

**Ontario Energy
Board**
P.O. Box 2319
27th Floor
2300 Yonge Street
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
27e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416- 481-1967
Télécopieur: 416- 440-7656
Numéro sans frais: 1-888-632-6273



BY EMAIL AND WEB POSTING

**NOTICE OF PROPOSAL TO AMEND CODES AND A RULE
PROPOSED AMENDMENTS TO THE
DISTRIBUTION SYSTEM CODE,
STANDARD SUPPLY SERVICE CODE,
UNIT SUB-METERING CODE, AND
GAS DISTRIBUTION ACCESS RULE**

AND

**NOTICE OF HEARING
REVIEW OF NON-PAYMENT OF ACCOUNT SERVICE CHARGES
FOR ELECTRICITY AND NATURAL GAS DISTRIBUTORS**

BOARD FILE NO.: EB-2017-0183

**To: All Licensed Electricity Distributors
All Rate-Regulated Natural Gas Distributors
All Licensed Unit Sub-Meter Providers
All Participants in Consultation Process EB-2017-0183
All Other Interested Parties**

Date: December 18, 2018

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

- [Distribution System Code](#) (DSC)
- [Standard Supply Service Code](#) (SSSC)
- [Unit Sub-Metering Code](#) (USMC)
- [Gas Distribution Access Rule](#) (GDAR)

These amendments are proposed as a result of the OEB's review of its customer service rules and associated service charges for licensed electricity distributors, rate-regulated natural gas distributors and unit sub-meter providers (collectively, Utilities). The proposed amendments also include provisions relating to the process for responding to consumer complaints, which were first proposed in 2016 but not finalized.

At the same time, the OEB is initiating a proceeding on its own motion under sections 19(4), 36 and 78 of the OEB Act to implement the OEB's proposed changes to service charges related to non-payment of accounts by way of a rate order – specifically, to implement the following OEB proposals arising from the OEB's review of customer service rules and associated service charges:

- Eliminating the Collection of Account charge and Install/Remove Load Control Device charge
- Updating the Late Payment Charge as follows: 1.5% per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)
- Renaming OEB-approved charges relating to reconnection of customers who had been disconnected for non-payment to "Reconnection" and listing it under Non-Payment of Account Charges

A Draft Rate Order for electricity and natural gas distributors is attached to this Notice.

Because the proposed changes to service charges are closely connected to the proposed Code and Rule amendments, and both arise from the OEB's recent review, the OEB is combining both into one process. Through this Notice, the OEB is inviting written comments on both of them.

A. Background

The OEB has had customer service rules (Rules) in place for electricity distributors since 2011. Prior to the development of the Rules, each electricity distributor was required to describe its operational policies in a "Conditions of Service" document. Electricity distributors' customer service policies were embedded in their respective Conditions of Service and they often varied from distributor to distributor. The Rules were developed to establish minimum standards of customer service to ensure that every customer in Ontario received a certain minimum level of service regardless of which distributor was providing service. The Rules address:

- Security Deposits
- Bill Issuance and Payment
 - Allocation of Payment
 - Equal Payment Plans
 - Arrears Payment Agreements
- Disconnection and Reconnection Practices for Non-payment
- Correction of Billing Errors
- Management of Customer Accounts

The Rules generally apply to residential customers. Some Rules also apply to small business customers (a non-residential customer in a less than 50 kW demand rate class). In addition, special Rules are in place for eligible low-income customers, providing even greater protection, including provisions for waiving security deposits and allowing longer times for repayments of arrears. Unit sub-meter providers (USMPs) are also required to follow most of the customer service Rules. The Rules for electricity distributors are set out in the OEB's [DSC](#), the [Retail Settlement Code](#), and the [SSC](#), and those applicable to USMPs are set out in the [USMC](#).

The OEB's current customer service framework for gas distributors is less prescriptive. Rather than setting rules for them, the OEB requires gas distributors to implement and publish their own residential customer service policies and to comply with them. Specifically, in 2012, the OEB amended the [GDAR](#) to require gas distributors to implement residential customer service policies (CSP) in the major areas addressed by the electricity sector Rules. The [GDAR](#) also requires the gas distributors to comply with their respective CSPs which enables enforcement by the OEB. Gas distributors are also required to promptly notify customers of any changes to their CSPs.

The OEB committed to review the Rules once there was sufficient experience with them. Most of the current Rules have been in place for more than seven years and their development was undertaken more than ten years ago. In that time, the energy sector has gone through significant transformation and consumer expectations have evolved, as has the OEB's approach to regulation and consumer protection. As such, to ensure that the Rules appropriately reflect the reasonable service expectations of consumers while maintaining an appropriate balance between consumer protection and the ongoing operational needs of Utilities, by [letter](#) dated May 16, 2017, the OEB initiated a review of the customer service rules for Utilities. The review is being undertaken in two phases.

On September 6, 2018, the OEB issued its [Report](#) on Phase 1 of the review for comment. Phase 1 of the review has focused on the following customer service areas:

- The current regulatory framework for gas distributors and whether it should be aligned with the regulatory framework for electricity distributors
- Rules addressing security deposits, billing and payments, and disconnection for non-payment
- Non-payment of account service charges

The amendments proposed in this document relate to the items reviewed in Phase 1 of the review.

In addition, on July 22, 2016, the OEB issued a Notice of Proposal ([July 2016 Notice](#)) to amend the DSC, USMC, [Electricity Retailer Code of Conduct](#), [Code of Conduct for Gas Marketers](#) and GDAR. The [July 2016 Notice](#) proposed new regulatory requirements relating to how electricity retailers, gas marketers and Utilities respond to consumer complaints forwarded by the OEB. The OEB intends to finalize the proposed complaints response requirements for Utilities as part of Phase 1 of the customer service rules review. The requirements for electricity retailers and gas marketers will be addressed through a separate process.

B. OEB Report: Review of Customer Service Rules for Utilities

Phase One

On September 6, 2018, the OEB issued its Report on Phase 1 of the review for comment. The OEB Report provided an overview of the research and engagement activities that the OEB undertook to inform the review. These activities included hearing from customer representatives and more than 2,500 individual residential and small business customers as well as Utilities through consultations, meetings of the OEB Consumer Panel¹ and a public survey. It also included a review of customer service standards adopted by energy utilities in other jurisdictions in Canada and the U.S. as well as practices in other sectors such as telecommunications and finance.

¹ The Consumer Panel consists of residential and small business consumers throughout Ontario who help the OEB shape energy policies, programs and services.

The Report provided an overview of current provisions relating to the Rules reviewed, findings from the OEB's research and engagement activities, and the OEB's assessment of the Rules and associated service charges followed by proposed changes to the current provisions.

The OEB received 16 letters of comment on the Report from various stakeholders, including Utilities and their representatives as well as customer representatives.

A summary of some of the stakeholder comments received in relation to the issues addressed in this Notice has been included in the discussion below. The comments themselves are available on the OEB's website at [Review of Customer Service Rules](#).

The comments have assisted the OEB in considering whether and what amendments to the Rules and associated service charges are warranted at this time.

C. July 2016 Notice: Complaint Response Process

The July 2016 Notice proposed a number of amendments to the DSC, USMC, and GDAR to introduce new requirements relating to how Utilities respond to consumer complaints forwarded by the OEB. The OEB received letters of comment in response to the July Notice from Utilities. The comments are available for on the OEB's website at [Consumer Complaint Response Process](#).

The OEB considered the comments received in response to the July 2016 Notice in determining new proposed requirements relating to how electricity retailers, gas marketers, and Utilities respond to consumer complaints forwarded by the OEB. The amendments proposed in this Notice relate to the requirements applicable to Utilities.

D. Summary of Proposed Amendments to the Electricity Codes, GDAR, and Rate Orders

The key proposed amendments to the Codes, Rule, and rate orders are summarized below and set out in full in the Attachments to this Notice as follows:

- Attachment B: Proposed Amendments to the DSC
- Attachment C: Proposed Amendments to the SSSC
- Attachment D: Proposed Amendments to the USMC
- Attachment E: Proposed Amendments to the GDAR
- Attachment F: Draft Rate Order

1 Customer Service Rules for Gas Distributors

Within the current regulatory framework, electricity distributors and USMPs must meet the minimum customer service standards established by the Rules in carrying out their business. After the implementation of the electricity Rules, the OEB considered developing rules for the gas distributors similar to those developed for electricity distributors. However, after consideration of stakeholder comments, it decided to adopt a less prescriptive approach. At the time, the OEB was satisfied that the less prescriptive approach would limit the cost implications for gas customers while still achieving the objectives of fairness and transparency and ensuring that gas distributors' customer service policies are enforceable by the OEB. It was also recognized that a reasonable level of consistency may be achieved across the Province even under a less prescriptive approach given the small number of gas distributors in Ontario.

On October 14, 2011, the OEB amended the GDAR requiring each gas distributor to implement a residential CSP covering their policies in eight major areas based on the areas addressed by the electricity Rules.² The amendment to the GDAR also required a gas distributor to comply with its CSP, post it on its website and provide a copy to anyone requesting it. These changes came into effect on April 1, 2012.

A review of the CSPs of Enbridge Gas Distribution Inc. (Enbridge), Union Gas Limited (Union), and EPCOR Natural Gas Limited Partnership (EPCOR) indicates that while the CSPs cover the areas addressed by the electricity Rules, they are not as comprehensive and do not provide the level of protection and certainty expected by customers.

Customers, for example, expect to have access to detailed information about the Utilities' disconnection processes and expect a fair level of service. This is one area where the desired level of detail is lacking in the gas distributors' CSPs.

² Bill issuance and payment, allocation of payments between gas and non-gas charges, correction of billing errors, equal payment and equal billing plans, disconnection for non-payment, security deposits, arrears management programs, and management of customer accounts.

Offering of arrears management programs/arrears payment agreements to customers to assist them in managing their energy costs is another area of importance to customers. However, very little by way of details regarding these plans is set out in the gas distributors' CSPs.

While gas distributors have had the flexibility to provide a higher level of service than what is reflected in their CSP, to achieve the objectives of fairness, transparency, and enforceability, the OEB has expected the CSPs to reasonably set out the minimum level of service that all customers should expect.

Consistent with customer expectations based on surveys and engagement and practices in other jurisdictions, the OEB proposed in the Report to make Rules for the gas distributors establishing minimum standards of service by way of amending the GDAR. The OEB further proposed to align the gas Rules with the electricity Rules where practical and appropriate.

Comments received from customer representatives supported the OEB proposal and confirmed that customers expect the same level of customer service from both electricity and gas distributors. One comment suggested that frequently the gas distributors' CSP "directly influences the ability of the customers to comply with financial obligations owed to electricity service providers".

Gas distributors' comments indicate that they do not object to Rules, provided the benefits outweigh the costs. They are also of the view that in developing the Rules, differences between electricity and gas service and how they are used by customers should be considered. In addition, they state that they should be provided with adequate implementation time and allowed to track implementation and incremental costs for future recovery.

After considering the comments, the OEB continues to believe that electricity and natural gas customers should be treated in a consistent manner. Therefore, the OEB proposes to amend the GDAR to include Rules for the gas distributors similar to the electricity Rules (as proposed to be amended) in the following areas: security deposit, billing and payment (minimum payment period, equal billing, payment by credit card, allocation of payment, and arrears payment agreement), and disconnection for non-payment (notice requirements, process, timing, and prohibition). As indicated above, all of the Rules apply to residential customers and some Rules also apply to small business customers. For the purpose of the applicability of the proposed rules to small business customers, the OEB proposes to define a small business customer as a non-residential

customer who uses less than 50,000 m³ of gas in a year. This proposed definition is based on the definition of low volume gas consumer used in legislation relating to consumer protection.³

2 Customer Service Rules for Unit Sub-Meter Providers

As indicated above, most but not all of the electricity Rules apply to USMPs. Among the Rules not applicable to USMPs are Rules relating to equal billing/equal payment plans, the use of credit cards for emergency payments as well as requirements relating to the application of service charges.

Therefore, the proposals set out in this Notice apply to USMPs except for those relating to the following:

- Equal billing/equal payment plans
- Emergency credit card payments (to avoid disconnections)
- Discontinuing the application of late payment charges on the amount that is covered by the OEB's prescribed Arrears Payment Agreement for residential customers
- Winter disconnection and reconnection
- Non-payment of account charges

3 Security Deposit

The OEB concluded in the Report that the electricity Rules related to security deposits largely meet customer needs and expectations and are consistent with practices in other jurisdictions. The OEB therefore proposed only two changes to the current electricity security deposit Rules. The first proposed amendment was to introduce new measures in lieu of a security deposit for new residential customers with no billing or account history with other utilities. The second proposed amendment was to reduce the good payment history period for small business customers. Specifically, the OEB proposed to require electricity distributors and USMPs (together, Electricity Utilities) to:

- Waive security deposit requirements for new residential customers enrolling in the Electricity Utility's equal billing and/or pre-authorized payment plan as determined by the Electricity Utility
- Return security deposits to small business customers after three years of good payment history

³ See O. Reg. 328/03, section 1.

Except for a few electricity distributors that expressed reservations, most of the stakeholder comments were either supportive of the proposed amendments or neutral. Some suggested that for the first proposed amendment to be effective, an operational framework needed to be established around it (e.g. length of enrollment in equal billing and/or pre-authorized payment plan). The OEB agrees and proposes the following additional Rule to supplement the first proposed amendment to the security deposit Rules:

- An Electricity Utility may request a security deposit from the customer if within 12 months of enrolment in the equal billing and/or pre-authorized payment plan,⁴ the customer:
 - Terminates the plan in which the customer was enrolled in lieu of a security deposit, or
 - Has received more than one disconnection notice from the distributor, more than one payment to the distributor has been rejected for insufficient funds, a disconnect/collect trip has occurred or the customer was removed from the distributor's equal billing plan for non-payment reasons

The OEB therefore proposes to amend the DSC (sections 2.4.9 and 2.4.9A to 2.4.9C) and the USMC (sections 4.1.3, 4.1.3A to 4.1.3C) to reflect the amendment discussed above.

The OEB is also proposing to amend the GDAR (section 9.2) to adopt the current electricity security deposit Rules (as proposed to be amended) for gas distributors with such modifications as the context requires.

A comment by a customer representative raised other issues regarding the current security deposit Rules and suggested a number of changes including the following:

- A letter from another utility in Canada should confirm “good payment history” using a definition of “good payment history” that is no more stringent than the OEB’s definition
- A credit check should not be used to establish the need for security deposit
- Data used for calculating deposit amounts should be weather normalized

⁴ USMPs are not required to offer equal billing.

- A customer's good payment history should not be affected by receiving more than one disconnection notice as Utilities overuse notices as a threat

The OEB believes that the electricity security deposit Rules (as proposed to be amended) include adequate protection for customers including those with no credit history. They also strike an appropriate balance between facilitating more affordable payments by customers and protecting Utilities and other customers from an undue increase in bad debt risks. The OEB therefore does not see a need to change the Rules in the above noted areas.

An electricity distributor argued against the current Rule that prohibits the issuance of a disconnection notice to a residential customer unless the Electricity Utility has first applied any available security deposit against the amounts owing at that time and the deposit proved insufficient to cover the total amount owing. The OEB continues to believe that a residential customer who is unable to pay his or her bill should not be subject to disconnection actions if the security deposit held by the Utility on the customer's account covers the overdue amounts. It should also be noted that Utilities have the right to request the customer repay the amount of the security deposit that was applied to outstanding arrears.

4 Billing and Payment

4.1 Minimum Payment Period

The Report noted that the minimum payment period of 16 calendar days provided by the Electricity Utilities is shorter than the minimum payment periods provided by utilities in most of the jurisdictions reviewed by the OEB and does not meet customer expectations. The Report also noted that although gas distributors are providing a longer time period, their policies regarding when bills and payments are considered to have been received is not consistent with the electricity Rules.

The OEB proposed to change the current minimum payment period of 16 calendar days to 20 calendar days. The OEB indicated that this proposal was consistent with customer expectations and practices in other jurisdictions. The OEB also emphasized the importance of rules that clearly establish when the bill is received and when it is paid by the customer and indicated that the current electricity time computation Rules relating to bill issuance and payments continue to be relevant and appropriate.

Comments from customer representatives supported the OEB's proposed amendment and no objections were expressed by the gas distributors. However, Electricity Utilities and associations disagreed with the proposed amendment and argued that the proposed extension to the minimum payment period would increase Utilities' working capital needs and would affect the timing of subsequent collection activities. They stated that any consequential impact of this proposal should be addressed through a rate rider or tracked in a deferral account for future disposition. One electricity distributor suggested an increase to the default working capital allowance in case the proposed change is adopted while a group of electricity distributors suggested a minimum payment period of 18 calendar days instead of 20.

After considering the comments, the OEB continues to believe that a minimum of 20 calendar days provides a reasonable time for most customers to pay their bill. While the OEB recognizes that this proposal may affect certain Utilities' working capital needs, the OEB is not convinced at this time that the impact will be material. Further, the OEB believes that any increases to the cost of working capital will be outweighed by the benefit of allowing customers a reasonable time to arrange for payment and can be offset by cost savings through operational efficiencies as further discussed below.

The OEB therefore proposes to amend the DSC (section 2.6.3) and the USMC (section 4.5.3) to mandate a 20-calendar day minimum payment period before late payment charges can be applied.

The OEB also proposes to amend the GDAR (section 9.3) to adopt the electricity Rules governing bill issuance and payments (as proposed to be amended) for gas distributors with such modifications as the context requires.

4.2 Equal Billing and Equal Payment Plans

Equal Billing v. Equal Payment

An Equal Billing Plan is a plan where a customer is billed an equal amount each month (the equalized amount is based on the customer's average bill in the preceding year if known or otherwise based on a reasonable estimate made by the distributor). The distributor reviews the account quarterly or semi-annually for potential adjustments and reconciles it annually (the difference between the equalized monthly bills and the customer's actual bill). There is no requirement for automatic payment withdrawal.

An Equal Payment Plan is a plan where an equalized amount is withdrawn automatically from the customer's financial institution each month (the equalized amount is based on the customer's average bill in the preceding year if known or otherwise based on a reasonable estimate made by the distributor). The distributor reviews the account quarterly or semi-annually for potential adjustments and reconciles it annually (the difference between the equalized monthly bills and the customer's actual bill). The customer is required to agree to automatic payment withdrawal.

Electricity distributors are required to offer all residential customers receiving standard supply service (i.e. customers not enrolled with retailers) the option to join a prescribed equal monthly payment or an equal billing plan. In particular:

- Where the electricity distributor bills monthly, it must offer its residential customers either an equal monthly payment option with automatic payment withdrawal or an equal monthly billing option
- Where the billing cycle is less frequent than monthly, the electricity distributor must offer its residential customers an equal monthly payment plan
- Where the billing cycle is monthly or bi-monthly, the electricity distributor must offer an eligible low-income customer an equal billing plan

As described in the Report, the Rules relating to equal billing and equal payment plans were established at a time when electricity distributors had different billing cycles (monthly, bi-monthly, and quarterly). Therefore, the requirements for providing equal billing and/or equal payment plans were based on whether the distributor was billing monthly or less frequently than monthly. The Rules were amended in 2015 to require all electricity distributors to issue monthly bills for residential customers (other than seasonal) and small business customers.⁵ As a result of this change, all electricity distributors are now required to offer residential customers (other than seasonal) either equal billing or equal payment plans.

