumers**

The OEB recognized that retail energy sales and marketing practices are primarily about consumer experience, and so we reached out to consumers in a variety of ways. Since it is not possible to speak to every consumer, we designed a process that could provide a representative cross-section of opinions and a variety of consumer experiences. This review sets a new precedent for the OEB in terms of direct consumer engagement on a broad scale.

The OEB sought to understand the experiences of low-volume consumers in Ontario's retail energy markets, and get their thoughts on how effective the ECPA has been in protecting their interests.

To assist with our review, the OEB commissioned Innovative Research Group Inc. (Innovative) as an independent consultant to help design, collect feedback and document the consultation process among low-volume consumers. A copy of Innovative's report is available on the OEB's website.

Innovative and the OEB developed an online workbook to ask consumers what they think about the key consumer protection provisions in the ECPA and how well they think those provisions are addressing the government's goals. The workbook included information that would allow consumers to better understand how the energy system works in Ontario and how the retail natural gas and electricity markets operate.

The workbook was visited by 10,606 unique visitors, of which 3,268 partially completed the workbook and 532 fully completed it.

Innovative also held a series of consumer focus groups across the province in Sudbury, Ottawa, London and Toronto. The 51 consumers that participated in these focus groups were asked to read through the consumer workbook, complete the feedback questions and discuss their own experiences with energy retailers.

In addition to the qualitative research, Innovative conducted telephone surveys of 1,519 residential and 428 non-residential randomly selected low-volume consumers. The survey included those with energy contracts, those who cancelled or let their contract expire and a sample of general population households and businesses. The survey provided insights on how the ECPA is working in practice.

### **Stakeholder Consultations**

The OEB also took a broad approach to engaging stakeholders.

While energy retailers only serve a small number of Ontario's energy consumers, the OEB recognized that our review could have significant implications for them. We also acknowledged that utilities continue to be the billing agent for consumers even if they sign a retail contract, and are sometimes the first point of contact for questions or complaints about energy retailers. So, it was important that we invite both energy retailers and utilities to share their perspectives.

Although we reached out to consumers directly, we also wanted to hear from consumer advocates, including those that represent low-income consumers. Stakeholders had a number of opportunities to provide their input.

Selected industry experts (10) and stakeholders (22) were interviewed by Innovative as we developed our consumer research materials. All interested stakeholders were invited early on to provide us with written comments on the issues. The OEB hosted a stakeholder forum, where our consultants provided the results of their commissioned consumer and market research and some stakeholders made presentations. Stakeholders, including consumer groups, advocates for low-income consumers, utilities, energy retailers and others, attended the forum and some provided feedback, ideas and opinions on the research findings.

We invited further comment on key issues and asked stakeholders to tell us what the OEB should take away from the consumer research findings and what they thought about potential changes that could be recommended by the OEB to improve consumer awareness and consumer protection. In response, we received written comments from a range of stakeholders, including energy retailers, electricity distributors, consumer groups and advocates for vulnerable consumers.

## Highlights of the Consumer Experience

**The ECPA is believed to be appropriate and headed in the right direction.** Results indicate strong support for the consumer protection measures contained in the ECPA, and for how they support the government's objectives. In other words, there is general agreement with the effectiveness of the ECPA, at least in theory. In practice, however, problems continue.

**Consumer understanding and awareness is low.** The OEB's review of the ECPA found that consumer confusion and lack of awareness about the energy sector, retail energy markets, energy bills and the ECPA are making it difficult for consumers to understand their choices and make valid price comparisons. That there is a need for increased plain language in consumer-facing documents emerged as a common theme during the consultation process.

**Bill presentation makes it difficult for consumers to compare prices.** When consumers enrol with an electricity retailer, they see the Global Adjustment as a separate charge on their bill. Consumers who stay with their utility do not see the Global Adjustment as a separate charge – a forecast of it is already included in their RPP prices. This difference in presentation is an obstacle for consumers in comparing prices when considering whether to sign a retail electricity contract or remain with their utility.

