

Ontario Energy Board
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**Commission de l'énergie
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BY EMAIL AND WEB POSTING

July 19, 2018

**TO: All Rate-Regulated Electricity Distributors
All Rate-Regulated Natural Gas Distributors
All Licensed Electricity Retailers
All Licensed Gas Marketers
All Other Interested Parties**

**RE: Review of Miscellaneous Rates and Charges – Energy Retailer Service
Charges
EB-2015-0304**

Today the Ontario Energy Board (OEB) has issued for comment a [Draft Report of the OEB](#) on the review of energy retailer service charges as part of the second phase of the miscellaneous rates and charges consultation.

On November 5, 2015, the OEB initiated a policy review of the miscellaneous rates and charges applied by electricity distributors for specific activities or services they provide. The OEB noted that it would commence the review of miscellaneous rates and charges in phases, beginning with the review of wireline pole attachment charges.

On May 31, 2017, the OEB issued a [letter](#) announcing that the next phase in its review of miscellaneous rates and charges would be the review of electricity distributor Retail Service Charges. The OEB further indicated in this letter that the review would include natural gas distributors and also examine the potential establishment of a new service charge for electricity and natural gas distributors to recover the transactional cost of sending a “notice of switch” letter to low volume customers who have signed a contract with an energy retailer. To assist the OEB with this review, a working group comprised of electricity distributors, natural gas distributors, and energy retailers was established.

The Draft Report sets out the proposed changes to the default OEB-established Retail Service Charges for electricity distributors and does not propose any changes to the

existing charges for natural gas distributors. The Draft Report also proposes the establishment of a new energy retailer service charge for both electricity and natural gas distributors of \$2.00 to recover the incremental cost of sending a notice of switch letter to low volume customers who sign a contract with an energy retailer.

Invitation to Comment

The OEB invites interested parties to submit comments on the Draft Report. Written comments on the Draft Report are due by **August 17, 2018**.

The OEB intends to issue a final report after considering any comments on this Draft Report. It is anticipated that the OEB would then invite further written submissions on the final report before issuing any orders that may be necessary to implement the final report. As indicated in the Draft Report, the effective date of the new charges will be determined at a later time.

The OEB requests that interested parties make every effort to provide electronic copies of their filings on the attached Draft Report in searchable/unrestricted Adobe Acrobat (PDF) format, and to submit their filings through the OEB's web portal at <https://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.oeb.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@oeb.ca or by mail to the address below. Those who do not have computer access are required to file two (2) paper copies.

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-2015-0304 and include your name, address, telephone number and, where available, your e-mail address and fax number.

All filings received by the OEB in relation to this consultation will be available for viewing at the OEB's offices during normal business hours and will be placed on the OEB's website.

If the filing is from a private individual (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 filing available for viewing at the OEB's offices or placing the filing on the OEB's website, the OEB will remove any personal (i.e., not

business) contact information from the written comment (e.g., the address, fax number, phone number, and e-mail address of the individual). However, the name of the individual and the content of the filing will be available for viewing at the OEB's offices and will be placed on the OEB's website.

ADDRESS:

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Attention: Board Secretary

Cost Awards

Cost awards will be available under section 30 of the *Ontario Energy Board Act, 1998* to those that are eligible to receive them in relation to written comments provided on the Draft Report. Cost awards will be available to a **maximum of 10 hours** per eligible participant.

Costs will be recovered from all rate-regulated electricity distributors and rate-regulated natural gas distributors, and apportioned based on their respective customer numbers.

Appendix A to this letter contains important information regarding cost awards, including in relation to eligibility requests and objections. The deadlines for filing cost eligibility requests and objections will be strictly enforced to facilitate a timely decision on cost eligibility.

Any questions relating to this letter or the Draft Report should be directed to Vince Mazzone at vince.mazzone@oeb.ca or 416-544-5159. The OEB's toll free number is 1-888-632-6273.

Yours truly,

Original Signed By

Kirsten Walli
Board Secretary

Attachment

APPENDIX A

COST AWARDS

Cost Award Eligibility

The OEB will determine eligibility for costs in accordance with its *Practice Direction on Cost Awards*. Any person intending to request an award of costs must file with the OEB a written submission to that effect by **July 26, 2018**, identifying the nature of the person's interest in this process and the grounds on which the person believes that it is eligible for an award of costs (addressing the cost eligibility criteria as set out in section 3 of the *Practice Direction on Cost Awards*). All requests for cost eligibility will be posted by the OEB.

Rate-regulated electricity distributors and rate-regulated natural gas distributors will be provided with an opportunity to object to any of the requests for cost award eligibility. If an electricity or natural gas distributor has any objections to any of the requests for cost eligibility, those objections must be filed with the OEB by **August 2, 2018**. Any objections will be posted by the OEB. The OEB will then make a final determination on the cost eligibility of the requesting participants.

Cost Eligible Activities and Hours

Cost awards will be available in relation to the provision of comments on the Draft Report, to a **maximum of 10 hours**.

Cost Awards

When determining the amount of the cost awards, the OEB will apply the principles set out in section 5 of its *Practice Direction on Cost Awards*. The maximum hourly rates set out in the OEB's Cost Awards Tariff will also be applied. The OEB expects that groups representing the same interests or class of persons will make every effort to communicate and coordinate their participation in this process. Interested parties are reminded that cost awards are made available on a per eligible participant basis, regardless of the number of professional advisors that an eligible participant may wish to retain.

The OEB will use the process set out in section 12 of its *Practice Direction on Cost Awards* to implement the payment of the cost awards. Therefore, the OEB will act as a clearinghouse for all payments of cost awards in this process. For more information on this process, please see the OEB's *Practice Direction on Cost Awards* and the October 27, 2005 letter regarding the rationale for the OEB acting as a clearing house for the cost award payments. These documents can be found on the OEB's Rules, Codes, and Requirements webpage.