The OEB proposed that rather than allowing electricity distributors to offer *either* an equal billing plan *or* an equal payment plan, electricity distributors should be required to offer the equal billing plan to all residential customers⁶ as well as

⁵ Notice of Amendments to the Distribution System Code dated April 15, 2015 (EB-2014-0198).

⁶ Except for seasonal customers and customers enrolled with retailers.

eligible small business customers.⁷ The Report also proposed that electricity distributors should offer equal billing customers the option of making pre-authorized automatic monthly payments, but automatic payments should not be a pre-condition for enrollment.

Comments by customer representatives supported the proposed amendment. While electricity distributors did not express major concerns, some indicated their preference for the equal payment plan over the equal billing plan. Others indicated that offering the plan to small business customers should be at the discretion of the distributor due to volatility in consumption. One comment suggested more frequent review and settlement for small business customers. Gas distributors already provide equal billing to their customers and had no objections.

The difference between the equal billing plan and the equal payment plan is that under the equal billing plan, the customer is not required to authorize the distributor to automatically withdraw the monthly payment from the customer's bank account while they are required to do so under the equal payment plan. The OEB is of the view that customers will be more likely to take advantage of these plans if they can choose their payment method based on their preferences and comfort level rather than being required to consent to automatic payment options. As indicated in the Report, most of the energy utilities in Canada and the U.S. that the OEB examined as part of its jurisdictional review provide residential customers with equal billing plans. None of the utilities reviewed made automatic payment a condition of enrollment in the equal billing plan. With respect to small business customers, the OEB believes that the proposed eligibility criteria reasonably address the electricity distributors' concerns. The OEB also notes that a considerable number of electricity distributors currently offer the plan to small business customers.

The Report also proposed that equal billing customers choosing the pre-authorized automatic monthly payment option should be provided with a choice of at least two dates within a month for automatic payments to be withdrawn.

A comment from a customer representative suggested that customers should not be limited to a choice of two payment dates (i.e. they should be allowed to

⁷ Eligible small business customers exclude customers enrolled with energy retailers, customers with less than 12 months' billing history and/or customers in arrears or whose participation in the plan in the past 12 months was cancelled due to non-payment.

choose their payment date). Conversely, the gas distributors and a number of electricity distributors expressed concerns over the proposal to provide equal billing customers agreeing to automatic payment options the choice of at least two payment dates within a month. The concerns mainly relate to operational challenges, costly system changes and potential cash flow issues. A gas distributor questioned the need for this proposed rule as in its view distributors work with customers who need special arrangements. It also suggested that since the automatic payment is an option (i.e. not mandatory), if a single prescribed payment date does not work for a customer, that customer can choose a different payment option and pay within the minimum payment period allowed.

After considering the distributors' comments, the OEB does not believe that compelling reasons exist to require distributors to provide equal billing customers choosing the pre-authorized automatic monthly payment option with a choice of at least two dates within a month for automatic payments to be withdrawn. However, the OEB strongly encourages distributors to extend the choice of payment dates to customers in appropriate cases, such as where there is a mismatch between receipt of government fixed income and the Utility bill payment date.

The OEB Report also made a number of other proposed amendments to the equal billing plan Rules. Specifically:

- Distributors may adjust the methodology for calculating the customer's average monthly bill to account for known changes and/or to accommodate a customer request
- Distributors may adjust the equal monthly billing amount at any time to accommodate a customer request or if the difference between the equal monthly billing amount and the actual amount is extraordinary⁸
- Distributors may cancel the customer's equal billing plan after two missed payments under the plan within an equal billing year
- Distributors should communicate the equal billing plan to eligible customers, at least twice a year, through the customer's preferred method of communication, if known, or otherwise through one or more means that are most effective in making customers aware of the plan

⁸ As per the current Rules, distributors must continue to review customers' equal monthly billing plans quarterly or semi-annually and adjust the equalized billing if consumption or approved charges have changed materially.

Most of the comments received supported the proposals relating to the calculation and adjustments of the equal monthly billing amounts. Clarification was sought regarding the framework for handling customer requests for adjustments as well as what is considered a “missed payment” for the purpose of cancellation. With respect to the communication of the plan, a comment by a customer representative suggested that at least one of the two proposed communications should occur before expected high cost months while distributors requested flexibility regarding the timing and the manner of the communication.

The proposed amendments to the calculation and adjustment of the equal monthly billing amount are intended to provide distributors with a degree of flexibility to avoid large balances at the end of the equal billing year. The proposed amendments allow distributors to make adjustments based on known changes and also allow distributors to accommodate customer requests for adjustment. However, distributors may reject unreasonable requests. Similarly, the proposed cancellation rule allows, but does not require, the distributor to cancel the plan after two missed payments. While “missed payment” may be interpreted as failure to pay the full amount due, distributors should use discretion in assessing payment adequacy and pattern for the purpose of removing a customer from the equal billing plan.

The proposal relating to the communication of the plan at least twice a year was intended to raise the level of customer awareness of distributors’ billing and payment options to help customers make informed choices. To achieve this objective, the OEB believes that distributors should communicate the plan through the customer’s preferred method of communication. If the customer’s preferred method of communication is unknown to the distributor, then it should be communicated by mail. The OEB will not specify the time of communicating the plan. The distributor is expected to exercise discretion in determining the appropriate times.

The OEB therefore proposes to amend the SSSC (sections 2.6.2 and 2.6.2A) to:

- Require electricity distributors to offer the OEB-prescribed equal billing plan to non-seasonal residential customers and small business customers subject to the following exceptions:
 - Customers enrolled with energy retailers
 - Customers with less than 12 months’ billing history
 - Customers in arrears or whose participation in the plan in the past 12 months was cancelled due to non-payment

- Remove existing provisions relating to choice of payment dates
- Allow electricity distributors to adjust the methodology for calculating the customer's average monthly bill to account for known changes and/or to accommodate a customer request
- Allow electricity distributors to adjust the equal monthly billing amount at any time to accommodate a customer request or if the difference between the equal monthly billing amount and the actual amount is extraordinary⁹
- Allow electricity distributors to cancel the customer's equal billing plan after two missed payments under the plan within an equal billing year
- Require electricity distributors to communicate the equal billing plan to eligible customers, at least twice a year, through the customer's preferred method of communication, if known, or otherwise by mail

The OEB is also proposing to amend the GDAR (section 9.4) to adopt the electricity Rules governing the provision of equal billing (as proposed to be amended) for gas distributors with such modifications as the context requires.

4.3 Payment by Credit Card

The current electricity Rules require electricity distributors to accept credit card payment from customers facing disconnection. However, the vast majority of Utilities accept credit cards for regular bill payments through a third party provider. The third party provider charges the customer a fee for paying by credit card.

In the Report, the OEB proposed that the credit card payment option should remain at the discretion of the Utility subject to the following current Rules:

- Where a distributor has issued a disconnection notice to a residential customer for non-payment, the distributor must, at a minimum, have the facilities and staff available during regular business hours so residential customers can pay overdue amounts by credit card issued by a financial institution
- When a distributor visits a customer's property to disconnect service during or after regular business hours, the distributor must have the facilities or staff available to allow residential customers to pay overdue amounts by credit cards issued by a financial institution

⁹ As per the current Rules, distributors must continue to review customers' equal monthly billing plans quarterly or semi-annually and adjust the equalized billing if consumption or approved charges have changed materially.

Most of the comments received supported the OEB proposal. An electricity distributor suggested that the OEB introduce provisions that would allow distributors to recover credit card transaction fees through rates.

As indicated in the Report, most customers are not willing to pay the costs associated with the use of credit cards, and offering such service, without charging a processing fee, may result in rate increases for all customers. Therefore, no compelling case exists for mandating the acceptance of credit cards for bill payments subject to the exceptions set out above.

The OEB does not propose any changes to the electricity Rules at this time. However, the OEB proposes to amend the GDAR (section 9.8) to adopt the current electricity Rules regarding the use of credit cards for gas distributors with such modifications as the context requires.

4.4 Allocation of Payment

In accordance with the current Rules, if a bill issued to a residential customer includes charges other than electricity charges (for example, water charges billed on behalf of the municipality), any payment made by the customer must first go directly to the electricity charges and then, if funds are remaining, to the other charges in the following order: arrears agreement payments, outstanding security deposits, under-billing adjustments and then non-electricity charges. If payment is sufficient to cover electricity related charges, the Electricity Utility cannot levy late payment charges or disconnect the electricity supply. Gas distributors currently allocate payment to the oldest charge first. Currently, only Enbridge bills for other services in addition to gas and Union is in the process of implementing system changes to allow it to offer the service.

As indicated in the Report, the objective of the OEB's allocation of payment Rule for electricity is to ensure that if the customer's payment is sufficient to cover electricity charges, the Electricity Utility would not levy late payment charges or disconnect the electricity supply. The OEB acknowledges that the Rule may have some unintended consequences such as the Electricity Utility's inability to process a customer's request to apply payment to water first instead of electricity.

Consistent with customer expectations and practices in a number of other jurisdictions, the OEB was of the view that customers should be afforded some level of flexibility in directing the application of their payments. The OEB proposed that:

- Utilities should allocate payments as per the current electricity Rules unless the customer specifically requests otherwise
- In the event the customer requests a different allocation method, the Utility should explain the potential impact on the customer's electricity service before processing the customer's request

The customer representatives supported the OEB's proposed amendments. However, Utilities and their representatives generally disagreed. They indicated that the proposed amendments will require significant process and system changes and will be administratively costly and cumbersome. Some indicated that the cost implication of the proposed amendment outweighs the intended benefits.

The OEB's proposed amendment to the payment allocation Rule was intended to introduce some flexibility to allow Utilities to assist customers with specific needs. After considering the Electricity Utilities' comments, the OEB believes that the amendments as proposed may have cost and administrative consequences which may affect all customers. Therefore, in line with the original objective of introducing flexibility to the Rules to enable Utilities to assist customers and considering the operational needs of the Utilities, the OEB will revise its original proposal. Specifically, the OEB proposes to amend the DSC (section 2.6.6.2C) and USMC (section 4.5.9A) to allow Utilities (but not require them) to allocate payments in a manner that is different from the OEB-prescribed allocation method upon receiving a written request from the customer.

The OEB believes that the revised proposal will have minimal impact on the Electricity Utilities' operations yet allows Utilities to process reasonable requests from customers.

Gas distributors wish to continue with their own allocation method as set out in their CSPs. One comment suggested that changes to the gas distributors' current allocation method may reduce the benefits to customers realized through billing for non-gas services.

The OEB believes that it is not appropriate for residential customers to be subject to the risk of gas disconnection due to allocating partial payments entirely or in part to non-gas charges. Therefore, the OEB proposes to amend the GDAR (section 9.3) to adopt the electricity payment allocation Rules (as proposed to be amended) for gas distributors with such modifications as the context requires.

4.5 Arrears Payment Agreement

The Rules require Electricity Utilities to offer residential customers who are unable to pay their outstanding electricity charges the opportunity to enter into an arrears payment agreement (APA). The terms of the APA are prescribed in the Rules, including special terms for APAs to be offered to eligible low-income customers. The main differences between the regular residential APA and the eligible low-income APA relate to the amount of the required down payment, the repayment period, waiving late payment charges and other non-payment of account service charges,¹⁰ and cancellation criteria. Electricity Utilities are currently not required to offer payment arrangements to small business customers in arrears.

The OEB's consumer engagement and research activities indicated that the current APA Rules largely meet residential customer expectations and are comparable to practices in a number of other jurisdictions. However, improvements in some areas were found to be necessary and the OEB made two proposed changes to the Rules. Specifically:

- **First APA Proposal:** Distributors should not charge residential customers additional late payment charges on the amount that is covered by the OEB-prescribed APA¹¹
- **Second APA Proposal:** Electricity Utilities should offer reasonable payment arrangements to small business customers unable to pay their bill. In the event a small business customer fails to perform its obligations under a previous payment plan and the Utility terminates the plan, the Utility may require that the customer wait 12 months after termination before entering into another payment plan

The customer representatives generally supported the first APA proposal. One comment suggested that the proposal did not go far enough and made a number of suggestions including changes to the down payment amount requested from eligible low-income customers, longer cancellation notice, opportunity for renegotiation of the APA, and incorporation of arrearage forgiveness. The comment further suggested that eligible low-income customers who successfully complete their low-income APA should not be subject to a waiting period before entering into another low-income APA.

The OEB received mixed comments from electricity distributors. A comment from

¹⁰ USMPs are not required to waive the non-payment of account charges.

¹¹ Not proposed to be applicable to USMPs.

one of the associations supported the first APA proposal and indicated that many of its member distributors already waive late payment charges on amounts covered by APAs. Others expressed concerns regarding the potential impact on rates. Gas distributors disagreed with the first APA proposal. They indicated that they already provide suitable payment arrangement to their residential customers and that the requirement to offer the OEB-prescribed APA will be costly to implement and will impact working capital needs.

The availability of an OEB-prescribed APA to both electricity and natural gas residential customers ensures that all residential customers in Ontario regardless of which Utility serves them will have access to the same minimum level of service. The OEB recognizes that both Utilities and customers want flexibility to negotiate individual agreements to address specific customer needs and situations. As indicated in the Report, the requirement to offer the OEB-prescribed APA does not prevent the Utility from negotiating payment plans with the customer provided that:

- The Utility has explained to the customer that the customer has the option of entering into an OEB-prescribed APA in case the customer and the Utility are not able to agree on customized terms
- Customers entering into negotiated payment plans do not lose their right to the OEB-prescribed APA. If the customer does not follow the terms of the negotiated payment plan, the Utility is still required to offer the customer the OEB-prescribed APA

Furthermore, customers who are entering into the OEB-prescribed APA can take additional steps such as making additional payments to manage their arrears.

The first APA proposal to prohibit distributors from applying late payment charges to amounts that are under an OEB-prescribed APA will facilitate a more affordable payment and will likely encourage customers with arrears to enter into an APA as soon as possible to avoid further late payment charges. Conversely, applying late payment charges to arrears that a customer is making efforts to manage can exacerbate the financial difficulties faced by the customer. The OEB is therefore of the view that this proposed amendment will increase the likelihood of successful completion of APAs by customers.

The OEB acknowledges the stakeholder comment that suggests the first APA proposal did not go far enough. The OEB, however, is of the view that the OEB-prescribed APAs provide reasonable assistance to customers to manage their arrears, especially when considered with the other proposed amendments to the

Rules that are expected to assist customers in managing their Utility bills.

Utilities, generally, did not object to the second APA proposal relating to offering payment arrangement to small business customers. One comment raised the likelihood of increases in bad debts and another suggested that payment arrangements to small business customers should be provided at the Utilities' discretion.

The OEB notes that at least 40 electricity distributors currently provide small business customers with the opportunity to enter into payment arrangements. In addition, those who expressed reservations have not provided compelling information regarding any potential impact of the proposed amendment.

A stakeholder comment relating to the second APA proposal sought clarification regarding waiting periods. The comment indicated that under the second APA proposal, "a small business customer who does not complete an APA will be eligible to participate in another APA upon waiting 12 months while a customer who successfully complete an APA [is] barred from participating in a future APA for a 24 month period". The OEB wishes to offer the following clarifications. First, while under the proposed amendment, a Utility may ask a customer who did not complete a previous payment arrangement in the last year to wait 12 months before entering into another arrangement, the Utility is not required to do so. Second, a Utility cannot impose any waiting period on a small business customer that completes its payment arrangement successfully to be eligible for a subsequent payment arrangement.

The OEB therefore proposes to:

- Amend the DSC (section 2.7.6A) to prohibit electricity distributors from charging residential customers additional late payment charges on the amount that is covered by the OEB-prescribed APA
- Amend the DSC (2.7.1, 2.7.1.1 and 2.7.8) and the USMC (4.6.1, 4.6.3 and 4.6.19) to require Electricity Utilities to offer reasonable payment arrangements to small business customers unable to pay their bill. In the event a small business customer fails to perform its obligations under a previous payment plan and the Utility terminates the plan, the Utility may require that the customer wait 12 months after termination before entering into another payment plan

The OEB also proposes to amend the GDAR (section 9.5) to adopt the electricity Rules governing the provision of APAs by electricity distributors (as proposed to be amended) for gas distributors with such modifications as the context requires.

5 Disconnection for Non-Payment

5.1 Content of Disconnection Notice

Disconnection notices sent to residential customers must contain information prescribed in the Rules including, but not limited to, the following information:

- The earliest and latest date disconnection may occur
- The forms of payment a customer may use to avoid disconnection
- That an OEB-prescribed standard APA and equal monthly payment plan may be available
- That the following additional assistance may be available to an eligible low-income customer, along with contact information for the Utility where the customer can obtain further information about the additional assistance:
 - OEB-prescribed APA, and other expanded customer service provisions, specifically for eligible low-income customers
 - Emergency Financial Assistance

As indicated in the Report, the current mandatory elements of the disconnection notice for Electricity Utilities were established in 2007 following extensive research and consultations with consumer and industry stakeholders¹² and remain important and relevant. To emphasize the importance of a compliant notice, the OEB proposed that the Rules should be amended such that they expressly state that a disconnection notice that does not include all of the required information is invalid, and that any disconnection following such a notice would itself be unlawful.

Customer representatives supported the proposed amendments while electricity distributors and associations expressed concerns about the extent of the proposal.

After consideration of the comments, the OEB will not proceed to propose this particular amendment. However, the OEB wishes to emphasize that a compliant disconnection notice and disconnection process is a requirement for a compliant disconnection for non-payment. Failure by a Utility to comply with the

¹² Customer Service Rules Consultation (EB-2007-0722).

requirements would make the disconnection of the customer non-compliant with the Codes. The OEB therefore wishes to confirm that any disconnection for non-payment that was executed based on a non-compliant notice is itself considered non-compliant. The OEB expects all Utilities to regularly review their practices and procedures to ensure compliance with the Rules. As indicated in the Report, the OEB is also of the view that, except for some required information that is specific to electricity, the current electricity Rules relating to notice content are relevant and important for the gas distributors as well and should be mandated.

The OEB Report also proposed to make housekeeping amendments to the electricity Rules to separate requirements that might not be applicable to all Utilities from information that is mandatory for all Utilities to include in the notice. The OEB therefore proposes to amend the DSC and the USMC accordingly.

The OEB also proposes to amend the GDAR (section 9.8) to adopt the electricity Rules (as proposed to be amended) relating to the content of disconnection for non-payment notice for gas distributors with such modifications as the context requires.