**Roughly one-third of current residential and non-residential contract holders surveyed are unaware that they have a contract.** About three out of 10 consumers in our survey were identified as "unaware contract holders." When compared with other groups of consumers in our survey, unaware residential contract holders are less familiar with the retail energy markets, less confident when it comes to entering into contracts, less likely to have a university degree and score comparatively lower on the cognitive assessment index used in the survey. Importantly, 40 per cent of unaware contract holders are consumers with a household income of less than \$40,000. Comparatively, this is higher than their representation in all other groups analyzed in our research findings.

**Many consumers enter contracts with the goal of saving money.** A majority of residential consumers and more than 70 percent of non-residential consumers surveyed who entered into contracts did so with the goal of saving money. These consumers are generally satisfied with their contracts if they believe they are saving money, and many believe that they are. However, our research suggests that savings are highly unlikely, at least for residential consumers, and that residential consumers with contracts have in fact paid more than consumers who bought their energy from their utility.

**Cancellations point to a relatively high level of dissatisfaction.** Approximately six out of 10 former residential contract holders in our survey were dissatisfied with their contracts. High cost is the most common reason given by residential consumers for cancellation or non-renewal of a retail contract.



**Most contracts do not pass the verification stage.** Most consumers who enter into a retail contract that requires verification choose not to go through with it. The OEB has data on the number of retail contracts that are entered into, and we compared this to energy retailer data on contracts that were successfully verified. While there are slightly different patterns for natural gas and electricity, almost 60 per cent of consumers who signed contracts that require verification change their mind and do not complete the verification process, choosing instead to remain with their utility. This could indicate that consumers feel pressured at the door, or have trouble absorbing the necessary information at the door.

**Door-to-door activities are a continuing concern.** A significant proportion (38 per cent to 49 per cent) of the residential unaware contract holders, former contract holders and non-contract holders surveyed say the experience of dealing with a sales agent at the door was worse than a typical retail interaction. The same is true of a third of non-residential non-contract holders. Of those that think it is worse, “aggressive sales tactics” was the top reason.

Up to 11 per cent of residential and non-residential consumers who had interacted with an energy retailer report that they thought the sales agent was from the utility, the government or an energy agency.

Focus group participants echo that they are unhappy with the door-to-door sales practice, noting high-pressure sales, misrepresentations and that there is simply too much information to absorb at the door.

*“This summer there was a blitz of people going to doors trying to make you sign contracts, and they were pretty pushy... they were asking you for your bill.”*

- Focus group participant

**Retail energy sales continue to rely heavily on door-to-door sales.** Our survey shows that consumers do not generally search out energy retailers. Three in four current contract holders were approached without their having initiated the interaction. Almost no one in the other sub-groups (former contract holders, unaware contract holders and non-contract holders), sought out a contract. The energy retailers found them. The same general trends hold for non-residential consumers surveyed, contract holders and non-contract holders alike.

Based on data from energy retailers, in 2014 about 50 per cent of all retail electricity contracts and about 46 per cent of all retail natural gas contracts were sales transacted using door-to-door marketing. Some portion of the internet sales reported by energy retailers for that year (about 39 per cent for electricity and about 42 per cent for gas) may also have originated with a sales agent at the door.

**Consumers value choice, but to varying degrees.** The vast majority of consumers purchase their energy from their utility. Consumers differ in their views on choice. More than eight in 10 current contract holders surveyed like having the opportunity to enter into a retail energy contract if they want one. The same is true of a majority of former residential contract holders and non-residential non-contract holders. Residential non-contract holders – a group that represents roughly 90 per cent of residential consumers – and unaware contract holders are less interested in this choice, at 44 per cent and 43 per cent respectively.

## Highlights of Stakeholder Perspectives

The stakeholder interviews conducted by Innovative showed that the three stakeholder groups – consumer advocates, distributors and energy retailers – share some perspectives but differ on others.

All stakeholder groups recognize that the ECPA is achieving its objective in protecting consumers from unfair practices, citing a reduction in complaints. Both consumer advocates and distributors credit energy retailers for performing more ethically in the market. However, while acknowledging that consumers are better protected than they were before, all groups also agree that lack of consumer awareness of the ECPA and poor energy literacy continue to be the biggest hurdle preventing optimal achievement of the provisions set out by the ECPA. The Global Adjustment was identified as a key element that is not well understood by consumers and that makes true price comparisons difficult.

