



Ontario
Energy
Board | Commission
de l'énergie
de l'Ontario

BY EMAIL and WEB POSTING

June 3, 2020

**To: All Licensed Electricity Distributors
All Licensed Electricity Retailers
All Licensed Unit Sub-metering Providers
Independent Electricity System Operator
All Other Interested Stakeholders**

**Re: Consultation on Implementing the Process for Enabling Customers to Opt
Out of Time-of-Use Pricing
Ontario Energy Board File No: EB-2020-0152**

On June 1, 2020, the government announced that it intends to introduce customer choice for consumers on the Regulated Price Plan who pay time-of-use (TOU) prices. This initiative would allow those TOU customers to opt out of TOU pricing in favour of tiered prices starting November 1, 2020.

The Ministry of Energy, Northern Development and Mines has indicated it is looking to the Ontario Energy Board (OEB) to develop, in consultation with electricity distributors and other stakeholders as appropriate, the rules to implement that customer choice initiative.

The OEB is therefore initiating a consultation to inform the development of amendments to its Standard Supply Service Code and other regulatory instruments as required in order to ensure the timely, efficient and effective implementation of the new opt-out mechanism. Proposed amendments to Codes will be issued for comment by the OEB as set out in the *Ontario Energy Board Act, 1998*.

The OEB anticipates that the implementation of the new opt-out mechanism will require, among other things, changes to billing systems and the development of new materials or tools to assist customers in making an informed decision about which price structure is right for them.

In order to achieve a November 1, 2020 implementation date, it will be important for this consultation to move forward on an expedited basis in order for distributors and other regulated entities to implement the new regulatory requirements through their systems, and to ensure that resources are available to customers on a timely basis to support their decision-making.

Initial Consultation Activities

The consultation will begin with an initial stakeholder meeting to be held via Webex on **Tuesday, June 9, 2020**, from 9:30 a.m. to 12 p.m. Login and other details will be sent to the regulated entities to whom this letter is addressed, and will also be provided online on the OEB's [web page](#) for this initiative.

The objectives of this initial stakeholder meeting will be to:

1. Canvass the issues to be addressed in order to implement the opt-out mechanism, including:
 - the process and steps for a TOU consumer to opt out of the TOU price structure
 - any minimum and maximum time between receipt of a TOU customer's request to opt out of (or back into) the TOU price structure and the time when billing the selected price structure can begin
 - the minimum time a customer must spend on the selected price structure following an election; in other words, the permissible frequency of opting out of and back into TOU pricing
 - the materials or tools needed to support customer decision-making on which price structure is right for them, and the means by which such materials or tools are best made available
 - the form and minimum content of the notice to be given by TOU customers that wish to opt out of, or back in to, TOU pricing
 - other documents that may be required for the process, and the extent to which they should be standardized
2. Understand key milestones on the critical path for November 1, 2020 implementation, including:
 - the scope of new billing functionality required
 - the time required to alter billing systems
 - incremental resources and/or training for enhanced customer service functions
 - the time required to develop customer information resources

Given the technical nature of many of the implementation issues, a TOU Customer Choice Working Group will be established. Stakeholders may volunteer to participate on the Working Group. Its composition will be selected by the OEB. Working Group meetings are expected to be scheduled shortly following the initial stakeholder meeting.

It is expected that several meetings will take place in the second half of June. Additional meeting time will be scheduled as required.

As noted above, all interested stakeholders will have an opportunity to comment on the Code amendments that will be proposed in order to implement the opt-out mechanism.

The OEB will also be informed by hearing directly from consumers through the OEB's [online consumer engagement page](#) in parallel to the stakeholder consultation process.

Invitation to Participate and Cost Awards

The OEB encourages participation in this consultation by all interested stakeholders.

Those interested in participating should indicate their intent by filing a letter with the OEB by **June 8, 2020** in accordance with the filing instructions set out in Attachment A. The letter should also include:

- a statement as to whether the participant is requesting cost award eligibility
- a statement as to whether the participant is interested in being part of the TOU Customer Choice Working Group referred to above

Cost Awards

Cost awards will be available under section 30 of the *Ontario Energy Board Act, 1998* to eligible participants for their participation in this consultation. Costs awarded will be recovered from all rate-regulated licensed electricity distributors based on the number of customers they serve.

Attachment B to this letter contains information regarding cost eligibility requests and cost awards for this consultation. Although cost awards will be available to eligible participants in relation to their participation in the initial stakeholder meeting and on the TOU Customer Choice Working Group, given the timelines it will not be possible to complete the cost award eligibility process and issue a decision on eligibility before certain initial consultation activities take place.

Cost award eligibility requests and other filings related to cost awards must be made in accordance with the filing instructions set out in Attachment A. In order to facilitate a timely decision on cost eligibility, the deadlines for filing cost eligibility requests will be strictly enforced and the OEB is waiving the normal process of allowing objections to be filed in respect of cost eligibility requests.

All materials related to this consultation will be available on the OEB's [web page](#) for this consultation.

Any questions relating to this consultation should be directed to Shona Adamson at shona.adamson@oeb.ca or at 416-440-7606. The OEB's toll-free number is 1-888-632-6273.

Yours truly,

Original signed by

Brian Hewson
Vice President, Consumer Protection & Industry Performance

Attachment A - Filing Instructions

NOTE: The OEB is temporarily waiving the paper copy filing requirement until further notice.

All filings to the OEB must quote file number **EB-2020-0152**, be made in searchable / unrestricted PDF format and sent electronically through the OEB's web portal at <https://pes.ontarioenergyboard.ca/eservice/>. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Stakeholders must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <https://www.oeb.ca/industry>. If the web portal is not available stakeholders may email their documents to BoardSec@oeb.ca, citing the file number (EB-2020-0152) in the subject line.

All filings should be directed to the attention of the Board Secretary at BoardSec@oeb.ca, and be received no later than 4:45 p.m. on the required date.

ADDRESS

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4
Attention: Board Secretary

Email: boardsec@oeb.ca
Tel: 1-888-632-6273 (Toll free)
Fax: 416-440-7656

Attachment B - Cost Awards

Any person intending to request an award of costs must file with the OEB a written submission to that effect by **June 8, 2020**. The submission must identify the following:

- The nature of the person's interest in this consultation
- The grounds on which the person believes that they are eligible for an award of costs (addressing the OEB's cost eligibility criteria as set out in section 3 of the OEB's [*Practice Direction on Cost Awards*](#))
- An explanation of any other funding to which the person has access
- The name and credentials of any lawyer, analyst or consultant that the person intends to retain, if known

All requests for cost eligibility will be posted on the OEB's website.

Eligible Activities

Cost awards will be available to eligible participants for participation in the initial stakeholder meeting and in meetings of the TOU Customer Choice Working Group, to a maximum of actual meeting time plus 50% of meeting time for preparation and reporting. Details on subsequent consultation activities eligible for cost awards will be provided at a later date.

Cost Awards

The OEB will apply the principles set out in section 5 of its *Practice Direction on Cost Awards* when awarding costs. The maximum hourly rates set out in the OEB's Cost Awards Tariff will 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.

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, please refer to the OEB's *Practice Direction on Cost Awards*.