5.2 Disconnection Notice Period and Timing

Based on the Rules, all customers must receive ten calendar days' notice before being disconnected for non-payment. Residential customers who have provided documentation from a physician that disconnection will pose a significant health risk to the customer or a person that regularly resides with the customer must receive 60 days' notice. The notice period starts from the date on which the disconnection notice is received by the customer. Where a disconnection notice is sent by mail, the disconnection notice shall be deemed to have been received by the customer on the third business day after the date on which the notice was printed by the Electricity Utility. If during the disconnection notice period a social service or government agency advises an Electricity Utility that they are assessing whether a residential customer is eligible for bill payment assistance, the Electricity Utility must suspend disconnection action for a period of 21 days after receiving notification from the agency. An Electricity Utility must act on the disconnection notice within 11 calendar days after the applicable minimum notice period. Failing that, the Electricity Utility must restart the disconnection process. Electricity Utilities must make a reasonable effort to contact a residential customer one final time, in person or by telephone, prior to disconnecting service at least 48 hours before the scheduled disconnection date. If an Electricity Utility has been unable to contact a residential customer 48 hours before a planned disconnection, they should generally make a reasonable attempt to communicate

with the customer at the door (subject to consideration of the safety and security of Utility field staff) to advise that to avoid disconnection payment may be made by credit card.

The Report made the following proposed changes to the Rules relating to disconnection period and timing:

- Electricity Utilities should provide customers with an “account overdue notice” at least 14 calendar days before the notice of disconnection is issued
- Before disconnecting a customer’s service for reasons of non-payment, an Electricity Utility should provide the customer with 14 calendar days’ notice¹³
- Where a disconnection notice is sent by mail, the disconnection notice should be deemed to have been received by the customer on the fifth calendar day after the date on which the notice was printed by the Utility
- Utilities should disconnect services within 14 calendar days after the applicable minimum notice period
- Utilities should not disconnect a customer on a day when the Utility is closed to the public to make payment and/or reconnection arrangements or on the day preceding that day

The customer representatives supported the proposed amendments and gas distributors did not express concerns. In fact, one of the gas distributors indicated that it already meets most of the proposed requirements. A number of electricity distributors expressed concerns over the cumulative effect of extending the timing between the billing date and the potential disconnection date. Alternative suggestions included providing “account overdue notice” seven to ten days prior to issuing the disconnection notice and an IVR call seven days after the expiry of the minimum payment period.

The OEB recognizes the proposed extended timelines and the new proposed requirement to provide an account overdue notice delays the disconnection if payment is not received. The OEB continues to believe that prior to issuing a disconnection notice, Utilities should at least provide an account overdue notice. The intent of this notice is to remind customers of any overdue amounts and provide them with an opportunity to arrange for payment. As such, this notice

¹³ In accordance with the current Rules, residential customers who have provided documentation from a physician that disconnection will pose a significant health risk to the customer or a person that regularly resides with the customer, must receive 60 days’ notice.

should not threaten the customer with any disconnection actions. The OEB is of the view that the customer needs to be provided with reasonable time to arrange for payment and that the disconnection notice should not be the first step after the customer misses a payment.

Considering the comments received from the Electricity Utilities, the OEB now proposes that the account overdue notice should be provided at least seven calendar days prior to issuing a disconnection notice (instead of the previously proposed 14 calendar days). In the OEB's view, this will minimize the impact to the Utilities and will decrease the likelihood of disconnection actions. With respect to the delivery of the account overdue notice, the OEB proposes that it be delivered through the customer's preferred method, if known, or otherwise by mail.

The OEB therefore proposes to amend the DSC (sections 4.2.2.3, 4.2.2.6, 4.2.2.7, 4.2.3, 4.2.3.1, 4.2.4A, and 4.2.5(d)) and USMC (4.2.5F, 4.2.5H, 4.2.5I, 4.2.6, 4.2.6A, 4.2.7A, and 4.2.7B,) to implement the following requirements:

- Electricity Utilities must provide customers with an "account overdue notice" at least seven calendar days before the notice of disconnection is issued
- The account overdue notice must be delivered through the customer's preferred method, if known, or otherwise by mail.
- Before disconnecting a customer's service for reasons of non-payment, Electricity Utilities must provide the customer with 14 calendar days' notice¹⁴
- Where a disconnection notice is sent by mail, the disconnection notice will be deemed to have been received by the customer on the fifth calendar day after the date on which the notice was printed by the Utility
- Electricity Utilities must disconnect services within 14 calendar days after the applicable minimum notice period
- Electricity Utilities shall not disconnect a customer on a day when the Utility is closed to the public to make payment and/or reconnection arrangements or on the day preceding that day

The OEB is also proposing to amend the GDAR (section 9.8) to adopt the electricity Rules (as proposed to be amended) relating to disconnection for non-

¹⁴ In accordance with the current Rules, residential customers who have provided documentation from a physician that disconnection will pose a significant health risk to the customer or a person that regularly resides with the customer, must receive 60 days' notice.

payment notice and timing for gas distributors with such modifications as the context requires.

5.3 Winter Disconnection and Reconnection

On February 22, 2017, amendments to the OEB Act came into force confirming the OEB's authority to make rules prohibiting the disconnection of low-volume (residential and small business) consumers' electricity and gas service during certain periods.

On February 23, 2017, the OEB issued a [Decision and Order](#)¹⁵ that amended the licences of all electricity distributors to prohibit the disconnection of residential customers from February 24, 2017 to April 30, 2017. These licence conditions were an interim measure to cover the balance of the 2016/17 winter. On November 2, 2017, the OEB issued a subsequent [Decision and Order](#)¹⁶ amending the licences of all Ontario electricity distributors to prohibit the disconnection of residential customers by reason of non-payment from November 15th in one year to April 30th in the following year and to require that previously disconnected homes be reconnected at no charge by November 15th.¹⁷ The conditions also require electricity distributors to remove load control devices that had been installed on residential premises as an alternative to disconnection by November 15th, and banned the installation of new load control devices during the Disconnection Ban Period.

There is currently no regulatory requirement that prohibits disconnection for non-payment at any given time of the year by the gas distributors. Although not addressed in their CSPs, Enbridge and Union indicate that they generally forgo disconnection for non-payment on a voluntary basis during the winter months.¹⁸ It should be noted however, despite the voluntary policies, the OEB is aware of customer concerns relating to disconnection of natural gas services during winter months. In addition, gas distributors do not reconnect customers who were previously disconnected for non-payment.

To provide distributors with reasonable time to reach and reconnect all customers who had been disconnected for non-payment reasons, the OEB proposed in the

¹⁵ OEB Decision and Order dated February 23, 2017 (EB-2017-0101).

¹⁶ OEB Decision and Order dated November 2, 2017 (EB-2017-0318).

¹⁷ For the 2017/2018 disconnection ban period, electricity distributors were required to reconnect customers as soon as possible.

¹⁸ Enbridge: from November 1 to April 1. Union: from November 15 to March 31.

Report to extend the date by which customers need to be reconnected to December 1st from November 15th. The OEB also proposed to establish a winter disconnection ban for gas distributors, similar to the one in place for electricity distributors (as proposed to be amended) to ensure that natural gas customers are afforded the same level of protection relating to winter disconnection and reconnection practices that is in place for electricity customers.

Customer representatives generally supported the current winter disconnection ban for electricity distributors and the proposal to establish a similar ban for the gas distributors. One comment stated a preference for the November 15th reconnection date as opposed to the proposed December 1st date. Another comment from a customer representative suggested that the OEB should adopt a broader date-based ban on disconnection (November 1st to May 1st) and indicated that in the past they had agreed with a rule to prevent customers from carrying over arrears from one cold weather season to another. The same comment suggested that the OEB should also adopt a hot weather date-based ban on disconnection (June 15th to September 15th). A comment from a representative of electricity distributors disagreed with the proposed revised reconnection date and suggested that the current November 15th date remain in effect. Otherwise, electricity distributors generally supported the proposed amendment. Some electricity distributors suggested that they should be allowed to issue disconnection notices in April so that disconnections can start as early as May 1st. Other comments included the following:

- Customers who have been disconnected for more than six months should not be reconnected unless they request it
- Reconstructions should not be free of charge
- OEB should clarify whether:
 - Physical visits by distributors to confirm occupancy are required
 - Seasonal residential customers are covered by the ban
 - Electrical Safety Authority (ESA) inspection fees should be waived going forward

Gas distributors expressed concerns with the proposed reconnection requirement. They stated that the process of reconnecting natural gas service is administratively burdensome and time consuming. They are also of the view that the proposed reconnection requirement in December may remove the incentive for customers to pay arrears as some customers may manage without natural gas from May to December. As an alternative, they suggested that to be reconnected in December, the residential customer must meet the following conditions:

- Must use natural gas as sole heat source
- Must contact the distributor to be reconnected
- Must pay the lesser of \$200 or 50% of arrears

As discussed in the Report, the primary objective of the winter disconnection ban is protecting residential customers from entering the winter season without electricity and natural gas for heating purposes. The OEB is of the view that the current winter disconnection ban period reasonably meets that objective.

The OEB recognizes that although the ban period ends on May 1st, distributors are unable to start disconnecting customers who are in arrears on May 1st due to the current provision prohibiting distributors from issuing disconnection notices during the ban period. The OEB finds it reasonable to propose that the current requirements be amended to allow for disconnection notices to be issued in April for disconnections to happen as soon as May 1st.

Furthermore, while the OEB acknowledges the gas distributors' comments relating to reconnection of residential customers, the OEB continues to believe that the level of protection afforded to electricity customers should be extended to natural gas customers as well.

As indicated in the Report, at this time, there is no conclusive information on the impact of the current electricity winter disconnection ban. Based on information filed by electricity distributors under the OEB's *Electricity Reporting and Record Keeping Requirements*, it appears that the number of residential customers in arrears and the dollar amount of arrears for residential customers decreased in 2017 compared to 2016. It should be noted that in 2017, the ban on disconnection was in effect from February 23rd to April 30th and then from November 15th until the end of the year (and through to April 30, 2018) while there was no ban on disconnection in 2016. With respect to bad debts, while in 2017 the bad debts expense for the overall electricity distribution sector increased as compared to 2016, it was still considerably below the average of the previous four years (2013 to 2016). Similarly, no material adverse impact has been observed from the information filed by electricity distributors in accordance with the OEB's letter of March 2, 2018.¹⁹

The OEB intends to review its winter disconnection policy for both gas and electricity once there is sufficient experience with it.

¹⁹ The letter requests monthly tracking and quarterly filing of information relating to customer disconnection, customers in arrears and amount of arrears.

The OEB therefore proposes to:

- Amend the DSC (section 4.8) to adopt the current electricity distribution licence conditions relating to the winter disconnection ban subject to the following changes:
 - Changing the required reconnection date from November 15th to December 1st
 - Allowing electricity distributors to issue disconnection notices prior to May provided that no disconnection is carried out before May 1st
- Amend the electricity distribution licences to remove the current conditions relating to the winter disconnection ban

Despite the proposed changes, the OEB reminds distributors that they are expected to make best efforts to reconnect all customers on or before the commencement of the disconnection ban (November 15th). The OEB is aware of the requirement for an ESA inspection prior to reconnecting electricity customers who had been disconnected for more than six months. Considering this requirement and fees associated with the inspection, the OEB expects electricity distributors to prioritize reconnections such that those nearing the six-month period are reconnected in a timely manner.

The OEB also proposes to amend the GDAR (section 9.9) to adopt the electricity distributor licence conditions (as proposed to be amended) relating to the winter ban on disconnection for non-payment and reconnection requirements for gas distributors with such modifications as the context requires.

6 Consumer Complaints Response Process

As indicated above, the OEB intends to finalize the complaints response requirements proposed in the July 2016 Notice as part of Phase 1 of the customer service rules review for Utilities. The requirements for electricity retailers and gas marketers will be addressed through a separate notice.²⁰

The OEB currently has a process in place for dealing with consumer complaints received by the OEB regarding the business practices or conduct of Utilities. The process includes steps that a Utility is expected to follow when responding to a complaint that is forwarded to it by the OEB. However, the process is not currently mandatory.

²⁰ Non-rate regulated gas distributors, who are licensed as gas marketers, will have an opportunity to comment on that notice when issued.

Input from consumers indicates that they want an easy, accessible and risk-free way to make a complaint to their energy provider. An email account with automatic replies is not a sufficient level of service. Consumers also want an easy and accessible way to bring unresolved issues to the OEB, and have identified a need for the OEB's role in complaint handling to be brought to the attention of consumers.

The OEB believes that codifying the complaint response process will ensure that consumer complaints are handled in a consistent and timely manner. It will also ensure that there is consistency and equality of treatment of consumers regardless of location or service provider. The OEB therefore is proposing to codify requirements regarding how Utilities respond to consumer complaints forwarded by the OEB. Regulatory requirements that relate to the response to consumer complaints that are forwarded to a Utility by the OEB and that are already in place today are generally being replaced. Specifically, the OEB proposes to amend the DSC (section 10), the USMC (1.2.1, 3.3.2.A, and 3.3.3 to 3.3.12), and the GDAR (section 10). The proposed amendments, as summarized below, generally build on current practice and reflect OEB expectations in this area.

On December 3, 2014, the OEB issued a Bulletin providing a definition of what constitutes a "complaint" in relation to reporting and record keeping requirements for retailers and marketers. For the purposes of this complaint response process, the OEB proposes to build on the direction of that Bulletin and define a "complaint" as an allegation by a consumer of a breach of an "enforceable provision" (as defined in section 3 of the OEB Act) by a Utility.

The OEB also notes that various OEB Codes and Rules contain provisions on how regulated entities should respond to complaints under certain circumstances that are received directly from the consumer. These proposed requirements for the consumer complaint response process will not supersede the existing requirements. This process is meant to only apply to complaints that are received by the OEB from a consumer and then forwarded to the Utility by the OEB for response.

While the focus of the proposed amendments is on responding to complaints forwarded to a Utility by the OEB, the proposed amendments do require each Utility to provide a consumer with contact information for the OEB and to explain that the consumer may contact the OEB at any time. This will ensure that

consumers who make a complaint directly to a Utility know that they may turn to the OEB for assistance in relation to their complaints.

The OEB also often has cause to forward consumer concerns that are not related to an enforceable provision to Utilities. In such a case, the Utility is not required to provide a follow up response to the OEB.

With respect to complaints that are forwarded to a Utility by the OEB, the proposed amendments would require that the Utility provide a response within the following timelines:

- Two business days, where the complaint relates to disconnection or any other matter that in the circumstances can have an unduly adverse impact on the consumer or consumers more generally; or
- Ten business days, in any other case

New or revised definitions of “business day” and rules relating to the computation of time are also being proposed to support the above.

The proposed ten-day timeline is shorter than the current expectation of 21 calendar days. However, in most cases a Utility will have had prior knowledge of a customer’s complaint before the complaint is escalated to the OEB by the customer and forwarded by the OEB to the Utility for follow-up. Moreover, consumers deserve a more timely response to their complaints than is presently often the case. The proposed two-day timeline for complaints associated with higher consumer impact issues is reflective of the standard that is currently being applied as a matter of practice.

The more information the OEB has at its disposal, the more effective it can be in ensuring that a complaint is handled in a manner that is transparent and reasonable for all parties. The OEB is therefore proposing that:

- A Utility’s response to the OEB include certain prescribed information; and
- A Utility provide a response to any follow-up questions from the OEB within five business days

To ensure that there are clear communication paths between the OEB and a Utility, the OEB is proposing that each Utility provide the OEB with staff designated to manage consumer issues with a dedicated point of contact, including an email address that is monitored at all times during business hours. The OEB is also proposing that Utilities communicate through the OEB’s

complaint e-portal in relation to complaints that have been forwarded to them by the OEB.

All of the proposed amendments are based on processes already in place on an informal basis.

7 Non-Payment of Account Charges

Non-payment of account charges relate to Utility activities associated with the non-payment of overdue accounts. Electricity distributors are required to apply to the OEB for approval to include any of the charges in their respective tariffs of rates and charges. Common non-payment of account service charges for electricity distributors are as follows:

- Late Payment Charge – per month
- Late Payment Charge – per annum
- Collection of Account Charge no disconnection – during regular business hours
- Collection of Account Charge – no disconnection – after regular business hours
- Disconnect/Reconnect at meter – during regular business hours
- Disconnect/Reconnect at meter – after regular business hours
- Disconnect/Reconnect at pole during regular business hours
- Disconnect/Reconnect at pole after regular business hours
- Install/Remove load control device – during regular business hours
- Install/Remove load control device – after regular business hours

Non-payment of account service charges for gas distributors are set out in their respective OEB-approved rate orders.

The OEB's proposed changes to the non-payment of account charges are set out below.

7.1 Late Payment Charges

A monthly interest rate of 1.5% (19.56% per annum) has been established by the OEB as the maximum level of a late payment charge (LPC). The LPC is listed on the electricity distributor's tariff of rates and charges as follows:

Late payment – per month % 1.50

Late payment – per annum % 19.56

The same interest rate is approved for the gas distributors.

As indicated in the Report, the OEB is aware of customer concerns regarding the calculation and application of LPCs by Utilities – particularly, the lack of clarity regarding the manner in which a daily rate is calculated and applied.

To ensure that the maximum level of this charge is not exceeded, the OEB indicated that the current approved rate needs to be more clearly described. In the OEB's view, it should be readily understood that the interest rate of 19.56% is an annual, compounded rate based on the monthly rate of 1.5% and that the daily rate should be calculated based on the 1.5% monthly rate, not the 19.56% annual compounded rate. To this end, the OEB proposed that the LPC be prescribed as follows: 1.5% per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate).

The OEB also indicated that customers should know how a Utility calculates and applies the LPC and proposed to require distributors to clearly describe, in their conditions of service, their late payment policy including the time from when any LPC applies.

A comment by a customer representative suggested that the LPC should be based on Utilities' short-term cost of borrowing, and it should not apply to low-income customers.

The OEB believes that current LPC rate and application terms (as proposed to be clarified) are reasonable. The OEB notes the current LPC rate is consistent with that of most energy Utilities in the Canadian and U.S. jurisdictions it reviewed. In addition, electricity distributors are currently prohibited from applying LPCs on amounts covered by the OEB-prescribed low-income APA. The OEB also proposes that this prohibition be extended to the OEB-prescribed residential APA.

The OEB therefore proposes to:

- Prescribe the LPC, by way of a Rate Order, as follows: *1.5% per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)*

- Amend the DSC (2.4.6), and the GDAR (section 8.1.12(h)) to require electricity and gas distributors to clearly describe in their conditions of service their late payment policy including the time from when the LPC applies

7.2 Collection of Account Charge

The Collection of Account Charge is intended to cover the field costs, or part of the costs, of additional collection activities that are beyond the routine of a distributor as a result of an individual customer's non-payment of their account. The default amounts for electricity distributors are as follows:

- Collection of account charge – no disconnection \$30
- Collection of account charge – no disconnection after regular hours \$165

Currently electricity distributors are required to apply to the OEB for approval to include these charges in their tariffs. An electricity distributor may apply to the OEB for a variance of the default charge provided that adequate justification is provided.