Consumer advocates feel that the ECPA has forced some energy retailers to develop means of circumventing the protections. One tactic mentioned was gaining access to consumers' homes under the guise of a water heater inspection and using the opportunity to engage a consumer in signing a contract. They also cite misrepresentations regarding claims to savings. Consumer advocates also identified several vulnerable groups that are at most risk from the door-to-door sales approach. There is support among these stakeholders for banning this practice altogether.

Distributors cite continued misrepresentation by energy retailers about themselves, as well as the products and services they offer. They also outline some of the administrative burdens they are faced with, particularly in regards to the cancellation of contracts. Furthermore, distributors feel that there is little value offered to consumers by the retail electricity market. Given the reduction in new retail contracts, they question the value of the retail model, and wonder if the costs required to maintain the market – which are being passed on to consumers – are justified.

Energy retailers who remain in the market appear to support the consumer protections in the ECPA, yet feel the regulatory and administrative burdens placed on them are intended to force them out of the market. Some feel that the process of signing a contract is too cumbersome, and acts as a deterrent to consumers in itself. They feel



that the cost of compliance is too high and that some of this cost is being passed on to the customer. They also feel that the ECPA is inhibiting their ability to provide innovative products, acts as a disincentive to invest in the growth of their businesses and may eventually result in the loss of choice for consumers. Ultimately, they believe there needs to be a redress of balance in the regulatory and administrative burdens borne by energy retailers.

In their comments filed after the stakeholder forum, consumer advocates and electricity distributors encouraged the OEB to be guided by the consumer research findings in making its assessment of the ECPA. They also generally supported most of the potential changes identified by the OEB.

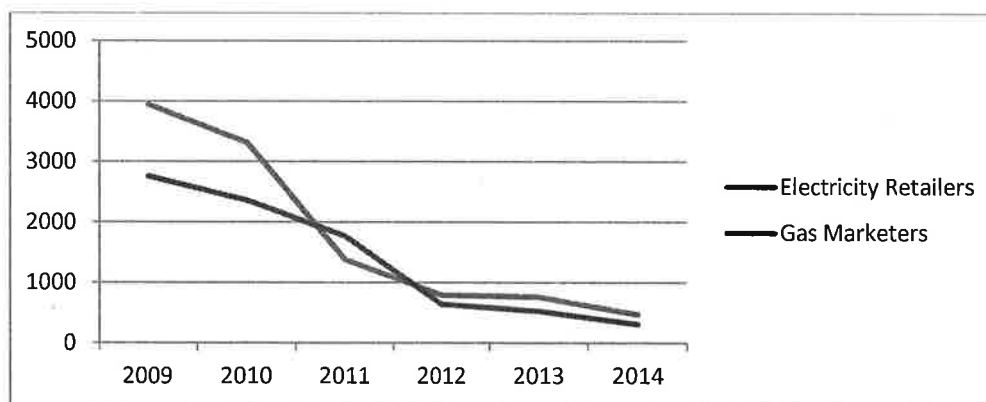
Energy retailers believe that further study, analysis and research are needed to confirm any of the consumer research findings. They generally did not support a number of the potential changes identified by the OEB, other than those that go to improving consumer awareness and understanding. They also highlighted their concern with the Global Adjustment and how it is presented on the bill.

## OEB Experience

### Consumer Complaints

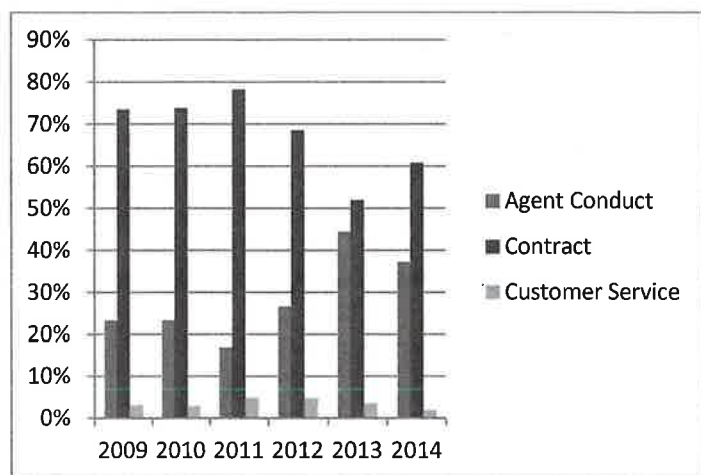
The ECPA has made progress in several ways, which indicates that consumers enjoy greater protection. Overall, numbers of complaints are down, but the decrease needs to be considered bearing in mind the declining market share of retailers. In any event, complaints about energy retailers continue to be made with the OEB.