Gas distributors do not have an OEB-approved charge relating to collection of account activities.

Despite the intended purpose of this charge, it appears that the activities for which this charge is applied vary across the sector. Examples of identified activities include issuing late payment notices, issuing notices of disconnection, making a collection trip and collecting payment, or making a collection trip regardless of whether payment is collected or not. The OEB clarified in the Report that this charge was not meant for recovering the cost of routine collection activities such as printing and mailing of collection letters or disconnection notices. The OEB further indicated that it believes that activities associated with collection of accounts are part of normal business activities and customers should not be charged for them. The OEB therefore proposed to eliminate this charge.

Customer representatives endorsed this proposal while most electricity distributors disagreed with it. Electricity distributors stated that they incur costs for carrying out these collection activities and customers responsible for the activity should cover those costs. They also indicated that in the event the OEB proceeds with this proposal, provision should be made to allow distributors to recover the lost revenue.

The OEB continues to believe that customers who have difficulty paying their bills will have difficulty paying this charge in addition to late payment charges and that the application of this charge may result in an increase in customer arrears to a point that may be unmanageable. As indicated in the Report, the OEB's review of other jurisdictions and sectors indicates that this is not a common charge.

The OEB therefore proposes to eliminate the Collection of Account charge by way of a Rate Order.

The electricity distributors' comments relating to treatment of lost revenues are addressed below.

7.3 Install/Remove Load Control Device Charge

A load control device refers to a device that limits or interrupts normal electricity service. A number of electricity distributors use load control devices as an alternative to full service disconnection. However, they are not required to do so. The default amounts for this charge are as follows:

- Install/Remove Load Control Device – during regular hours \$65
- Install/Remove Load Control Device – after regular hours \$185

Electricity distributors are required to apply to the OEB for approval to include these charges in their tariffs. An electricity distributor may apply to the OEB for a variance of the default charge provided that adequate justification is provided.

Gas distributors do not use these types of devices and therefore no similar charges exist for gas distributors.

The OEB Report acknowledged that these devices often help customers monitor and reduce their consumption which in turn may help them manage their bills and any accumulated arrears. The OEB therefore proposed to eliminate the charge for installation/removal of a load control devices, either for non-payment or at the customer's request.

Customer representatives supported the OEB proposal. They also suggested that the OEB should develop a framework for their use. One comment suggested that the OEB adopt a rule barring the use of load control devices unless a customer requests the installation of such a device, in writing, under circumstances in which the customers owes no outstanding bill balance to the Utility. Another comment stated that these devices do not provide enough power

for life-sustaining basics and should not be used outside an urban environment. A number of electricity distributors disagreed with the OEB's proposal and expressed concerns about resulting potential revenue losses. They suggested that in the event the OEB proceeds with this proposal, provision should be made to allow distributors to recover the lost revenues.

The OEB is of the view that its Rules relating to the use of load control devices protect customers from involuntary installation of these devices by electricity distributors. During the winter disconnection ban, the installation or continued use of a load control device may only occur at the written and unsolicited request of the customer.

With respect to the charge associated with the installation/removal of these devices, the OEB continues to believe that the charge should be eliminated as the use of these devices benefits both distributors and customers. The OEB therefore proposes eliminating the Install/Remove Load Control Device charge by way of a Rate Order.

The electricity distributors' comments relating to treatment of lost revenues are addressed below.

7.4 Disconnect/Reconnect Charge

The Disconnect/Reconnect charge (D/RC) is intended to recover the cost of the physical process of re-establishing power to a customer whose service was disconnected for non-payment reasons.

The default amounts for electricity D/RCs are as follows:

- Disconnect/Reconnect at meter – during regular hours \$65
- Disconnect/Reconnect at meter – after regular hours \$185
- Disconnect/Reconnect at pole – during regular hours \$185
- Disconnect/Reconnect at pole – after regular hours \$415

Electricity distributors are required to apply to the OEB for approval to include these charges in their tariffs. An electricity distributor may apply to the OEB for a variance of the default charge provided that adequate justification is provided.

Similarly, gas distributors' approved charges are set out in their rate orders.

Most distributors informed the OEB that they apply the D/RC at the time of reconnecting the customer. However, other application methods were also reported, including applying the charge or at least one-half of the charge at the time of disconnection.

The OEB Report acknowledged concerns relating to this charge and customer requests for enhanced consumer protection in this area and proposed the following changes to this charge:

- Changing the name of the charge from “Disconnect/Reconnect” to “Reconnection” and requiring electricity distributors to apply the charge to the bill following the reconnection
- Requiring electricity distributors to allow residential customers to pay the charge in equal installments over a period of three months following the reconnection
- Requiring electricity distributors to waive the charge for eligible low-income customers

Customer representatives supported the proposed changes to this charge. One gas distributor noted the potential impact of the proposed changes on rates. Electricity distributors expressed different views and suggestions.

With respect to the proposal to rename the charge from “Disconnect/Reconnect”, a group of electricity distributors expressed support and indicated that this change will eliminate misperception that distributors charge customers to disconnect their service for non-payment. A comment by an electricity distributor suggested a separate “disconnect” charge to address a situation where reconnection is not requested.

First, the OEB wishes to clarify that it is not proposing to change the approved amount of the current “Disconnect/Reconnect” charge at this time. The OEB proposed to rename the current OEB-approved charge relating reconnection of a customer who had been disconnected for non-payment reasons to “Reconnection”. This OEB-approved charge is not meant to be applied at disconnection and then again at reconnection. As indicated above, this charge is intended to recover the cost of the physical process of re-establishing power to a customer whose service was disconnected for non-payment reasons. Therefore, the OEB continues to believe that the name of the charge should be changed to “Reconnection” and be applied to the customer’s bill following the reconnection.

Most of the Electricity Utilities that provided comments disagreed with the proposal requiring distributors to allow customers to pay the charge in installments due to technical limitations. Some comments suggested that instead of payment in installments, the OEB should amend the proposal to require that the fee be included in APAs or other suitable payment arrangements. The objective of the OEB's proposal was to provide some measure of relief to facilitate a more affordable payment by customers. In the OEB's view, the suggested alternative arrangement meets the same objective. The OEB therefore proposes to require distributors to apply the Reconnection charge following the reconnection of service and to offer reasonable payment arrangements to residential customers unable to pay the charge.

With respect to the proposal that would require distributors to waive reconnection fees for eligible low-income customers, electricity distributors offered mixed opinions. Some distributors agreed with the proposal while some disagreed and indicated that it will have financial implications for distributors that currently apply the charge. A group of distributors indicated that in the event the proposal is adopted, distributors should be allowed to track any lost revenues for future recovery.

The OEB continues to believe that applying a Reconnection charge can exacerbate the financial difficulties faced by eligible low-income customers and proposes that it be waived for this particular customer group. The comments about potential financial implications are addressed below.

The OEB therefore proposes to:

- By way of a rate order, require that any OEB-approved charges relating to reconnection of customers who had been disconnected for non-payment be renamed as "Reconnection"
- Amend the DSC (section 4.2.5.1A, 4.2.5.2 and 4.2.5.3) to:
 - Prohibit electricity distributors from applying any charges when disconnecting a customer's electricity service for non-payment
 - Require electricity distributors to apply the Reconnection charge following the reconnection of service and to offer reasonable payment arrangements to residential customers unable to pay the charge
 - Require electricity distributors to waive the Reconnection charge for eligible low-income customers

The OEB also proposes to make similar amendments to the GDAR (section 9.8) with such modifications as the context requires.

8 Housekeeping Amendments

The OEB is taking this opportunity to propose a number of minor, non-substantive changes to the DSC and USMC. These proposed housekeeping changes are not intended to change existing requirements; rather, they are intended for clarification or, in some cases, to eliminate transitional provisions that are no longer required.

In addition, the OEB is proposing to make housekeeping amendments to the DSC and USMC in relation to the Ontario Electricity Support Program (OESP). The OESP, introduced in 2016, is a program that delivers on-bill rate assistance to low-income electricity customers.

On February 15, 2018, amendments to section 79.2 of the OEB Act, which governs the OESP, came into force. On the same day, a new OESP Regulation (O. Reg. 14/18) came into force, replacing the previous OESP Regulation (O. Reg. 314/15). These amendments have rendered some Code provisions redundant.

The OESP eligibility requirements for USMP customers, and the amount of OESP assistance to be provided to eligible customers, are no longer determined by the OEB; rather, they are prescribed in the Regulation.

To reflect the latter change, the OEB proposes to revoke section 5.1 of the Code, which reads:

5.1 Eligibility for OESP Rate Assistance; Rate Assistance Amounts

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

In light of the new OESP Regulation, this provision is no longer required. The OEB notes that the eligibility requirements and OESP amounts have not

changed. This housekeeping amendment to the Code will have no bearing on USMPs' day to day operations.²¹

The OEB also proposes to revoke section 9.6 of the DSC and section 5.7 of the USMC (regarding OESP settlement between electricity distributors/unit sub-meter providers and the Independent Electricity System Operator) and section 9.7 of the DSC (OESP reporting for embedded distributors). These provisions have been superseded by the OESP Regulation and are no longer required.

E. Anticipated Costs and Benefits

It is evident from the customer survey and engagement that customers expect the same level of service from their electricity and gas Utilities and the same regulatory oversight is desired. Consistent with this expectation and to ensure that electricity and natural gas customers are treated in a fair and consistent manner, the OEB sees merit in establishing a minimum standard level of service for gas distributors that aligns with those of electricity distributors. The OEB also expects that the introduction of clear Rules for gas distributors will limit the number of disputes that might otherwise arise between gas distributors and their customers.

The OEB acknowledges the gas distributors' view that the requirement to reconnect customers in December may remove the incentive for certain customers to pay their bills as they may manage without natural gas from May to December. The OEB also recognizes that the proposed winter disconnection ban for the gas distributors may have some financial implications. However, the OEB notes that no evidence was provided to support these assumptions at this time. It is also worth emphasizing that at this time, no adverse material impact has been observed from the winter disconnection ban in place for electricity distributors. Furthermore, the OEB continues to believe that the level of protection afforded to electricity customers should be extended to natural gas customers as well at this time. It should also be noted that the OEB intends to review its winter disconnection policy for both gas and electricity including any implications with respect to cost recovery once there is sufficient experience with it.

Electricity distributors indicate that they should be able to recover forgone revenues resulting from the proposed amendments to the Rules and associated service charges. They suggested that they should be allowed to record these

²¹ Separately, the OEB intends to revoke the [April 25, 2017 letter](#) directing each USMP to provide the same credits to eligible customers as it would have to apply if it were a rate-regulated distributor. In light of the new OESP Regulation, this provision is no longer required either.

amounts in a deferral/variance account for future disposition or to charge a rate rider.

The OEB acknowledges the electricity distributors' comment that elimination of the two charges relating to non-payment of accounts may have an impact on some distributors. However, given that the extent of the impact is not clear at this time, the OEB does not find it prudent to establish deferral/variance accounts for all distributors. The OEB notes that any distributor can apply for a deferral account with evidence demonstrating that such an account would meet the eligibility requirements set out in the OEB's *Filing Requirements for Electricity Distribution Rate Applications*.

The OEB believes that the proposed amendments to the Rules and associated service charges are in the interest of both customers and Utilities, in that they are expected to facilitate more affordable payments by customers and decrease the likelihood of arrears reaching an unmanageable level. The proposal to eliminate the Collection of Account charge, for example, will assist customers in managing their arrears and paying their bills. Similarly, waiving late payment charges on amounts covered by APAs will likely reduce customer arrears as it encourages customers to enter into an APA as soon as possible to avoid further late payment charges. Furthermore, extending the minimum payment period, the disconnection notice period and issuing an account overdue notice prior to the issuance of the disconnection notice will increase the likelihood of customer payments and decrease the number of disconnections for non-payment. The proposed amendments to the equal billing plan provisions simplify the Rules and their applications by distributors. They also protect customers and distributors against the risk of large year-end balances. In addition, the proposed amendments will reasonably enhance the level of service for small business customers.

Electricity distributors also indicated that the implementation costs may be material for some distributors and they should be allowed to track those cost for future recovery. Gas distributors are of the same view and indicate that they plan to track costs in an existing deferral account used for recovering the costs of implementation of GDAR changes.

The OEB notes that some of the proposed amendments reflect the current practices of many Utilities and, as such, the cost implications for those Utilities will be minimal. The OEB acknowledges that at least some Utilities will need to incur costs in order to bring their current practices into line with the proposed

requirements and that in some cases the cost might be material. The OEB however believes that the benefits of the proposed amendments, as discussed above, outweigh the costs. Further, the OEB believes that some of the incremental costs are likely to be offset by the expected decrease in the costs associated with dealing with customer complaints relating to the customer service issues addressed in this Notice. Utilities are also expected to explore other opportunities for cost savings such as expansion of e-billing, enhanced and timely communication with customers, and improved collection processes. The OEB does not find it reasonable to allow electricity and gas distributors to record implementation costs for potential future recovery. The OEB also notes that it has not been its practice to allow distributors to recover costs associated with implementation of customer service rules and changes to them.

F. Cost Awards

Cost awards will be available to eligible persons under section 30 of the OEB Act in relation to the provision of comments on the proposed amendments set out in Attachments B, C, D, E, and the Draft Rate Order set out in Attachment F, **to a maximum of 15 hours**. Costs awarded, as well as the OEB's costs, will be recovered from rate-regulated licensed electricity distributors and rate-regulated gas distributors based on customer numbers.

Attachment A to this Notice 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.

The following customer representatives were determined eligible for an award of costs in relation to earlier stages of this initiative and are considered eligible for costs in relation to the provision of comments on the proposed amendments and the Draft Rate Order. As such, they need not submit a request for cost eligibility.

- Association of Community Organizations for Reform Now (ACORN Canada)
- Canadian Federation of Independent Business
- Consumers Council of Canada
- Housing Help Centre
- Low-Income Energy Network
- Ontario Chamber of Commerce
- Six Nations of the Grand River Territory
- United Way of Bruce Grey
- Vulnerable Energy Consumers Coalition

G. Coming into Force

The OEB proposes:

- The following proposed amendments to the DSC and the USMC come into force **three months** after the date that the OEB publishes the final amendments by placing them on the OEB's website:

Proposed Amendment	DSC Sections	USMC Sections
Amendments relating to allocation of payment	2.6.6.2C	4.5.9A
Amendments relating to security deposit requirements	2.4.9 and 2.4.9A to 2.4.9C	4.1.3 and 4.1.3A to 4.1.3C
Amendments relating to offering reasonable payment arrangements to small business customers unable to pay their bill	2.7.1, 2.7.1.1 and 2.7.8	4.6.1, 4.6.3 and 4.6.19
Amendments relating to winter disconnection and reconnection	4.8	NA
Amendments relating to consumer complaints response process	1.2 and 10	1.2.1, 3.3.2.A, and 3.3.3 to 3.3.12
Application of the Reconnection charges: <ul style="list-style-type: none"> • Prohibiting electricity distributors from applying any charges when disconnecting a customer's electricity service for non-payment • Requiring electricity distributors to apply the Reconnection charge following the reconnection of service and to offer reasonable payment arrangements to residential customers unable to pay the charge • Requiring electricity distributors to waive the Reconnection charge for eligible low-income customers 	4.2.5.1A, 4.2.5.2 and 4.2.5.3	NA
Amendments relating to including the electricity distributors' late payment policy in their conditions of service	2.4.6	NA
Consequential amendments resulting from the elimination of certain non-payment of account charges	2.7.6, 4.22(d)	

- The following proposed amendments to the DSC and the USMC come into force **six months** after the date that the OEB publishes the final amendments by placing them on the OEB's website.

Proposed Amendment	DSC	USCMC
Extending the minimum payment period to 20 calendar days from 16 calendar days	2.6.3	4.5.3
Prohibiting electricity distributors from applying late payment charges to amounts that are under the OEB-prescribed APAs	2.7.6A	NA
Amendments relating to periods and timing of disconnection notice for non-payment reasons	4.2.2.3, 4.2.2.6, 4.2.2.7, 4.2.3, 4.2.3.1, 4.2.4A, and 4.2.5(d)	4.2.5F, 4.2.5H, 4.2.5I, 4.2.6, 4.2.6A, 4.2.7A, and 4.2.7B

- All proposed amendments to the SSSC (relating to equal billing plan) come into force **six months** after the date that the OEB publishes the final amendments by placing them on the OEB's website.
- All proposed amendments to the GDAR come into force **nine months** after the date that the OEB publishes the final amendments by placing them on the OEB's website.
- The housekeeping amendments to the DSC and the USMC come into force **immediately** upon the publication of the final amendments.

In proposing the implementation timelines the OEB considered the extent of system changes required by the Utilities.

H. Invitation to Comment

The OEB invites interested parties to submit written comments on the proposed amendments set out in Attachments B, C, D, and E, and on the Draft Rate Order set out in Attachment F by **January 18, 2019**.

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://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 email 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.

Mailing Address:

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

Attention: Board Secretary

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-2017-0183** and include your name, address, telephone number and, where available, your email address and fax number.

If the filing is from an individual consumer (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 (i.e., the address, phone number, and email 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.

This Notice and all related written comments received by the OEB will be available for public viewing on the OEB's web site at www.oeb.ca and at the OEB's office during normal business hours.

If you have any questions regarding this Notice, please contact Gona Jaff at gona.jaff@oeb.ca or at 416-440-7613. The OEB's toll free number is 1-888-632-6273.

DATED at Toronto, December 18, 2018

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

Attachments

Attachment A: Cost Awards

Attachment B: Proposed Amendments to the DSC

Attachment C: Proposed Amendments to the SSSC

Attachment D: Proposed Amendments to the USMC

Attachment E: Proposed Amendments to the GDAR

Attachment F: Draft Rate Order

Attachment A
to
Notice of Proposed Amendments to Codes and a Rule and Notice of Hearing
December 18, 2018
EB-2017-0183
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 **December 28, 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 licensed 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 **January 7, 2019**. Any objections will be posted by the OEB. The OEB will then make a final determination on the cost eligibility of the requesting participants.

The customer representatives that were determined eligible for an award of costs in relation to earlier stages of this initiative are considered eligible for costs in relation to the provision of comments on the proposed amendments and the Draft Rate Order. As such, they need not submit a request for cost eligibility.

Cost Eligible Activities and Hours

Cost awards will be available in relation to the provision of comments on Attachments B, C, D, E, and F to a **maximum of 15 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 clearing house 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.

Attachment B
to
Notice of Proposed Amendments to Codes and a Rule and Notice of Hearing
December 18, 2018
EB-2017-0183
Proposed Amendments to the
Distribution System Code (DSC)

Note: The text of the amendments is set out in italics below, for ease of identification only.

1. Section 1.2 of the DSC is amended by deleting the definition of “business day” and replacing it with the following:

“business day” means any day other than a Saturday or a holiday;

2. Section 1.2 of the DSC is amended by adding the following definition after the definition of “expansion”:

“Family Law Act” means the Family Law Act, R.S.O. 1990, c. F.3;

3. Section 1.2 of the DSC is amended by deleting the definition of “holiday” and replacing it with the following:

“holiday” means a holiday described in section 88 of the Legislation Act, 2006, S.O. 2006, c. 21, Sched. F as well as the August Civic Holiday;

4. Section 2.4.3 of the DSC is revoked.

5. Section 2.4.6 of the DSC is amended by adding the following bullet point at the end of the bullet point list:

- *The distributor’s late payment policy, including the date from which any Board-approved late payment charges apply.*

6. Section 2.4.9 of the DSC is amended by replacing the words “5 years” with “3 years”.

7. The following new sections 2.4.9A to 2.4.9C are added to the DSC immediately after section 2.4.9:

2.4.9A Before requiring a security deposit under section 2.4.9 from a new residential customer, a distributor shall offer the customer the option of enrolling in an equal monthly billing plan in accordance with the Standard Supply System Code, a pre-authorized payment plan, or both, and where the customer elects to enroll, no security deposit shall be required.

2.4.9B Despite section 2.4.9A, a distributor may require a security deposit from the customer if within 12 months of enrollment in an equal monthly billing plan, a pre-authorized payment plan, or both,

(a) the customer terminates the plan;

(b) the customer receives more than one disconnection notice from the distributor;

(c) more than one payment by the customer has been returned for insufficient funds;

(d) a disconnect / collect trip has occurred; or

(e) in the case of an equal monthly billing plan, the plan has been cancelled due to non-payment by the distributor in accordance with the Standard Supply Service Code.

2.4.9C Section 2.4.9B does not apply if any of the events listed in paragraphs (b) to (e) of that section occurred due to an error by the distributor.

8. Section 2.4.12 of the DSC is amended by replacing the first sentence with the following: *The maximum amount of a security deposit which a distributor may require a customer to pay shall be calculated by multiplying the distributor's billing cycle factor and the customer's estimated bill (which shall be based on the customer's average monthly load with the distributor during the most recent 12 consecutive months within the past two years).*
9. Section 2.4.19 of the DSC is amended by replacing the words "the Bank Act, 1991, c.46" with: *the Bank Act, S.C. 1991, c. 46.*
10. Section 2.4.23 of the DSC is amended by replacing the opening words, before "to determine...", with: *A distributor shall respond promptly to a customer who, no earlier than 12 months after the payment of a security deposit or the making of a prior demand for a review, demands in writing that the distributor undertake a review.*

11. Section 2.4.23C of the DSC is amended by adding the word “a” between the words “requests” and “refund”.
12. Section 2.4.24 of the DSC is revoked.
13. Section 2.4.26 of the DSC is deleted and replaced with the following: *Within six weeks of the closure of a customer’s account, a distributor shall return any security deposit received from the customer, subject to the distributor’s right to use the security deposit to set off other amounts owing by the customer to the distributor.*
14. Section 2.6.3 of the DSC is amended by replacing the words “16 days” with “20 days”.
15. Section 2.6.6 of the DSC is amended by deleting the word “charges” the second time it appears.
16. Section 2.6.6.1 of the DSC is revoked.
17. Section 2.6.6.2A of the DSC is amended by deleting the words “or 2.6.6.1”.
18. Section 2.6.6.2B of the DSC is amended by replacing the opening words, before “to cover electricity charges...” with “Where payment on account of a bill referred to in section 2.6.6 is not sufficient”.
19. The following new section 2.6.6.2C is added immediately after section 2.6.6.2B of the DSC:

2.6.6.2C Despite sections 2.6.6 and 2.6.6.2B, where a customer requests that a payment be allocated in a manner other than that specified in those sections, the distributor may, but is not required to, allocate the payment in the manner requested.
20. Section 2.6.6.3(a) of the DSC is amended by adding the word “and” immediately before the words “Regulatory Charges”, and by deleting the words “and ‘Debt Retirement Charge’” immediately after the words “Regulatory Charges”.
21. Section 2.6.7 of the DSC is amended by deleting the words, “For the purposes of this section, a ‘business day’ is any day other than a Saturday or a holiday as defined in section 88 of the *Legislation Act, 2006*.”
22. Section 2.7.1 of the DSC is deleted and replaced with the following:

2.7.1 A distributor shall make available to any residential or general service < 50 kW customer who is unable to pay their outstanding electricity charges, as defined in section 2.6.6.3, the opportunity to enter into an arrears payment agreement with the distributor. In respect of residential customers, the arrears

payment agreement shall include, at a minimum, the terms and conditions specified in sections 2.7.1.1 to 2.7.5 inclusive and 2.7.6A. In respect of general service < 50 kW customers, an arrears payment agreement need not include those terms and conditions, but shall be offered on reasonable terms.

23. Section 2.7.1.1 of the DSC is amended by adding the words “with a residential customer” after the word “agreement”.

24. Section 2.7.6 of the DSC is revoked.

25. Section 2.7.6A of the DSC is amended by replacing the words “an eligible low-income customer” with “a residential customer”.

26. Section 2.7.8 of the DSC is replaced with the following:

2.7.8 In the event a customer failed to perform their obligations under a previous arrears payment agreement and the distributor terminated the agreement pursuant to section 2.7.4 (in the case of a residential customer) or otherwise (in the case of general service < 50 kW customer), the distributor may require that the customer wait 1 year after termination of the previous agreement before entering into another arrears payment agreement with the distributor.

27. Section 2.8.2 of the DSC is amended by replacing the words “section 2.8.11.1” with “2.8.1.1”.

28. Section 4.2.1 of the DSC is amended by adding the words “and this Code” after “the Electricity Act”.

29. Section 4.2.2 of the DSC is amended by replacing the words “if disconnection occurs” in paragraph (d) with “to reconnect service following disconnection”.

30. Section 4.2.2 of the DSC is amended by deleting the words “where applicable” at the beginning of paragraph (i) and adding the following after the word “disconnection”: “(provided, however, that this information need not be included if the distributor does not in fact disconnect service without attendance at the customer’s premises).”

31. Section 4.2.2 of the DSC is amended by adding the following to paragraph (j), after the word “information”: “(provided, however, that this information need not be included if in fact such a by-law does not exist).”

32. Section 4.2.2 of the DSC is amended by replacing the word “payment” with “billing” in paragraph (k).
33. Section 4.2.2 of the DSC is amended by adding the following to paragraph (k2), after the word “disconnection”: “(provided, however, that this information need not be included if the distributor does not in fact make use of load control devices).”
34. Section 4.2.2.3 of the DSC is amended by replacing the words “11 days” with “14 days”.
35. Section 4.2.2.4 of the DSC is amended by replacing the words “equal monthly payment” with “equal monthly billing”.
36. Section 4.2.2.6 of the DSC is amended by replacing the words “10 days”, wherever they appear, with “14 days”.
37. Section 4.2.2.7 of the DSC is amended by replacing the words “11 days” with “14 days”.
38. Sections 4.2.3 and 4.2.3.1 of the DSC are amended by replacing the word “dependent”, wherever it appears, with “dependant”.
39. Section 4.2.3 of the DSC is amended by replacing the words “10 days” with “14 days”.
40. Section 4.2.3.1 of the DSC is amended by replacing the words “third business day” with “fifth calendar day”.
41. The following new section 4.2.4A is added to the DSC after section 4.2.4:
- 4.2.4A At least seven days before issuing a disconnection notice for non-payment, a distributor shall deliver an account overdue notice to the customer by the customer’s preferred method of communication, if known, or otherwise by mail.*
42. Section 4.2.5 of the DSC is amended by adding the following paragraph (d) after paragraph (c):

(d) A distributor shall not disconnect a customer for non-payment on a day the distributor is closed to the public to make payment and/or reconnection

arrangements or on the day preceding that day.

43. The following new section 4.2.5.1A is added to the DSC after section 4.2.5.1:

4.2.5.1A A distributor shall not apply any charges for disconnecting a customer for non-payment.

44. Section 4.2.5.2 of the DSC is amended by deleting the first sentence.

45. Section 4.2.5.3 of the DSC is amended by adding the following after the first sentence:

The reconnection charges shall be applied only after reconnection has occurred. If the customer is unable to pay the reconnection charges, the distributor shall offer reasonable payment arrangements. The distributor shall waive the reconnection charges for an eligible low-income customer.

46. The following new section 4.8 is added after section 4.7 of the DSC:

4.8 Winter Disconnection, Reconnection and Load Control Devices

4.8.1 Subject to section 4.8.4, a distributor shall not, during a Disconnection Ban Period:

- (a) disconnect an occupied residential property solely on the grounds of non-payment;*
- (b) issue a disconnection notice in respect of an occupied residential property solely on the grounds of non-payment, provided, however, that the distributor may issue a disconnection notice that complies with section 4.2 of this Code in the last month of the Disconnection Ban Period in respect of a disconnection to take place after the end of the Disconnection Ban Period; or*
- (c) install a load control device in respect of an occupied residential property solely on the grounds of non-payment.*

Nothing in this section shall preclude the distributor from (i) disconnecting an occupied residential property during a Disconnection Ban Period in accordance

with all applicable regulatory requirements, including the required disconnection notice, or (ii) installing a load control device in respect of an occupied residential property during a Disconnection Ban Period, in each case if at the unsolicited request of the customer given in writing for that Disconnection Ban Period.

4.8.2 Subject to section 4.8.4, a distributor shall ensure that any residential property that had been disconnected solely on the grounds of non-payment is, if an occupied residential property, reconnected by December 1st. The distributor shall waive any reconnection charge that might otherwise apply in respect of that reconnection. Nothing in this section shall require the distributor to reconnect an occupied residential property in respect of a Disconnection Ban Period if the customer gives unsolicited notice to the Licensee not to do so in writing for that Disconnection Ban Period and has not rescinded that notice.

4.8.3 Subject to section 4.8.4, a distributor shall ensure that any load control device installed in respect of an occupied residential property either for non-payment or at the customer's request is removed and full service is restored to the property by December 1st. Nothing in this section shall (i) require the distributor to remove a load control device in respect of a Disconnection Ban Period if the customer gives unsolicited notice to the distributor not to do so in writing for that Disconnection Ban Period and has not rescinded that notice; or (ii) prevent the distributor from installing or maintaining a load control device if the customer makes an unsolicited request in writing for the Licensee to do so for that Disconnection Ban Period and has not rescinded that request.

4.8.4 Nothing in sections 4.8.1 to 4.8.3 shall:

- (a) prevent the distributor from taking such action in respect of an occupied residential property as may be required to comply with any applicable and generally accepted safety requirements or standards; or*
- (b) require the distributor to act in a manner contrary to any applicable and generally accepted safety requirements or standards.*

4.8.5 For the purposes of sections 4.8.1 to 4.8.4:

"Disconnection Ban Period" means the period commencing at 12:00 am on November 15th in one year and ending at 11:59 pm on April 30th in the following year;

“occupied residential property” means an account with a distributor:

(a) that falls within the residential rate classification as specified in the distributor’s rate order; and

(b) that is:

i. inhabited; or

ii. in an uninhabited condition as a result of the property having been disconnected by the distributor or of a load control device having been installed in respect of the property outside of a Disconnection Ban Period.

4.8.6 Sections 4.8.1 to 4.8.5 apply despite any other provision of the Distribution System Code to the contrary.

47. Sections 9.6 and 9.7 of the DSC are revoked.

48. The following new section 10 is added after section 9 of the DSC:

10 Consumer Complaint Response Process

10.1 Definitions

10.1.1 In this section 10:

“complaint” means an allegation by a consumer of a breach of an enforceable provision by a distributor;

“Consumer Complaint Response Process” means the requirements set out in this section 10;

“enforceable provision” has the meaning given to it in section 3 of the Ontario Energy Board Act; and

“OEB E-Portal” means the Board’s electronic communication tool used to communicate with a distributor.

10.2 Complaint Response

10.2.1 After a consumer directly contacts a distributor and makes a complaint, if the complaint is not addressed within 10 business days, the distributor shall inform the consumer that the consumer can contact the Board at any time, and shall at the same time provide the consumer with the Board's designated toll-free telephone number or local telephone number (as requested by the consumer), and the website address designated by the Board for that purpose.

10.2.2 A distributor shall, within five business days of the coming into force of this section, provide the Board with an e-mail address for the purposes of the Consumer Complaint Response Process. The distributor shall ensure that the e-mail address is monitored at all times during the distributor's regular business hours.

10.2.3 A distributor shall, within five business days of the coming into force of this section, provide the Board with the following information the name, title, direct telephone number, direct e-mail address, and mailing address of:

- (a) the person designated by the distributor as the distributor's contact person for purposes of the Consumer Complaint Response Process; and*
- (b) the person that the person in paragraph (a) reports to.*

10.2.4 If any of the information required under sections 10.2.2 or 10.2.3 changes, the distributor shall provide the Board with updated information as soon as possible upon becoming aware of the change and in any event no later than five business days of the change taking effect.

10.2.5 Where a non-complaint issue from a consumer is forwarded to a distributor through the OEB E-Portal, the distributor shall respond directly to the customer, in

a timely manner. In such a case the distributor is not required to follow the process set out in sections 10.2.6 to 10.2.9.

10.2.6 Where a complaint is forwarded to a distributor through the OEB E-Portal, the distributor shall provide, through the OEB E-Portal, a response to the complaint that meets the requirements of section 10.2.7 within:

- (a) two business days of the date of receipt of the complaint, where the complaint relates to the disconnection of a consumer's property or is otherwise identified as urgent by the Board when forwarding the complaint to the distributor; or*
- (b) 10 business days of receipt of the complaint in all other cases.*

10.2.7 The distributor's response referred to in section 10.2.6 must include the following:

- (a) all pertinent information regarding the complaint, including any relevant background information;*
- (b) the steps taken by the distributor to investigate the complaint;*
- (c) the steps taken by the distributor to resolve the complaint;*
- (d) any other information that is reasonably necessary to enable a good understanding of the circumstances surrounding the complaint;*
- (e) if the complaint has not been resolved to the satisfaction of the consumer, the reasons why the complaint remains unresolved;*
- (f) if the complaint has been resolved to the satisfaction of the consumer, a description of the resolution and, if any further steps are required to implement the resolution, a timeline for when those steps will be completed; and*
- (g) a copy of all relevant documents and communications between the consumer and the distributor in relation to the complaint.*

10.2.8 Within five business days of being requested to do so, a distributor shall provide, through the OEB E-Portal, such additional information beyond the information required by section 10.2.7 regarding the distributor's handling of a

complaint as may be required by the Board in order to review and assess the matter.

10.2.9 Where section 10.2.7(f) applies and the steps for implementing the resolution were not all completed at the time the distributor provides its response under section 10.7, the distributor shall confirm through the OEB E-Portal once the full resolution is completed. Such confirmation shall be provided as soon as possible, but in no event later than five business days after the date on which the resolution is completed.

10.2.10 For the purposes of the Consumer Complaint Response Process, where there is a reference to a number of days between two events, the days shall be counted by excluding the day on which the first event happens and including the day on which the second event happens.

Attachment C
to
Notice of Proposed Amendments to Codes and a Rule and Notice of Hearing
December 18, 2018
EB-2017-0183
Proposed Amendments to the
Standard Supply Service Code (SSSC)

Note: The text of the amendments is set out in italics below, for ease of identification only.

1. Section 2.6.2 of the SSSC is replaced with the following:

2.6.2 A distributor shall offer to all non-seasonal residential customers and general service < 50kW customers receiving standard supply an equal monthly billing plan option.

The above equal monthly billing plan option shall meet the following minimum requirements:

- (a) a distributor may only refuse to provide an equal monthly billing plan option to a non-seasonal residential customer that is in arrears on payment to the distributor for electricity charges, as defined in the Distribution System Code, and that has not entered into an arrears payment agreement with the distributor;*
- (b) a distributor may only refuse to provide an equal monthly billing plan option to a general service < 50kW customer that:*
 - i) has fewer than 12 months' billing history;*
 - ii) is in arrears on payment to the distributor for electricity charges, as defined in the Distribution System Code, or whose participation in the equal monthly billing plan in the past 12 months was cancelled due to non-payment; or*
 - iii) has a consumption pattern that is not sufficiently predictable to be estimated on an annual basis with any reasonable degree of accuracy;*

- (c) *a distributor shall offer an equal monthly billing plan to eligible customers at least twice in each 12 month period through the customer's preferred method of communication, if known, or otherwise by mail;*
- (d) *a distributor shall offer to a residential customer requesting an equal monthly billing plan a pre-authorized automatic monthly payment option whereby amounts due each month are automatically withdrawn from the customer's account with a financial institution;*
- (e) *a distributor may cancel the equal monthly billing plan if the customer misses more than one monthly payment under the equal monthly billing plan within an equal billing year;*
- (f) *subject to paragraph 2.6.2(g), the equal monthly billing plan shall provide for annual reconciliation of the plan as follows:*
 - i) *while a customer may join an equal monthly billing plan at any time during the calendar year, the distributor is only required to reconcile all of its equal monthly billing plans once during the calendar year and not on the 12th month anniversary since each individual customer joined the plan;*
 - ii) *in the first year of an equal monthly billing plan and where the customer has been on the plan for less than 12 months, the customer may receive a reconciliation earlier than the 12th month anniversary, as a result of subparagraph i);*
 - iii) *while a distributor is only required to reconcile equal monthly billing plans on an annual basis, a distributor shall review its equal monthly billing plans quarterly or semi-annually and adjust the equal monthly billing amounts in the event of material changes in a customer's electricity consumption or a customer's electricity charges as defined in section 2.6.2A(a);*
 - iv) *despite subparagraph iii), a distributor may adjust the equal monthly billing amounts at any time in the event of extraordinary changes in a customer's electricity consumption or a customer's electricity charges as defined in section 2.6.2A(a) or for any other reason with the customer's consent;*
 - v) *where the annual reconciliation demonstrates that funds are owing to the customer in an amount that is less than the customer's average monthly billing amount, the distributor shall credit the amount to the customer's account;*
 - vi) *where the annual reconciliation demonstrates that funds are owing to the customer in an amount that is equal to or exceeds the customer's average monthly billing amount, the distributor shall*

credit the amount to the customer's account and advise the customer that the customer may contact the distributor within 10 days of the date of the bill to request a refund of the overpayment by cheque instead and the distributor shall make payment within 11 days of the customer's request;

vii) where the annual reconciliation demonstrates that funds are owing by the customer in an amount that is less than the customer's average monthly billing amount, the distributor may collect the full amount owed by a corresponding charge on the bill issued to the customer in the 12th month of the equal monthly billing plan; and

viii) where the annual reconciliation demonstrates that funds are owing by the customer in an amount that is equal to or exceeds the customer's average monthly billing, the distributor shall roll over the balance due to the following year's equal monthly billing plan and recover the balance over the first 11 months of the following year's equal monthly billing plan; and

(g) where a customer leaves the equal monthly billing plan for any reason, the distributor shall conduct a reconciliation and shall include any funds owing by or to the customer as a charge or credit on the next regularly scheduled bill issued to the customer.