**Total complaints received – energy retailers**



The types of consumer complaints received by the OEB indicate that issues, particularly at the door, are continuing. Complaints relating to agent conduct continue to increase as a percentage of all complaints about energy retailers, rising from 23 per cent of all complaints in 2010 to 44 per cent of all complaints in 2013 and to 37 per cent in 2014.

#### Complaints related to agent conduct



#### Market Data

As part of our review, the OEB asked energy retailers for data about different aspects of their business. Among other things, this data shows that:

- the number of contracts that are cancelled during the cooling-off period has increased since the ECPA took effect;
- almost 60 per cent of contracts that require verification drop off at the verification stage, which is similar to the drop-off rate for reaffirmation – the pre-ECPA name for verification;
- the renewal of electricity contracts is up and the renewal of natural gas contracts is down, but the rate of auto-renewed natural gas contracts varies; and
- few consumers use the new cancellation right for electricity contracts (30 days after the first bill) or the new cancellation right for auto-renewed natural gas contracts.

## **Enforcing Compliance**

The OEB reviews complaints received with a view to resolving the issue and ensuring that licensees are complying with the rules. Where a consumer alleges misrepresentation or other inappropriate behaviour by a sales agent at the door, the energy retailer is expected to take immediate steps to resolve the issue and advise the OEB of the steps it has taken. In appropriate cases, energy retailers have stopped using the services of certain sales agents.

Since the ECPA came into force on January 1, 2011, the OEB has initiated a total of 20 enforcement cases against energy retailers for allegations of non-compliance related to the ECPA and associated regulatory requirements. These cases were the result of proactive compliance reviews by the OEB, or in response to allegations of non-compliance arising from consumer complaints.

Where the OEB finds that non-compliance has taken place, it can impose administrative penalties. The penalties are capped by law at \$20,000 for each day on which a breach of the rules occurs or continues. The OEB must use a matrix that is set out in a regulation when it decides how much of a penalty it will impose in any given case.

Administrative penalties totalling \$2,580,000 have been levied against energy retailers since 2009 for breaches of the rules under the ECPA or the consumer protection rules that were in place earlier. For cases under the ECPA, the breaches related to matters such as: misrepresentation and false or misleading statements made by sales agents; failure to provide business cards; identification badges that did not have the necessary information on them; using tablets to complete sales at the door and failing to verify them; unauthorized contract enrolments; price comparisons being incorrectly filled out; retail contracts that did not contain required terms; and training materials that were deficient.

One energy retailer's licence was revoked by the OEB. We also held the officers and directors of one energy retailer liable for failing to exercise the necessary degree of care, diligence and skill and failing to take measures necessary to ensure that the retailer complied with the ECPA.

## **Experience in Other Jurisdictions**

A number of jurisdictions in North America and elsewhere have retail energy markets. We took the opportunity to compare Ontario's experience with theirs. We looked at regulatory requirements in Alberta, Texas, Pennsylvania, New York, Ohio, Connecticut, Maine, Massachusetts, Maryland and the United Kingdom. We found that Ontario's issues with retail energy markets are fairly common, and that ours is among the more extensive consumer protection regimes.

Like Ontario, most of the jurisdictions studied cover misrepresentation and unfair practices. They require some form of information to be presented to consumers and they licence energy retailers. A number of jurisdictions, including Texas, Pennsylvania, New York and Ohio, have websites where energy retailer prices are posted.

Other jurisdictions studied have adopted a range of measures with goals similar to the objectives of the ECPA. Most inform consumers of the level of complaints, and, in several cases, publicize the names of companies and issue complaints scorecards. Some allow for contracts to be broken if unfair practices were found to be a factor in signing. Most also address door-to-door sales activities, require that retail contracts be verified and protect consumers from excessive cancellation fees. Criminal background checks for sales agents are being considered in Pennsylvania.

Texas requires the expiry date of a fixed price contract to be on the bill. Pennsylvania requires a line containing price to compare data. Connecticut requires a quarterly bill insert comparing default rates to energy retailer prices. New York proposes to allow the non-billing party up to 480 characters and requires the name, logo and toll-free numbers and/or email address to be on the bill.

Alberta, Ohio and Texas permit the automatic renewal of energy contracts, with similar protections as those in the ECPA (month-to-month, no penalty for cancellation, etc.) However, Pennsylvania does not permit auto-renewals. And the United Kingdom's regulatory agency recently banned auto-renewals for residential consumers (five of six of the large energy retailers in the UK had already voluntarily ended auto-renewals in 2013 as a result of high complaints).

Some jurisdictions have or are developing measures to protect low-income consumers. In Ohio, consumers enrolled in a utility's low-income assistance plan cannot enrol with an energy retailer. In New York, an energy retailer will have to ask if the consumer is receiving low-income rate-funded assistance. If so, then the energy retailer must either guarantee that the consumer will pay no more per year than the utility price or provide eligible energy-related value-added products or services to the consumer.

Looking at Ontario's own general consumer protection laws, we identified that consumers now have a longer cooling-off period – 20 days – for water heater sales and rentals, where door-to-door sales have been common. The Ministry of Consumer Services also has a "consumer beware" list on its website where consumers can check a company's track record.

## **The Value Proposition of Retail Energy Contracts**

We invited stakeholders to comment on the "value proposition" for retail contracts. Generally, representatives of consumers and electricity distributors seriously question whether there is any value for residential consumers, but leave open the possibility of

value for larger consumers. Energy retailers point to choice, price stability and alternative and innovative products as elements of value beyond price.

When we asked residential consumers who had signed a contract with an energy retailer why they had done so, more than 50 per cent said that it was mainly to save money. But we found that savings have been elusive for residential consumers.

We heard from energy retailers that the contract price analyses presented at the stakeholder forum are of limited value, and are time and term sensitive. Although invited to do so, no energy retailer provided their own electricity contract price analyses. One energy retailer pointed to information in its 2006 Annual Report that showed that consumer savings resulted from five-year retail natural gas contracts signed between 1997 and 2000 (running to between 2001 and 2005). Our additional price analysis work is presented below.

We looked at residential natural gas contracts that were offered by retailers between November 2001 and November 2009 for a five-year fixed term, and compared the total cost over the term for residential consumers who used an average amount of natural gas to what they would have paid without a contract. On average, the contract was 36 per cent more expensive. Although many natural gas contracts signed before the summer of 2004 did yield savings, all of the retail contracts in our sample that were signed afterwards cost the consumer more.

For residential electricity contracts, the average premium was higher: 82 per cent for five-year fixed-rate contracts signed between May 2006 and November 2009. None of the electricity contracts we looked at would have resulted in more money in the residential consumer's pocket at the end of the term.

Our findings are broadly consistent with those of the Office of the Auditor General of Ontario, which expressed concern in its 2011 Annual Report, that retail electricity contracts are more expensive than the regulated RPP charged by utilities. In the Auditor General's sample of retail electricity contracts, the consumer paid anywhere from "35% to 65% more for their electricity, before tax and other charges, than the highest RPP rate over the term of their contract." The Auditor General cited the example of a consumer that uses 1,000 kWh per month and had a five-year fixed-price electricity contract at 8¢/kWh. That consumer would have paid about \$2,000 more for electricity under the contract than the consumer would have on the RPP.

The OEB asked Professor Donald Dewees to study issues relevant to the performance and measurement of the retail energy markets in Ontario. Professor Dewees has advised governments on environmental and electricity policy. In 1998, he served as Vice-Chair of the Ontario Market Design Committee, which advised the government on the introduction of competition into the electricity sector in Ontario. Professor Dewees' opinion is also that savings tend to be illusory. Because of the way the electricity market is designed, there is virtually no prospect of electricity retailers offering contracts that would result in lower bills. Although natural gas contracts could potentially offer savings



in a period of rising natural gas commodity prices, in the long run, according to Professor Dewees, the retail customer will pay a premium over the utility price to compensate the marketer for taking the price risk and to pay for marketing and administration costs.

Some consumers told us they signed retail contracts to keep their energy bills stable. Although some natural gas contracts may indeed smooth out monthly payments, consumers pay a premium for that insurance, which many of them may not fully understand.

On the electricity side, we found that residential consumers on retail contracts see higher bill volatility than those on the RPP. This is because retail electricity contracts add the Global Adjustment, which can vary significantly from month to month, as a separate item on the bill in addition to the contract price. For consumers on the RPP, by contrast, the Global Adjustment is built into the RPP. Professor Dewees notes that the RPP is a regulated price, not a volatile spot price. It has changed only gradually, moving mostly upward, gradually, every six months. There are no significant up and down movements for consumers to avoid. This echoes the views of industry experts, who question whether there is any opportunity for electricity retailers to provide value to low-volume consumers under the current market structure given limited volatility and the treatment of the Global Adjustment. In the Auditor General's 2011 report, it was noted that the consumer on a retail contract in the example noted above "would have actually seen more dramatic electricity price increases and price fluctuations on his or her electricity bill than a customer who stayed on [the RPP]."

In addition, many retail contracts allow the retailer to cancel the contract unilaterally, without cause. While we are not aware of energy retailers using this clause to date, there is the potential based on this contract provision that even where the consumer may be getting a good deal (for instance, in the event of a sudden spike in the market price of natural gas or electricity), the deal may not last.

On the electricity side, retail contracts provide an alternative to "time-of-use" pricing paid by the vast majority of residential consumers on the RPP. This alternative may seem attractive to some consumers, particularly those who are at home during the day when time-of-use rates are higher. However, Professor Dewees calculated that even a consumer who uses most or all of his or her electricity at peak times would pay less under time-of-use pricing than under a retail contract.

Some energy retailers offer innovative products to consumers. For example, some have separately offered "green" products, such as products that allow the consumer to offset greenhouse gas emissions through the purchase of carbon credits. Others indicated that they offer products such as "smart" thermostats in conjunction with their energy product. We did not ask consumers to speak to whether or how they value these kinds of products. However, our consumer survey results show that only about two in 10 residential contract holders had "bundled" contracts, defined as contracts that include another product or service, either for free or at some cost, such as a thermostat.

We also heard that consumers to varying degrees see intrinsic value in having a choice. However, the implications of choosing to enter a contract appear to be poorly understood by many consumers. In many cases, there seems to be a disconnect between what consumers say they want and what they are actually getting.

## **Recommendations**

The ECPA has generally been effective in improving consumer protection in the energy retail markets, and the OEB believes it to be among the most extensive legislation of its kind in North America. However, problems persist and we believe further protections are warranted. The OEB is recommending 14 new measures that will further enhance consumer protection in the retail energy markets. Some of the measures will enhance energy literacy and consumer awareness, to help consumers better understand what they are buying and who they are buying from. Other measures will address ongoing concerns, including a need for greater protection from unfair business practices at the door.

### **Ban door-to-door sales for residential consumers**

Complaints relating to sales agent conduct as a proportion of all complaints about energy retailers are higher today than when the ECPA came into effect in 2011. This same conduct has been a focus of the OEB's compliance and enforcement activity, with many cases revealing that misrepresentations or misleading statements are still being made to consumers by sales agents. Our survey shows that up to 11 per cent of consumers who had interacted with an energy retailer believed that they were approached by their utility, the government or an energy agency when they were approached by an energy retailer sales agent.

Consumers do not generally go looking for an energy contract, but are more often approached by an energy retailer at the door. When approached in this way, consumers are often unhappy with the experience. And when consumers do enter into contracts, one or more of three things can tend to happen. First, a third of them do not even realize that they have a retail contract. Second, in almost 60 per cent of the cases where verification is required, the consumer opts out of the contract at the verification stage. And third, residential consumers are often ultimately dissatisfied and leave their contracts due to the high cost.

Entering into a retail energy contract is a complex decision, with potentially expensive financial consequences. Consumers would be better served by making that decision at their own pace, with the benefit of additional time and distance to consider an offer and consult additional sources of information. Consumers like choice, but the doorstep is not a place where they can exercise that choice in a meaningful way.

The ECPA attempted to legislate good behaviour at the door, but complaints and inappropriate conduct remain, and are particularly difficult to monitor. It is hard to



disagree with the conclusion reached in the United Kingdom, where large energy retailers voluntarily suspended door-to-door sales because the channel was “irreparably broken.”

While other measures can and should be provided, preventing contracts from being signed at the door would provide the most effective protection for residential consumers.

### **Sales agents must be employees of the company they represent**

Most energy retailers use commissioned sales people, who are employed by independent agencies, to conduct door-to-door sales. Energy retailers would have greater incentive to improve ECPA training and compliance, and conduct background checks, if the people representing them at the door were employees. At a minimum, commission-based wages should be prohibited, since they can incent more aggressive sales behaviour. This is already the case today for people who verify contracts on behalf of energy retailers. Under the ECPA, they cannot be paid by reference to the number or percentage of retail contracts that are verified.

### **Increase administrative penalties**

Penalties need to be higher than they are today in order to encourage accountability and effectively promote compliance. Penalties that are not high enough can become a cost of doing business instead of being a meaningful tool for making sure that the rules are followed. In addition, the current penalty matrix is not flexible enough to impose a penalty that is in line with the conduct in question and the factors that the OEB takes into account when deciding an appropriate penalty.

### **Eliminate auto-renewal of all retail contracts**

Consumers should be actively involved in all aspects of the energy contracting process, including contract renewals.

Auto-renewal of natural gas contracts is allowed under the ECPA for one year only and without an increase in the price. There is no auto-renewal permitted for electricity contracts. Some jurisdictions allow auto-renewals but Pennsylvania does not and, in the United Kingdom, auto-renewals are not allowed for residential consumers.

Eliminating the auto-renewal of natural gas contracts would put decision-making clearly in the hands of the consumer, eliminate a potential source of consumer confusion and harmonize the natural gas and electricity sectors.

### **Extend cancellation from one to two billing cycles**

One of the major findings of our review is the number of consumers that are not aware that they have or recently had an energy contract. And for those consumers that are aware, dissatisfaction often occurs because of the high cost.

Under the ECPA, a consumer has 30 days from the first bill to cancel an electricity contract without penalty. No similar cancellation right is available for natural gas contracts. Extending the current provision for electricity contracts to two billing cycles, and introducing a similar measure for natural gas contracts, would give consumers a longer opportunity to assess the value of a retail contract against their own energy consumption practices.

### **Increase the “cooling-off” period from 10 to 20 days**

The number of consumers that cancel energy contracts during the 10-day cooling-off period has gone up since the ECPA came into effect. Consumers could benefit from a longer cooling-off period, to allow them more time to decide if an energy contract is the right choice for them.

Other consumer protection legislation in the province allows consumers a 20-day cooling-off period for water heaters, where door-to-door sales have been common.

### **Require verification of all retail contracts**

Verification is not required for internet contracts, direct mail or where the consumer initiates contact with the energy retailer. In these cases, the assumption is that consumers have sought out the contract or chosen to enter into it at their own pace. However, the OEB’s enforcement activity and consumer complaints show that some energy retailers are using tablets at the door to enrol consumers and avoid the verification process.

Verification is an effective consumer protection tool. Almost 60 per cent of contracts that do require verification drop off at the verification stage. Verification of all contracts, regardless of the method or circumstances of enrolment, would best ensure that all consumers are on a level playing field in terms of consumer protection.

### **Introduce requirements regarding pricing practices/hedging**

It has been suggested that price stability is a way that energy retailers can provide value for consumers. However, many energy contracts allow the energy retailer to cancel the retail contract unilaterally, without cause. There may be business reasons for energy retailers to give themselves this “out,” and while it may be the case that energy retailers are not using this contract provision, there is the potential that the consumer could lose the benefit of price stability for which the consumer has been paying a premium.

There are no regulatory requirements that apply to energy retailers in terms of how they structure products and secure supply for their customers. Introducing such requirements would improve the effectiveness of the price stability value proposition, and limit the likelihood of price risk being placed on consumers, who will often be ill-equipped to understand that risk.

### **Publish a “consumer beware” list**

Consumers should have ready access to information that allows them to understand who they are buying from and to easily compare the “track record” of different energy retailers. In addition, publication of company-specific information on complaints and compliance can be a strong incentive for good behaviour by energy retailers. Other jurisdictions make this kind of information available. While some of this information is already on the OEB’s website, more can be done to make the information easier to access and more useful to consumers.

### **Post prices and comparisons on an OEB-supervised website**

Our research shows that making meaningful price comparisons is a challenge. Consumers should have easily accessible and easily understandable tools available to help them make informed choices. An OEB-supervised website with clear, understandable and meaningful price comparisons that consumers can use to assess an energy retailer’s contract offerings will improve consumer understanding and energy literacy. Price comparison websites are common in other jurisdictions.

### **Make retail contracts, disclosures and scripts more consumer-friendly**

A common theme in our review is that consumers need clearer and better information in order to make informed decisions and to understand their rights and obligations under energy contracts. The OEB will work towards introducing a series of improvements to achieve that goal, so that important consumer-facing materials are reader-friendly, simple and as short as possible.

Disclosure Statements, Price Comparisons and standard scripts are important consumer protection measures, and are broadly used elsewhere. Ours were developed in the early days. Based on our consumer research and a review of consumer complaints, we believe that these measures may not be working as well as they could.

Consumers should also be able to easily understand an energy contract that is being offered. Key provisions, like cancellation rights and fees, need to be emphasized and in plain language.

### **Make retail contracts more visible on the bill**

Consumers who have entered into a retail contract with an energy retailer continue receiving a bill from the distributor, which includes all distributor and retailer-related charges. The distributor also collects the energy retailer’s portion of the invoice on its behalf.

Consumer bills are not presented in a way that makes it clear to consumers that the price that they are paying for their natural gas or electricity is the price under a retail contract that they have with an energy retailer. This may contribute to the “unaware

contract holder” phenomenon. Other jurisdictions require that information about a retail contract or the retail contract price be included on or with the bill. Making retail contracts more visible on the utility bill would increase awareness for contract holders.

### **Address the unique needs of low-income consumers**

A separate and detailed review of measures that could enhance protection for low-income consumers will be undertaken by the OEB.

Thirty-four percent of current residential contract holders surveyed are from households with an income of less than \$40,000 per year, and nearly seven in 10 said that their energy bills have a major impact on their finances. Both advocates for low-income consumers and electricity distributors have called for greater protection for low-income energy consumers. One area of concern that has been highlighted is cancellation fees. Another is that low-income consumers may be especially attracted by gift cards and other incentives offered by energy retailers as inducements to enter into an energy contract. Where the terms of the deal include repayment of a gift card or payment for the value of the bundled product (such as a thermostat) if the energy contract is cancelled, the consumer may find that cancelling the energy contract becomes too expensive.

Additional measures will complement existing rate relief programs developed by the OEB and consider building on the experience in other jurisdictions.

### **Further consider an exemption for agricultural co-ops**

In order to ensure that consumers are protected, we need to have the right rules in place. Sometimes, the “right” rules can mean having different rules for different players. The ECPA allows for regulations to create exemptions, with or without conditions. There is today an exemption from the ECPA for “broader public-sector procurement agents” who enter into contracts with “broader public-sector” account holders (including health services, school boards and municipalities) for the provision of natural gas or electricity. These agents are owned and controlled by members of the broader public sector on whose behalf they obtain energy.

As part of this review, agricultural co-ops have argued that they deserve special consideration because of their ownership structure and legislated requirements. These entities are “consumer-owned” and member controlled, and they are required by the *Co-operative Corporations Act* to distribute profits back to their members.

A number of submissions were received from the agricultural sector supporting an ECPA exemption for agricultural co-ops, and electricity distributors are supportive as well. Not all stakeholders agree, and other energy retailers in particular feel strongly that any exemptions should apply to all of them. However, we believe that an exemption for agricultural co-ops deserves further review by the government, including whether any such exemption should be subject to conditions.