2. Section 2.6.2A of the SSSC is replaced with the following:

2.6.2A For the purposes of section 2.6.2:

(a) A customer's average monthly billing amount shall be calculated by taking the aggregate of the total electricity charges billed to the customer in the preceding 12 months, and dividing that value by 12. If the customer has been receiving service from the distributor for less than 12 months, the customer's average monthly billing amount shall be based on a reasonable estimate made by the distributor. For the purposes of this section, "electricity charges" has the same meaning as in section 2.6.6.3 of the Distribution System Code.

(b) Despite paragraph (a), the distributor may adjust the average monthly billing amount calculated under that paragraph upward or downward if, in the distributor's reasonable opinion (based on, for example, a Board-approved rate change, or an estimate provided by the consumer), the amount calculated is likely to be materially different than the consumer's actual average monthly billing amount over the next 12 months.

(c) *The equalized monthly billing amount shall include all “electricity charges” as defined in section 2.6.6.3 of the Distribution System Code.*

3. Sections 2.6.2B and 2.6.2C of the SSSC are revoked.

Attachment D
to
Notice of Proposed Amendments to Codes and a Rule and Notice of Hearing
December 18, 2018
EB-2017-0183
Proposed Amendments to the
Unit Sub-Metering Code (USMC)

Note: The text of the amendments is set out in italics below, for ease of identification only.

1. Section 1.2.1 of the USMC is amended by deleting the words “Ontario Energy Board” from the definition of “OESP”; by replacing the definition of “business day with the following”:

“business day” means any day other than a Saturday or a holiday;

and by adding the following definition immediately after the definition of “exempt distributor”:

“holiday” means a holiday described in section 88 of the Legislation Act, 2006, S.O. 2006, c. 21, Sched. F as well as the August Civic Holiday;

2. The following new section 3.3.2A is added immediately after section 3.3.2:

For the purposes of this section 3.3:

“complaint” means an allegation by a consumer of a breach of an enforceable provision by a unit sub-meter provider;

“Consumer Complaint Response Process” means the requirements set out in sections 3.3.4 to 3.3.12;

“enforceable provision” has the meaning given to it in section 3 of the Act;

“OEB E-Portal” means the Board’s electronic communication tool used to communicate with a unit sub-meter provider.

3. Section 3.3.3 of the USMC is replaced with the following:

3.3.3 If a consumer makes a complaint to a unit sub-meter provider regarding its services, the unit sub-meter provider shall expeditiously investigate the complaint and take all appropriate and necessary steps to resolve the complaint. If the complaint is not addressed within 10 business days, the unit sub-meter provider shall inform the consumer that the consumer may contact the Board at any time, and shall at the same time provide the consumer with either the Board's designated toll-free telephone number or local telephone number (as requested by the consumer), and the website address designated by the Board for that purpose.

4. The following new sections 3.3.4 to 3.3.12 are added to the USMC immediately after section 3.3.3:

3.3.4 A unit sub-meter provider shall, within five business days of the coming into force of this section 3.3.4, provide the Board with an e-mail address for the purposes of the Consumer Complaint Response Process. The unit sub-meter provider shall ensure that the e-mail address is monitored at all times during the unit sub-meter provider's regular business hours.

3.3.5 A unit sub-meter provider shall, within five business days of the coming into force of this section 3.3.5, provide the Board with the following information the name, title, direct telephone number, direct e-mail address, and mailing address of:

(a) the person designated by the unit sub-meter provider as the unit sub-meter provider's contact person for purposes of the Consumer Complaint Response Process; and

(b) the person that the person in paragraph (a) reports to.

3.3.6 If any of the information required under sections 3.3.4 or 3.3.5 changes, the unit sub-meter provider shall provide the Board with updated information as soon as possible upon becoming aware of the change and in any event no later than five business days of the change taking effect.

3.3.7 Where a non-complaint issue from a consumer is forwarded to a unit sub-meter provider through the OEB E-Portal, the unit sub-meter provider shall respond directly to the consumer, in a timely manner. In such a case, the unit sub-meter provider is not required to follow the process set out in sections 3.3.8 to 3.3.11.

3.3.8 Where a complaint is forwarded to a unit sub-meter provider through the OEB E-Portal, the unit sub-meter provider shall provide, through the OEB E-Portal, a response to the complaint that meets the requirements of section 3.3.9

within:

- (a) two business days of the date of receipt of the complaint, where the complaint relates to the disconnection of a consumer's property or is otherwise identified as urgent by the Board when forwarding the complaint to the unit sub-meter provider; or*
- (b) 10 business days of receipt of the complaint in all other cases*

3.3.9 The unit sub-meter provider's response referred to in section 3.3.8 must include the following:

- (a) all pertinent information regarding the complaint, including any relevant background information;*
- (b) the steps taken by the unit sub-meter provider to investigate the complaint;*
- (c) the steps taken by the unit sub-meter provider to resolve the complaint;*
- (d) any other information that is reasonably necessary to enable a good understanding of the circumstances surrounding the complaint;*
- (e) if the complaint has not been resolved to the satisfaction of the consumer, the reasons why the complaint remains unresolved;*
- (f) if the complaint has been resolved to the satisfaction of the consumer, a description of the resolution and, if any further steps are required to implement the resolution, a timeline for when those steps will be completed; and*
- (g) a copy of all relevant documents and communications between the consumer and the unit sub-meter provider in relation to the complaint.*

3.3.10 Within five business days of being requested to do so, a unit sub-meter provider shall provide, through the OEB E-Portal, such additional information beyond the information required by section 3.3.9 regarding the unit sub-meter provider's handling of a complaint as may reasonably be required by the Board in order to review and assess the matter.

3.3.11 Where section 3.3.9(f) applies and the steps for implementing the resolution were not all completed at the time the unit sub-meter provider provides its response under section 3.3.8, the unit sub-meter provider shall confirm through the OEB E-Portal once the resolution has been completed. Such confirmation shall be provided as soon as possible, but in no event later than five business days after the date on which the resolution is completed.

3.3.12 For the purposes of the Consumer Complaint Response Process, where there is a reference to a number of days between two events, the days shall be counted by excluding the day on which the first event happens and including the

day on which the second event happens.

5. Section 4.1.3 of the USMC is amended by replacing the number “5” with the number “3”.
6. The following new sections 4.1.3A to 4.1.3C are added to the USMC immediately after section 4.1.3:

4.1.3A Before requiring a security deposit under section 4.1.3 from a new residential consumer, a unit sub-meter provider shall offer the consumer the option of enrolling in a pre-authorized payment plan and where the consumer elects to enroll, no security deposit shall be required.

4.1.3B Despite section 4.1.3A, a unit sub-meter provider may require a security deposit from the consumer if within 12 months of enrollment in a pre-authorized payment plan,

(a) the consumer terminates the plan;

(b) the consumer receives more than one disconnection notice from the unit sub-meter provider;

(c) more than one payment by the consumer has been returned for insufficient funds; or

(d) a disconnect / collect trip has occurred.

4.1.3C Section 4.1.3B does not apply if any of the events listed in paragraphs (b) to (d) of that section occurred due to an error by the unit sub-meter provider.

7. Section 4.1.14C of the USMC is amended by adding the word “a” between the words “requests” and “refund”.
8. Section 4.1.16 of the USMC is replaced with the following:

4.1.16 Within six weeks of the closure of a consumer’s account, a unit sub-meter provider shall return any security deposit received from the consumer, subject to the unit sub-meter provider’s right to use the security deposit to set off other amounts owing by the consumer to the unit sub-meter provider.

9. Section 4.2.5A of the USMC is amended by replacing paragraph (h) with the following:

(h) that the disconnection may occur without attendance at the consumer’s premises (provided, however, that this information need not be included if the unit sub-meter provider does not in fact disconnect service without attendance at the customer’s premises);

and by adding the following to paragraph (k), immediately after the word “disconnection”: “(provided, however, that this information need not be included if the unit sub-meter provider does not in fact make use of load control devices).”

10. Section 4.2.5F of the USMC is amended by replacing the words “11 days” with “14 days”.
11. Section 4.2.5.H of the USMC is amended by replacing the words “10 days” with “14 days”.
12. Section 4.2.5I of the USMC is amended by replacing the words “11 days” with “14 days”.
13. Sections 4.2.6 and 4.2.6A are amended by replacing the word “dependent”, wherever it appears, with “dependant”.
14. Section 4.2.6 is amended by replacing the period after the word “elapsed” with a colon, and by replacing the words “10 days” with “14 days”.
15. Section 4.2.6A is amended by replacing the words “third business day” with “fifth calendar day”.
16. The following new sections 4.2.7A and 4.2.7B are added to the USMC immediately after section 4.2.7:

4.2.7A At least seven days before issuing a disconnection notice for non-payment, a unit sub-meter provider shall deliver an account overdue notice to the consumer by the consumer’s preferred method of communication, if known, or otherwise by mail.

4.2.7B A unit sub-meter provider shall not disconnect a customer for non-payment on a day the unit sub-meter provider is closed to the public to make payment and/or reconnection arrangements or on the day preceding that day.
17. Section 4.5.3 of the USMC is amended by replacing the words “16 days” with “20 days”.
18. Section 4.5.6 of the USMC is amended by deleting the word “charges” the second time it appears.
19. Section 4.5.7 of the USMC is revoked.
20. Section 4.5.8 of the USMC is amended by deleting the words “or 4.5.7”.

21. Section 4.5.9 of the USMC is amended by deleting the words “Subject to section 4.5.7,” and “or 4.5.7”, and by capitalizing the word “Where”.

22. The following new section 4.5.9A is added to the USMC immediately after section 4.5.9:

4.5.9A Despite sections 4.5.6 and 4.5.9, where a consumer requests that a payment be allocated in a manner other than that specified in those sections, the unit sub-meter provider may, but is not required to, allocate the payment in the manner requested.

23. Section 4.5.10(a) of the USMC is amended by adding the word “and” immediately before the words “Regulatory Charges”, and by deleting the words “and ‘Debt Retirement Charge’” immediately after the words “Regulatory Charges”.

24. Section 4.5.11 of the USMC is amended by deleting the words, “For the purpose of this section, a ‘business day’ is any day other than a Saturday or a holiday as defined in section 88 of the *Legislation Act, 2006*.”

25. Section 4.6.1 of the USMC is replaced with the following:

4.6.1 A unit sub-meter provider shall make available to any consumer who is unable to pay their outstanding electricity charges, as defined in section 4.5.10, the opportunity to enter into an arrears payment agreement with the unit sub-meter provider. In respect of residential consumers, the arrears payment agreement shall include, at a minimum, the terms and conditions specified in sections 4.6.3 to 4.6.16 inclusive. In respect of non-residential consumers, an arrears payment agreement need not include those terms and conditions, but shall be offered on reasonable terms.

26. Section 4.6.3 of the USMC is amended by adding the words “with a residential consumer” immediately after the word “agreement”.

27. Section 4.6.19 of the USMC is amended by replacing the words “his or her” with “their”, and by adding the following words immediately after the words “pursuant to section 4.6.9”: “(in the case of a residential consumer) or otherwise (in the case of a non-residential consumer)”.

28. Sections 5.1 and 5.7 of the USMC are revoked.

Attachment E
to
Notice of Proposed Amendments to Codes and a Rule and Notice of Hearing
December 18, 2018
EB-2017-0183
Proposed Amendments to the
Gas Distribution Access Rule

Note: The text of the amendments is set out in italics below, for ease of identification only.

1. Section 1.1.1 of the Gas Distribution Access Rule is amended by deleting the word “and” after the second bullet point and adding the following two bullet points at the end of the section:
 - *establish customer service rules for rate-regulated gas distributors; and*
 - *establish a consumer complaint response process for rate-regulated gas distributors*
2. Section 1.2.1 of the Gas Distribution Access Rule is amended by adding the following definitions, in alphabetical order:

“business day” means any day other than a Saturday or a holiday;

“disconnect/collect trip” means a visit to a consumer’s premises by an employee or agent of the gas distributor to demand payment of an outstanding amount or to shut off distribution of gas to the consumer for non-payment;

“holiday” means a holiday described in section 88 of the Legislation Act, 2006, S.O. 2006, c. 21, Sched. F as well as the August Civic Holiday;
3. The heading of section 8 of the Gas Distribution Access Rule is amended by replacing the words “Standards and Practices” with the word “Policy”.
4. Section 8.1.12 of the Gas Distribution Access Rule is amended by deleting the word “and” after paragraph (g), adding the word “and” after paragraph (h), and adding the following new paragraph (i) at the end of the section:

(i) late payments, including the date from which any Board-approved late

payment charges apply.

5. Sections 8.2.2, 8.3.2, 8.3.3, 8.3.4, 8.3.5, and 8.4.2 of the Gas Distribution Access Rule are revoked.
6. The Gas Distribution Access Rule is amended by adding the following sections 9 and 10 after section 8:

9. CUSTOMER SERVICE RULES

9.1 General

9.1.1 This section 9 applies only to rate-regulated gas distributors, and only in respect of low volume consumers.

9.2 Security Deposits

9.2.1 A gas distributor shall ensure that its Customer Service Policy include the gas distributor's security deposit policy which shall be consistent with the provisions of this Rule. A gas distributor's security deposit policy shall include at a minimum the following:

- (a) a list of all potential types/forms of security accepted;*
- (b) a detailed description of how the amount of security is calculated;*
- (c) limits on the amount of security required;*
- (d) the planned frequency, process and timing for updating security deposits;*
- (e) criteria consumers must meet to have the security deposit waived and/or returned; and*
- (f) methods of enforcement where a security deposit is not paid.*

9.2.2 In managing consumers' non-payment risk, a gas distributor shall not discriminate among consumers with similar risk profiles or risk related factors except where expressly permitted under this Rule.

9.2.3 A gas distributor may require a security deposit from a consumer who is not billed by a competitive gas vendor under gas vendor-consolidated billing unless the consumer has a good payment history of one year in the case of a residential consumer, three years in the case of a non-residential consumer. The time period that makes up the good payment history must be the most recent period of time and some of the time period must have occurred in the previous 24 months. A gas distributor shall provide a consumer with the specific reasons for requiring a security deposit from the consumer.

9.2.4 Before requiring a security deposit under section 9.2.3 from a new residential consumer, a gas distributor shall offer the consumer the option of enrolling in an equal

monthly billing plan, a pre-authorized payment plan, or both, and where the consumer elects to enroll, no security deposit shall be required.

9.2.5 Despite section 9.2.4, a gas distributor may require a security deposit from the consumer if within 12 months of enrollment in an equal monthly billing plan, a pre-authorized payment plan, or both,

- (a) the consumer terminates the plan;*
- (b) the consumer receives more than one disconnection notice from the gas distributor;*
- (c) more than one payment by the consumer has been returned for insufficient funds;*
- (d) a disconnect/collect trip has occurred; or*
- (e) in the case of an equal monthly billing plan, the plan has been cancelled due to non-payment by the consumer.*

9.2.6 Section 9.2.5 does not apply if any of the events listed in paragraphs (b) to (e) of that section occurred due to an error by the gas distributor.

9.2.7 For the purposes of section 9.2.3, a consumer is deemed to have a good payment history unless, during the relevant time period set out in section 9.2.3, the consumer has received more than one disconnection notice from the gas distributor, more than one cheque given to the gas distributor has been returned for insufficient funds, more than one pre-authorized payment to the gas distributor has been returned for insufficient funds, a disconnect/collect trip has occurred or the gas distributor had to apply a security deposit in accordance with section 9.2.32 and required the consumer to repay the security deposit in accordance with section 9.2.33. If any of the preceding events occur due to an error by the gas distributor, the consumer's good payment history shall not be affected.

9.2.8 Despite section 9.2.3, a gas distributor shall not require a security deposit where:

- (a) a consumer provides a letter from another gas distributor or electricity distributor in Canada confirming a good payment history with that distributor for the most recent relevant time period set out in section 9.2.3 where some of the time period which makes up the good payment history has occurred in the previous 24 months;*
- (b) a consumer provides a satisfactory credit check made at the consumer's expense; or*
- (c) an eligible low-income customer has requested a waiver under section 9.2.9.*

9.2.9 When issuing a bill for a security deposit in accordance with section 9.2.3, the gas distributor shall advise a residential consumer that the security deposit requirement will be waived for an eligible low-income customer upon request. The gas distributor shall notify the consumer by means of a bill insert, bill message, letter or outgoing telephone message and shall include the gas distributor's contact information where the consumer

can obtain further information and a referral to a LEAP Intake Agency to review the consumer's low-income eligibility.

9.2.10 Where a gas distributor is advised by a LEAP Intake Agency that the agency is assessing the consumer for eligibility as a low-income customer, the due date for payment of the security deposit shall be extended for at least 21 days pending the eligibility decision of the LEAP Intake Agency.

9.2.11 The maximum amount of a security deposit which a gas distributor may require a consumer to pay shall be calculated by multiplying the gas distributor's billing cycle factor and the consumer's estimated bill (which shall be based on the consumer's average monthly load with the gas distributor during the most recent 12 consecutive months within the past two years). Where relevant usage information is not available for the consumer for 12 consecutive months within the past two years or where the gas distributor does not have systems capable of making the above calculation, the consumer's average monthly load shall be based on a reasonable estimate made by the gas distributor.

9.2.12 Subject to section 9.2.2, a gas distributor may in its discretion reduce the amount of a security deposit which it requires a consumer to pay for any reason including where the consumer pays under an interim payment arrangement and where the consumer makes pre-authorized payments.

9.2.13 For the purposes of section 9.2.11, the billing cycle factor is 2.5 if the consumer is billed monthly, 1.75 if the consumer is billed bi-monthly and 1.5 if the consumer is billed quarterly.

9.2.14 Where a consumer, other than a residential consumer, has a payment history which discloses more than one disconnection notice in a relevant 12 month period, the gas distributor may use that consumer's highest actual or estimated monthly load for the most recent 12 consecutive months within the past two years for the purposes of making the calculation of the maximum amount of security deposit under section 9.2.11.

9.2.15 The form of payment of a security deposit for a residential consumer shall be cash or cheque at the discretion of the consumer or such other form as is acceptable to the gas distributor.

9.2.16 The form of payment of a security deposit for a non-residential low volume consumer shall be cash, cheque or an automatically renewing, irrevocable letter of credit from a bank as defined in the Bank Act, S.C. 1991, c. 46 at the discretion of the consumer. The gas distributor may also accept other forms of security such as surety bonds and third party guarantees.

9.2.17 A gas distributor shall permit the non-residential low volume consumer to provide a security deposit in equal installments paid over at least four months. A non-residential low volume consumer may, in its discretion, choose to pay the security deposit over a shorter time period.

9.2.18 Despite section 9.2.17, a gas distributor shall permit a residential consumer to provide a security deposit in equal installments paid over a period of at least six months, including where a new security deposit is required due to the gas distributor having applied the existing security deposit against amounts owing under section 9.2.28. A consumer may elect to pay the security deposit over a shorter period of time.

9.2.19 Interest shall accrue monthly on security deposits made by way of cash or cheque commencing on receipt of the total deposit required by the gas distributor. The interest rate shall be at the average over the period of the prime business rate set by the Bank of Canada less two percent. The interest accrued shall be paid out at least once every 12 months or on return of the security deposit to the consumer's account or upon the closure of the consumer's account, whichever comes first, and may be paid by crediting the account of the consumer or otherwise.

9.2.20 A gas distributor shall review every consumer's security deposit at least once in a calendar year to determine whether the entire amount of the security deposit is to be returned to the consumer as the consumer is now in a position that it would be exempt from paying a security deposit under section 9.2.3 or 9.2.8 had it not already paid a security deposit or whether the amount of the security deposit is to be adjusted based on a re-calculation of the maximum amount of the security deposit under section 9.2.11.

9.2.21 For the purposes of section 9.2.20, where a residential consumer has paid a security deposit in installments, a gas distributor shall conduct a review of the consumer's security deposit in the calendar year in which the anniversary of the first installment occurs and thereafter at the next review as required by this Rule.

9.2.22 A gas distributor shall respond promptly to a consumer who, no earlier than 12 months after the payment of a security deposit or the making of a prior demand for a review, demands in writing that the gas distributor undertake a review to determine whether the entire amount of the security deposit is to be returned to the consumer as the consumer is now in a position that it would be exempt from paying a security deposit under section 9.2.3 or 9.2.8 had it not already paid a security deposit or whether the amount of the security deposit is to be adjusted based on a re-calculation of the maximum amount of the security deposit under section 9.2.11.

9.2.23 For the purposes of section 9.2.19, where a residential consumer has paid a security deposit in installments, the consumer shall not be entitled to request a review of the security deposit until 12 months after the first installment was paid.

9.2.24 A gas distributor shall give notice to all residential consumers, at least annually, that any residential consumer that qualifies as an eligible low-income customer may request and receive a refund of any security deposit previously paid to the gas distributor by the consumer, after application of the security deposit to any outstanding arrears on the consumer's account.

9.2.25 Where an eligible low-income customer requests a refund of a security deposit previously paid to a gas distributor by the customer, the gas distributor shall advise the customer within 10 days of the request that the balance remaining after application of the security deposit to any outstanding arrears will be credited to his or her account where the remaining amount is equal to or greater than one month's average billing or, where the remaining amount is equal to or greater than one month's average billing, the customer may elect to receive the refund by cheque and the gas distributor shall issue a cheque within 11 days of the customer requesting payment by cheque.

9.2.26 Where the gas distributor determines in conducting a review under section 9.2.20 or 9.2.22 that some or all of the security deposit is to be returned to the consumer, the gas distributor shall promptly return this amount to the consumer by crediting the consumer's account or otherwise. Despite section 9.2.17, where the gas distributor determines in conducting a review under section 9.2.20 or 9.2.22 that the maximum amount of the security deposit is to be adjusted upward, the gas distributor may require the consumer to pay this additional amount at the same time as that consumer's next regular bill comes due.

9.2.27 Despite section 9.2.23, where a residential consumer is required to adjust the security deposit upwards, a gas distributor shall permit the consumer to pay the adjustment amount in equal installments paid over a period of at least six months. A consumer may elect to pay the security deposit over a shorter period of time.

9.2.28 Within six weeks of the closure of a consumer's account, a gas distributor shall return any security deposit that was received from the consumer, subject to the gas distributor's right to use the security deposit to set off other amounts owing by the consumer to the distributor.

9.2.29 Despite sections 9.2.20, 9.2.22, 9.2.26, 9.2.28, and 9.2.32, where all or part of a security deposit has been paid by a third party on behalf of a consumer, the gas distributor shall return the amount of the security paid by the third party, including interest, where applicable, to the third party. This obligation shall apply where and to the extent that:

- (a) the third party paid all or part (as applicable) of the security deposit directly to the gas distributor;
- (b) the third party has requested, at the time the security deposit was paid or within a reasonable time thereafter, that the gas distributor return all or part (as applicable) of the security deposit to it rather than to the consumer; and
- (c) there is not then any amount overdue for payment by the consumer that the gas distributor is permitted by this Rule to offset using the security deposit.

9.2.30 A gas distributor shall not issue a disconnection notice to a residential consumer for non-payment unless the gas distributor has first applied any security deposit held on

account for the consumer against any amounts owing at that time and the security deposit was insufficient to cover the total amount owing.

9.2.31 Where a gas distributor applies all or part of a security deposit to offset amounts owing by a residential consumer under section 9.2.30, the gas distributor may request that the consumer repay the amount of the security deposit that was so applied. The gas distributor shall allow the residential consumer to repay the security deposit in installments in accordance with section 9.2.30.

9.2.32 A gas distributor shall apply a security deposit to the final bill prior to the change in service where a consumer changes from system gas to a competitive gas vendor that uses gas vendor-consolidated billing or a consumer changes billing options from gas distributor-consolidated billing to split billing or gas vendor-consolidated billing. A gas distributor shall promptly return any remaining amount of the security deposit to the consumer. A gas distributor shall not pay any portion of a consumer's security deposit to a gas vendor. Where a change is made from gas distributor-consolidated billing to split billing, a gas distributor may retain a portion of the security deposit amount that reflects the non-payment risk associated with the new billing option.

9.3 Bill Issuance and Payment

9.3.1 A gas distributor shall include on each bill issued to a consumer the date on which the bill is printed.

9.3.2 Except as otherwise permitted by this Rule, a gas distributor shall not treat a bill issued to a consumer as unpaid, and shall not impose any late payment or other charges associated with non-payment, until the applicable minimum payment period set out in section 9.3.3 has elapsed.

9.3.3 For the purposes of section 9.3.2, the minimum payment period shall be 20 days from the date on which the bill was issued to the consumer. A gas distributor may provide for longer minimum payment periods, provided that any such longer minimum payment periods are documented in the gas distributor's Customer Service Policy.

9.3.4 For the purposes of section 9.3.3, a bill will be deemed to have been issued to a consumer:

- (a) if sent by mail, on the third day after the date on which the bill was printed by the gas distributor;*
- (b) if made available over the internet, on the date on which an e-mail is sent to the consumer notifying the consumer that the bill is available for viewing over the internet;*
- (c) if sent by e-mail, on the date on which the e-mail is sent; or*
- (d) if sent by more than one of the methods listed in paragraphs (a) to (c), on whichever date of deemed issuance occurs last.*

9.3.5 A gas distributor shall apply the following rules for purposes of determining the date on which payment of a bill has been received from a consumer:

- (a) if paid by mail, three days prior to the date on which the gas distributor receives the payment;*
- (b) if paid at a financial institution or electronically, on the date on which the payment is acknowledged or recorded by the consumer's financial institution; or*
- (c) if paid by credit card issued by a financial institution, on the date and at the time that the charge is accepted by the financial institution.*

9.3.6 Where a bill issued to a residential consumer includes charges for goods or services other than gas, a gas distributor shall allocate any payment made by the consumer first to the gas charges and then, if funds are remaining, to the charges for other goods or services.

9.3.7 Where payment on account of a bill referred to in section 9.3.6 is sufficient to cover gas charges, security deposits and billing adjustments, the gas distributor shall not impose late payment charges, issue a disconnection notice or disconnect gas supply.

9.3.8 Where payment on account of a bill referred to in section 9.3.6 is not sufficient to cover gas charges, security deposits and billing adjustments, the gas distributor shall allocate the payments in the following order: gas charges, payments towards an arrears payment agreement, outstanding security deposit, under-billing adjustments and non-gas charges.

9.3.9 Despite sections 9.3.6 and 9.3.8, where a residential consumer requests that a payment be allocated in a manner other than that specified in those sections, the gas distributor may, but is not required to, allocate the payment in the manner requested.

9.3.10 For the purposes of this section 9.3, a gas distributor shall apply the following rules relating to the computation of time:

- (a) where there is reference to a number of days between two events, the days shall be counted by excluding the day on which the first event happens and including the day on which the second event happens;*
- (b) where the time for doing an act expires on a day that is not a business day, the act may be done on the next day that is a business day;*
- (c) where an act, other than payment by a consumer, occurs on a day that is not a business day, it shall be deemed to have occurred on the next business day;*
- (d) where an act, other than payment by a consumer, occurs after 5:00 p.m., it shall be deemed to have occurred on the next business day; and*
- (e) receipt of a payment by a consumer is effective on the date that the payment is made, including payments made after 5:00 p.m.*

9.4 Equal Monthly Billing Plan

9.4.1 A gas distributor shall offer to all low volume consumers receiving system gas equal monthly billing plan option that meets the following minimum requirements:

- (a) a gas distributor may only refuse to provide an equal monthly billing plan option to a residential consumer that is in arrears on payment to the gas distributor for gas charges and that has not entered into an arrears payment agreement with the gas distributor;*
- (b) a gas distributor may only refuse an equal monthly billing plan option to a non-residential low volume consumer:*
 - i) who has fewer than 12 months' billing history;*
 - ii) is in arrears on payment to the gas distributor for gas charges or whose participation in the equal monthly billing plan in the past 12 months was cancelled due to non-payment; or*
 - iii) whose consumption pattern is not sufficiently predictable to be estimated on an annual basis with any reasonable degree of accuracy;*
- (c) a gas distributor shall offer an equal monthly billing plan to eligible consumers at least twice in each 12 month period through the consumer's preferred method of communication, if known, or otherwise by mail;*
- (d) a gas distributor shall offer to a residential consumer requesting an equal monthly billing plan a pre-authorized automatic monthly payment option whereby amounts due each month are automatically withdrawn from the consumer's account with a financial institution;*
- (e) a gas distributor may cancel the equal monthly billing plan if the consumer misses more than one monthly payment under the equal monthly billing plan within an equal billing year;*
- (f) subject to paragraph (e), the equal monthly billing plan shall provide for annual reconciliation of the plan as follows:*
 - i) while a consumer may join an equal monthly billing plan at any time during the calendar year, the gas distributor is only required to reconcile all of its equal monthly billing plans once during the calendar year and not on the 12th month anniversary since each individual consumer joined the plan;*
 - ii) in the first year of an equal monthly billing plan and where the consumer has been on the plan for less than 12 months, the consumer may receive a reconciliation earlier than the 12th month anniversary, as a result of sub-paragraph i);*
 - iii) while a gas distributor is only required to reconcile equal monthly billing plans on an annual basis, a gas distributor shall review its equal monthly billing plans quarterly or semi-annually and adjust the equal monthly billing*

- amounts in the event of material changes in a consumer's gas consumption or a consumer's gas charges;*
- iv) despite subparagraph iii), a gas distributor may adjust the equal monthly billing amounts at any time in the event of extraordinary changes in a consumer's gas consumption or a consumer's gas charges or for any other reason with the consumer's consent;*
 - v) where the annual reconciliation demonstrates that funds are owing to the consumer in an amount that is less than the consumer's average monthly billing amount, the gas distributor shall credit the amount to the consumer's account;*
 - vi) where the annual reconciliation demonstrates that funds are owing to the consumer in an amount that is equal to or exceeds the consumer's average monthly billing amount, the gas distributor shall credit the amount to the consumer's account and advise the consumer that the consumer may contact the gas distributor within 10 days of the date of the bill to request a refund of the overpayment by cheque instead and the gas distributor shall make payment within 11 days of the consumer's request;*
 - vii) where the annual reconciliation demonstrates that funds are owing by the consumer in an amount that is equal to or exceeds the consumer's average monthly billing, the gas distributor shall roll over the balance due to the following year's equal monthly billing plan and recover the balance over the first 11 months of the following year's equal monthly billing plan;*
 - viii) where a consumer leaves the equal monthly billing plan for any reason, the gas distributor shall conduct a reconciliation and shall include any funds owing by or to the consumer as a charge or credit on the next regularly scheduled bill issued to the consumer.*

9.4.2 For the purposes of section 9.4.1:

- (a) A consumer's average monthly billing amount shall be calculated by taking the aggregate of the total gas charges billed to the consumer in the preceding 12 months, and dividing that value by 12. If the consumer has been receiving service from the gas distributor for less than 12 months, the consumer's average monthly billing amount shall be based on a reasonable estimate made by the gas distributor.*
- (b) Despite paragraph (a), the gas distributor may adjust the average monthly billing amount calculated under that paragraph upward or downward if, in the gas distributor's reasonable opinion (based on, for example, a Board-approved rate change, or an estimate provided by the consumer), the amount calculated is likely to be materially different than the consumer's actual average monthly billing amount over the next 12 months.*

9.5 Arrears Payment Agreements

9.5.1 A gas distributor shall make available to any low volume consumer who is unable to pay their outstanding gas charges the opportunity to enter into an arrears payment agreement with the gas distributor. In respect of residential consumers, the arrears payment agreement shall include, at a minimum, the terms and conditions specified in sections 9.5.3 to 9.5.16 inclusive. In respect of non-residential low volume consumers, an arrears payment agreement need not include those terms and conditions, but shall be offered on reasonable terms.

9.5.2 If a gas distributor enters into discussions with a residential consumer and offers an arrears agreement but the consumer declines to enter into an arrears agreement, the gas distributor may proceed with disconnection and is not required to offer an arrears agreement to such a consumer after disconnection.

9.5.3 Before entering into an arrears payment agreement with a residential consumer under this section 9.5, a gas distributor shall apply any security deposit held on account of the consumer against any gas charges owing at the time.

9.5.4 As part of the arrears payment agreement, a gas distributor may require that the consumer pay a down payment of up to 15% of the gas charges arrears accumulated, inclusive of any applicable late payment charges but excluding other service charges, when entering into the arrears management program.

9.5.5 Where an eligible low-income customer enters into an arrears payment agreement for the first time or subsequent to having successfully completed a previous arrears payment agreement as an eligible low-income customer, a gas distributor may require that the consumer pay a down payment of up to 10% of the gas charges arrears accumulated, inclusive of late payment charges.

9.5.6 The arrears payment agreement referred to in section 9.5.1 shall allow the residential consumer to pay all remaining gas charges that are then overdue for payment as well as the current bill amount if the consumer elects to do so, after applying a security deposit under section 9.5.3, and the down payment referred to in section 9.5.4, including all gas-related service charges that have accrued to the date of the agreement, over the following periods:

- (a) a period of at least five months, where the total amount of the gas charges remaining overdue for payment is less than twice the residential consumer's average monthly billing amount;*
- (b) a period of at least 10 months, where the total amount of the gas charges remaining overdue for payment is equal to or exceeds twice the residential consumer's average monthly billing amount;*
- (c) in the case of an eligible low-income customer, a period of at least eight months, where the total amount of the gas charges remaining overdue for payment*

exceeds two times the eligible low-income customer's average monthly billing amount;

- (d) in the case of an eligible low-income customer, a period of at least 12 months where the total amount of the gas charges remaining overdue for payment exceeds two times the consumer's average monthly billing amount and is less than or equal to five times the consumer's average monthly billing amount; or*
- (e) in the case of an eligible low-income customer, a period of at least 16 months where the total amount of the gas charges remaining overdue for payment exceeds five times the eligible low-income customer's average monthly billing amount.*

9.5.7 For the purposes of section 9.5.6, the consumer's average monthly billing amount shall be calculated by taking the aggregate of the total gas charges billed to the consumer in the preceding 12 months and dividing that value by 12. If the consumer has been a customer of the gas distributor for less than 12 months, the consumer's average monthly billing amount shall be based on a reasonable estimate made by the gas distributor.

9.5.8 Where a residential consumer defaults on more than one occasion in making a payment in accordance with an arrears payment agreement, or a payment on account of a current gas charge billing, a security deposit amount or an under-billing adjustment, the gas distributor may cancel the arrears payment agreement.

9.5.9 If the gas distributor cancels an arrears payment agreement pursuant to section 9.5.8, the gas distributor will give written notice of cancellation to the consumer and to any third party designated by the consumer under section 9.5.10 at least 10 days before the effective date of the cancellation.

9.5.10 Where, at the time of entering into an arrears payment agreement a residential consumer has designated a third party to receive notice of cancellation of the arrears payment agreement, the gas distributor shall provide notice of cancellation to such third party.

9.5.11 A gas distributor shall accept electronic mail (e-mail) or telephone communications from the residential consumer for the purposes of section 9.5.10.

9.5.12 If the residential consumer makes payment of all amounts due pursuant to the arrears payment agreement as of the cancellation date referred to in section 9.5.9 and makes such payment on or before the cancellation date, the gas distributor shall reinstate the arrears payment agreement.

9.5.13 Where an eligible low-income customer defaults on more than two occasions in making a payment in accordance with an arrears payment agreement, or a payment on account of a current gas charge billing or an under-billing adjustment, the gas distributor may cancel the arrears payment agreement.

9.5.14 For the purposes of sections 9.5.8 and 9.5.13, the defaults must occur over a period of at least two months before the gas distributor may cancel the arrears payment agreement.

9.5.15 A gas distributor shall make available to a residential gas consumer a second arrears payment agreement if the consumer so requests, provided that two years or more have passed since a first arrears payment agreement was entered into and provided that the consumer performed his or her obligations under the first arrears payment agreement.

9.5.16 The gas distributor is not required to waive any Board-approved late payment charges that accrue to the date of the arrears payment agreement but no further late payment charges may be imposed on a residential consumer after he or she has entered into an arrears payment agreement with the gas distributor in respect of the amount that is the subject of that agreement.

9.5.17 In the case of an eligible low-income customer, the gas distributor shall allow such a customer to enter into a subsequent arrears payment agreement upon successful completion of the previous arrears payment agreement on the following terms:

- (a) if a second or subsequent arrears payment agreement is requested less than 12 months from the date of completion of the previous arrears payment agreement, then the standard arrears payment agreement terms applicable to all residential consumers under sections 9.5.1 to 9.5.9 also apply to the eligible low-income customer; or*
- (b) if a second or subsequent arrears payment agreement is requested 12 months or more from the date of completion of the previous arrears payment agreement, the eligible low-income customer shall be entitled to the arrears payment agreement terms set out in sections 9.5.5, 9.5.6(c), 9.5.6(d), 9.5.6(e), 9.5.14, and 9.5.14.*

9.5.18 The gas distributor shall not disconnect the property of a residential consumer, for failing to make a payment subject to an arrears payment agreement, unless the consumer is in default, according to sections 9.5.8, 9.5.13 and 9.5.14, and the gas distributor has cancelled the arrears payment agreement in accordance with the provisions of this Rule.

9.5.19 In the event a consumer failed to perform their obligations under a previous arrears payment agreement and the gas distributor terminated the agreement pursuant to section 9.5.8 (in the case of a residential consumer) or otherwise (in the case of a non-residential low volume consumer), the gas distributor may require that the consumer wait one year after termination of the previous agreement before entering into another arrears payment agreement with the gas distributor.

9.8 Disconnection and Reconnection

9.8.1 A gas distributor shall establish a process for disconnection and reconnection that specifies timing and means of notification consistent with this Rule. In developing physical and business practices for reconnection, a gas distributor shall consider safety and reliability as a primary requirement. A gas distributor shall document its business process for disconnection in respect of residential consumers in its Customer Service Policy.

9.8.2 A gas distributor that intends to disconnect, pursuant to section 59 of the Public Utilities Act, R.S.O. 1990, c. P.52, the property of a residential consumer for non-payment shall send or deliver a disconnection notice to the consumer that contains, at a minimum, the following information:

- (a) the date on which the disconnection notice was printed by the gas distributor;*
- (b) the earliest and latest dates on which disconnection may occur, in accordance with sections 9.8.12 and 9.8.7;*
- (c) the amount that is then overdue for payment, including all applicable late payment and other charges associated with non-payment to that date;*
- (d) the amount of any approved service charge(s) that may apply to reconnect service following disconnection, and the circumstances in which each of these charges is payable;*
- (e) the forms of payment that the consumer may use to pay all amounts that are identified as overdue in the disconnection notice, which must at least include payment by credit card issued by a financial institution as described in section 4.2.4 and any other method of payment that the gas distributor ordinarily accepts and which can be verified within the time period remaining before disconnection;*
- (f) the time period during which any given form of payment listed under paragraph (e) will be accepted by the gas distributor;*
- (g) that, in order to avoid disconnection if the gas distributor attends at the consumer's property to execute the disconnection, a consumer will only be able to pay by credit card issued by a financial institution, unless the gas distributor, in its discretion, will accept other forms of payment at that time and sets out the other forms of payment in the disconnection notice;*
- (h) that a disconnection may take place whether or not the consumer is at the premises (provided, however, that this information need not be included if the gas distributor does not in fact disconnect service when the consumer is not at the premises));*
- (i) that a Vital Services By-Law may exist in the consumer's community and that the consumer should contact their local municipality for more information (provided,*

however, that this information need not be included if in fact such a by-law does not exist);

- (j) that a Board-prescribed standard arrears management program and equal monthly billing plan option may be available to all residential consumers, along with contact information for the gas distributor where the consumer can obtain further information;*
- (k) that the following additional assistance may be available to an eligible low-income customer, along with contact information for the gas distributor where the customer can obtain further information about the additional assistance:*
 - i. Board-prescribed arrears management program, and other expanded customer service provisions, specifically for eligible low-income customers; and*
 - ii. Emergency Financial Assistance; and*
- (l) any additional option(s) that the gas distributor chooses, in its discretion, to offer to the consumer to avoid disconnection and the deadline for the consumer to avail himself or herself of such option(s).*

9.8.3 A gas distributor that sends or delivers to a consumer a disconnection notice for non-payment shall not include that notice in the same envelope as a bill or any other documentation emanating from the gas distributor.

9.8.4 A gas distributor shall, at the request of a residential consumer, send a copy of any disconnection notice issued to the consumer for non-payment to a third party designated by the consumer for that purpose provided that the request is made no later than the last day of the applicable minimum notice period set out in section 9.8.12. In such a case:

- (a) the gas distributor shall notify the third party that the third party is not, unless otherwise agreed with the gas distributor, responsible for the payment of any charges for the provision of gas service in relation to the consumer's property; and*
- (b) the rules set out in sections 9.3.4 and 9.3.10 shall apply, with such modifications as the context may require, for the purposes of determining the date of receipt of the disconnection notice by the third party.*

9.8.5 A residential consumer may, at any time prior to disconnection, designate a third party to also receive any future notice of disconnection and the gas distributor shall send notice of disconnection to such third party.

9.8.6 A gas distributor shall accept electronic mail (e-mail) or telephone communications from the consumer for purposes of section 9.8.5.

9.8.7 A disconnection notice issued for non-payment shall expire on the date that is 14 days from the last day of the applicable minimum notice period referred to in section 9.8.12, determined in accordance with the rules set out in section 9.3.10. A gas distributor may not thereafter disconnect the property of the consumer for non-payment unless the gas distributor issues a new disconnection notice in accordance with section 9.8.2.

9.8.8 A gas distributor shall make reasonable efforts to contact, in person or by telephone, a residential consumer to whom the gas distributor has issued a disconnection notice for non-payment at least 48 hours prior to the scheduled date of disconnection. At that time, the gas distributor shall:

- (a) advise the consumer of the scheduled date for disconnection;*
- (b) if applicable, advise the consumer that a disconnection may take place whether or not the consumer is at the premises;*
- (c) advise that the consumer has the option to pay amounts owing by credit card issued by a financial institution, in addition to other forms of payment that the gas distributor will accept at that time and which can be verified within the time period remaining before disconnection; and advise during what hours such payments may be made;*
- (d) advise the consumer that, if the gas distributor attends at the consumer's property to execute the disconnection, the consumer will only be able to pay by credit card issued by a financial institution, unless the gas distributor, in its discretion, will accept other forms of payment at that time;*
- (e) advise the consumer that a Board-prescribed standard arrears management program and equal monthly billing plan option may be available to all residential consumers; the gas distributor must be prepared to enter into an arrears payment agreement at that time if the consumer is eligible under section 9.5;*
- (f) advise that the following additional assistance may be available to an eligible low-income customer, along with contact information for the gas distributor where the customer can obtain further information about the additional assistance:*
 - i) a Board-prescribed arrears management program, and other expanded customer service provisions, specifically for eligible low-income customers; and*
 - ii) Emergency Financial Assistance; and*
- (g) advise the consumer of any additional option(s) that the gas distributor, in its discretion, wishes to offer to the consumer to avoid disconnection.*

9.8.9 Where a gas distributor issues a disconnection notice for non-payment in respect of the disconnection of a multi-unit, master-metered building, the gas distributor shall

post a copy of the disconnection notice in a conspicuous place on or in the building promptly after issuance of the notice.

9.8.10 A gas distributor shall suspend any disconnection action for a period of 21 days from the date of notification by a LEAP Intake Agency that it is assessing a residential consumer for the purposes of determining whether the consumer is eligible to receive such assistance, provided such notification is made within 14 days from the date on which the disconnection notice is received by the consumer. Where a residential consumer had requested prior to the issuance of the disconnection notice that the gas distributor also provide a copy of any disconnection notice to a third party, the gas distributor shall suspend any disconnection action for a period of 21 days from the date of notification by the third party that he, she or it is attempting to arrange assistance with the bill payment, provided such notification is made within 14 days from the date on which the disconnection notice is received by the consumer.

9.8.11 Despite section 9.8.10, upon notification by a LEAP Intake Agency that a consumer is not eligible to receive such assistance, or if another third party who was considering the provision of bill assistance decides not to proceed, the gas distributor may continue its disconnection process. Gas distributors will have up to 14 days to act on the previous disconnection notice and must make a further reasonable effort to contact the consumer in accordance with section 9.8.8 prior to executing disconnection.

9.8.12 A gas distributor shall not disconnect a consumer for non-payment until the following minimum notice periods have elapsed:

- (a) 60 days from the date on which the disconnection notice is received by the consumer, in the case of a residential consumer that has provided the gas distributor with documentation from a physician confirming that disconnection poses a risk of significant adverse effects on the physical health of the consumer or on the physical health of the consumer's spouse, dependant family member or other person that regularly resides with the consumer; or*
- (b) 14 days from the date on which the disconnection notice is received, in all other cases.*

9.8.13 For the purposes of section 9.8.12:

- (a) where a disconnection notice is sent by mail, the disconnection notice shall be deemed to have been received by the consumer on the fifth calendar day after the date on which the notice was printed by the gas distributor;*
- (b) where a disconnection notice is delivered by personal service, the disconnection notice shall be deemed to have been received by the consumer on the date of delivery;*

- (c) where a disconnection notice is delivered by being posted on the consumer's property, the disconnection notice shall be deemed to have been received by the consumer on the date of such posting;*
- (d) "spouse" has the meaning given to it in section 29 of the Family Law Act, R.S.O. 1990, c. F.3;*
- (e) "dependant family member" means a "dependant" as defined in section 29 of the Family Law Act, R.S.O. 1990, c. F.3, and also includes a grandparent who, based on need, is financially dependant on the consumer; and*
- (f) the gas distributor shall apply the rules relating to the computation of time set out in section 9.3.10.*

9.8.14 At least seven days before issuing a disconnection notice for non-payment, a distributor shall deliver an account overdue notice to the consumer by the consumer's preferred method of communication, if known, or otherwise by mail.

9.8.15 A gas distributor may disconnect without notice in accordance with a court order or for emergency, safety or system reliability reasons.

9.8.16 Where a gas distributor has issued a disconnection notice to a residential consumer for non-payment, the gas distributor shall ensure it has the facilities or staff available to permit the consumer to pay all amounts that are then overdue for payment by credit card issued by a financial institution. Subject to section 9.8.17, this payment option must be offered during the regular business hours of the gas distributor, from the time the disconnection notice is delivered to a residential consumer until the time the gas distributor's staff attends at the consumer's premises to execute the disconnection.

9.8.17 Where a gas distributor attends at a residential consumer's property to execute a disconnection, whether during or after the gas distributor's regular business hours, the gas distributor shall ensure it has the facilities or staff available at that time to permit the consumer to pay all amounts that are then overdue for payment by credit card issued by a financial institution. The gas distributor may, in its discretion, also accept other forms of payment at the time of disconnection.

9.8.18 Where a gas distributor was unsuccessful in its attempt to contact a residential consumer 48 hours before the planned disconnection as required under section 9.8.8, and the gas distributor intends to execute the disconnection by attendance at the consumer's premises, the gas distributor shall make a reasonable attempt to communicate with the consumer, with due regard for the safety and security of the gas distributor's personnel, if the consumer is at the property, to advise that disconnection will be executed and that payment may be made by credit card issued by a financial institution.

9.8.19 A gas distributor shall not disconnect a consumer for non-payment on a day the gas distributor is closed to the public to make payment and/or reconnection arrangements or on the day preceding that day.

9.8.20 The physical process by which a gas distributor disconnects or reconnects shall reflect good utility practice and consider safety as a primary requirement.

9.8.21 Despite section 59 of the Public Utilities Act, R.S.O. 1990, c. P.52, a gas distributor shall not apply any charges for disconnecting a consumer for non-payment.

9.8.22 A gas distributor may recover from the consumer responsible for the disconnection reasonable costs for repairs of the gas distributor's physical assets attached to the property in reconnecting the property.

9.8.23 A gas distributor may recover from the person requesting the reconnection any Board approved reconnection charges. The reconnection charges shall be applied only after reconnection has occurred. If a residential consumer is unable to pay the reconnection charges, the distributor shall offer reasonable payment arrangements. The distributor shall waive the reconnection charges for an eligible low-income customer.

9.9 Winter Disconnection and Reconnection

9.9.1 Subject to section 9.9.3, a gas distributor shall not, during a Disconnection Ban Period:

- (a) disconnect an occupied residential property solely on the grounds of non-payment; or
- (b) issue a disconnection notice in respect of an occupied residential property solely on the grounds of non-payment, provided, however, that the gas distributor may issue a disconnection notice that complies with section 9.8 of this Rule in the last month of the Disconnection Ban Period in respect of a disconnection to take place after the end of the Disconnection Ban Period.

Nothing in this section shall preclude the gas distributor from disconnecting an occupied residential property during a Disconnection Ban Period in accordance with all applicable regulatory requirements, including the required disconnection notice, if at the unsolicited request of the consumer given in writing for that Disconnection Ban Period.

9.9.2 Subject to section 9.9.3, a gas distributor shall ensure that any residential property that had been disconnected solely on the grounds of non-payment is, if an occupied residential property, reconnected by December 1st. Nothing in this section shall require the gas distributor to reconnect an occupied residential property in respect of a Disconnection Ban Period if the consumer gives unsolicited notice to the Licensee not to do so in writing for that Disconnection Ban Period and has not rescinded that notice.

9.9.3 Nothing in sections 9.9.1 or 9.9.2 shall:

- (a) prevent the gas distributor from taking such action in respect of an occupied residential property as may be required to comply with any applicable and generally accepted safety requirements or standards; or*
- (b) require the gas distributor to act in a manner contrary to any applicable and generally accepted safety requirements or standards.*

9.9.4 For the purposes of sections 9.9.1 to 9.9.3:

“Disconnection Ban Period” means the period commencing at 12:00 am on November 15th in one year and ending at 11:59 pm on April 30th in the following year;

“occupied residential property” means an account with a gas distributor that is:

- (a) inhabited by a residential consumer; or*
- (b) in an uninhabited condition as a result of the property having been disconnected by the gas distributor outside of a Disconnection Ban Period.*

9.9.5 Sections 9.9.1 to 9.9.4 apply despite any other provision of this Rule to the contrary.

10 CONSUMER COMPLAINT RESPONSE PROCESS

10.1 General

10.1.1 This section 10 applies only to rate-regulated gas distributors.

10.2 Definitions

10.2.1 In this section 10:

“complaint” means an allegation by a consumer of a breach of an enforceable provision by a gas distributor;

“Consumer Complaint Response Process” means the requirements set out in this section 10;

“enforceable provision” has the meaning given to it in section 3 of the Act; and

“OEB E - Portal” means the Board’s electronic communication tool used to communicate with a gas distributor for the purposes of the Consumer Response Process.

10.3 Complaint Response

10.3.1 After a consumer directly contacts the gas distributor and makes a complaint, if the complaint is not addressed within 10 business days, the gas distributor shall inform the consumer that the consumer can contact the Board at any time, and shall at the same time provide the consumer with either the Board’s designated toll-free telephone

number or local telephone number (as requested by the consumer), and the website address designated by the Board for that purpose.

10.3.2 A gas distributor shall, within five business days of the coming into force of this section, provide the Board with an e-mail address for the purposes of the Consumer Complaint Response Process. The gas distributor shall ensure that the e-mail address is monitored at all times during the gas distributor's regular business hours.

10.3.3 A gas distributor shall, within five business days of the coming into force of this section, provide the Board with the following information the name, title, direct telephone number, direct e-mail address, and mailing address of:

- (a) the person designated by the gas distributor as the gas distributor's contact person for purposes of the Consumer Complaint Response Process; and*
- (b) the person that the person in paragraph (a) reports to.*

10.3.4 If any of the information required under sections 10.3.2 or 10.3.3 changes, the gas distributor shall provide the Board with updated information as soon as possible upon becoming aware of the change and in any event no later than five business days of the change taking effect.

10.3.5 Where a non-complaint issue from a consumer is forwarded to a gas distributor through the OEB E-Portal, the gas distributor shall respond directly to the consumer, in a timely manner. In such a case, the gas distributor is not required to follow the process set out in sections 10.3.6 to 10.3.9.

10.3.6 Where a complaint is forwarded to a gas distributor through the OEB E-Portal, the gas distributor shall provide, through the OEB E-Portal, a response to the complaint that meets the requirements of section 10.3.7 within:

- (a) two business days of the date of receipt of the complaint, where the complaint relates to any other matter that the Board has, when forwarding the complaint, designated as having an unduly adverse impact on the consumer or consumers more generally (where applicable); or*
- (b) 10 business days of receipt of the complaint in all other cases*

10.3.7 The gas distributor's response referred to in section 10.3.6 must include the following:

- (a) all pertinent information regarding the complaint, including any relevant background information;*
- (b) the steps taken by the gas distributor to investigate the complaint;*
- (c) the steps taken by the gas distributor to resolve the complaint;*
- (d) any other information that is reasonably necessary to enable a good understanding of the circumstances surrounding the complaint;*

- (e) if the complaint has not been resolved to the satisfaction of the consumer, the reasons why the complaint remains unresolved;*
- (f) if the complaint has been resolved to the satisfaction of the consumer, a description of the resolution and, if any further steps are required to implement the resolution, a timeline for when those steps will be completed; and*
- (g) a copy of all relevant documents and communications between the consumer and the gas distributor in relation to the complaint.*

10.3.8 Within five business days of being requested to do so, a gas distributor shall provide, through the OEB E-Portal, such additional information beyond the information required by section 10.3.7 regarding the gas distributor's handling of a complaint as may reasonably be required by the Board in order to review and assess the matter.

10.3.9 Where section 10.3.7(f) applies and the steps for implementing the resolution were not all completed at the time the gas distributor provides its response under section 10.3.6, the gas distributor shall confirm through the OEB E-Portal once the resolution has been completed. Such confirmation shall be provided as soon as possible, but in no event later than five business days after the date on which the resolution is completed.

10.3.10 For the purposes of the Consumer Complaint Response Process, where there is a reference to a number of days between two events, the days shall be counted by excluding the day on which the first event happens and including the day on which the second event happens.

Attachment F

to

Notice of Proposed Amendments to Codes and a Rule and Notice of Hearing

December 18, 2018

EB-2017-0183

DRAFT ORDER

**NON-PAYMENT OF ACCOUNT SERVICE CHARGES FOR ELECTRICITY AND
NATURAL GAS DISTRIBUTORS**

THE ONTARIO ENERGY BOARD ORDERS THAT:

PART A: ELECTRICITY DISTRIBUTOR NON-PAYMENT OF ACCOUNT CHARGES

1. Effective **May 1, 2019**, despite any previous rate order, no electricity distributor shall apply any charge identified as a “Collection of Account” charge in the distributor’s tariff of rates and charges.
2. Effective **May 1, 2019**, despite any previous rate order, no electricity distributor shall apply any charge identified as an “Install/Remove Load Control Device” charge in the distributor’s tariff of rates and charges.
3. Effective **May 1, 2019**, any reference to “Disconnect/Reconnect” in an electricity distributor’s tariff of rates and charges shall be read as “Reconnection”.
4. Effective **May 1, 2019**, the charge identified in an electricity distributor’s tariff of rates and charges as “Late Payment – per month” is updated as follows:

Late Payment – per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.50
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5. Effective **May 1, 2019**, the charge identified in an electricity distributor's tariff of rates and charges as "Late Payment – per annum" is discontinued.

PART B: GAS DISTRIBUTOR NON-PAYMENT OF ACCOUNT CHARGES

6. Effective **May 1, 2019**, despite any previous rate order, no gas distributor shall apply charges for disconnecting a customer's service for reasons of non-payment and any such previously OEB-approved charge is discontinued.
7. Effective **May 1, 2019**, despite any previous rate order, any previously OEB-approved charges associated with reconnection of a customer who had previously been disconnected for non-payment reasons shall be read as "Reconnection".
8. Effective **May 1, 2019**, the OEB-approved late payment charge shall be read as 1.50% per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate).