



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

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## **DECISION AND ORDER**

**EB-2020-0186**

### **Amending the Independent Electricity System Operator's Licence to require it to assist with the administration of the Covid-19 Energy Assistance Program – Small Business**

**BY DELEGATION, BEFORE: Brian Hewson**  
Vice President,  
Consumer Protection & Industry Performance

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**August 10, 2020**

## INTRODUCTION AND SUMMARY

The Ontario Energy Board (OEB), of its own motion, is commencing this proceeding to amend the licence of the Independent Electricity System Operator (IESO) to support the implementation of the government's COVID-19 Energy Assistance Program – Small Business (CEAP-SB). As set out in this Decision and Order, the amendment requires the IESO to reimburse licensed electricity distributors and licensed unit sub-meter providers (Utilities) on a monthly basis for amounts related to CEAP-SB that the Utilities have credited to eligible customers up to the maximum amount allocated to each Utility by the OEB.

## BACKGROUND

By letter dated August 4, 2020, the Minister of Energy, Northern Development and Mines and the Associate Minister of Energy confirmed the government has allocated \$8 million to assist small businesses and registered charities who have fallen behind on their energy bills (Ministers' Letter). The Ministers' Letter asked for the OEB's support to implement CEAP-SB, and to take action as necessary to ensure Utilities and natural gas distributors provide CEAP-SB to their eligible small business and registered charity customers.

On August 7, 2020, the OEB issued a Decision and Order (EB-2020-0185) which amended the licences of all Utilities to require them to deliver CEAP-SB to their eligible customers. That Decision and Order also set out the total CEAP-SB funding that will be available to each class of Utility as a whole.

As set out in the Ministers' Letter, the Ministry of Energy, Northern Development and Mines intends to enter into a transfer payment agreement with the IESO to enable the IESO to reimburse Utilities in respect of the CEAP-SB credits that they provide to their eligible customers. The OEB finds it necessary to amend the licence of the IESO to support the timely implementation of CEAP-SB.

This Decision and Order is being issued by Delegated Authority without a hearing pursuant to section 6(4) of the *Ontario Energy Board Act, 1998* (OEB Act).

## DECISION

Section 57 of the OEB Act requires the IESO to be licensed. Section 70(1) of the OEB Act states that a licence may prescribe conditions as are appropriate having regard to the OEB's statutory objectives. One of those objectives is to protect the interests of consumers with respect to prices.

In keeping with steps already taken by the OEB relating to the implementation of the COVID-19 Energy Assistance Program for residential customers (CEAP residential program), and to ensure a timely implementation of CEAP-SB, the OEB has determined that the IESO's licence should be amended to require the IESO to provide settlement services to reimburse Utilities for the amount of the on-bill credits that they provide to eligible customers under CEAP-SB, up to the maximum amount per Utility as detailed in Appendix A of the OEB's [letter](#) to Utilities dated August 7, 2020. To facilitate the efficient and timely implementation of CEAP-SB, the CEAP-SB licence conditions are aligned where appropriate with those relating to the CEAP residential program.

The CEAP-SB licence amendments for Utilities referred to above require the Utilities to provide information as the IESO may reasonably require in respect of their requests for reimbursement. The OEB expects that the IESO's settlement process to allow for the monthly reimbursement of Utilities in respect of the on-bill credits that they provide to their customers on account of CEAP-SB will be the same, to the extent possible, as the one implemented for the CEAP residential program in order to minimize costs for both Utilities and the IESO.

Although the OEB will not require the IESO to independently verify the CEAP-SB amounts claimed by Utilities, the IESO will be required to ensure that no amount is provided to a Utility in excess of the maximum amount of CEAP-SB funding allocated to the Utility by the OEB. To support the monitoring of CEAP-SB implementation, the IESO will also be required to provide the OEB with information on a monthly basis regarding reimbursement claims made by Utilities and the number of customers to whom each Utility has provided credits.

The new IESO licence conditions are effective immediately.

#### **IT IS ORDERED THAT:**

1. The IESO's licence, EI-2013-0066, is amended by adding the following new section 24, with effect as of today's date:

#### **24 Settlement of COVID-19 Energy Assistance Plan – Small Business Funding**

24.1 For the purposes of paragraphs 24.1 to 24.7:

“CEAP-SB” means the COVID-19 Energy Assistance Program – Small Business as described in the Board's Decision and Order dated August 7, 2020 (EB-2020-0185)

“Utility” means an electricity distributor or a unit sub-meter provider licensed by the Board

24.2 The Licensee shall distribute to Utilities the funds it receives from the Government of Ontario for the purposes of CEAP-SB in accordance with paragraphs 24.2 to 24.6.

24.3 Subject to paragraph 24.6, the Licensee shall reimburse each Utility for any credits provided by the Utility to eligible customers on account of CEAP-SB, and shall do so on a monthly basis commencing in October 2020 and in accordance with paragraph 24.4.

24.4 Reimbursement shall be made to a Utility following receipt of a claim submitted in accordance with such settlement instructions as the Licensee may reasonably provide, and in accordance with such settlement processes as the Licensee may reasonably apply having regard to efficiency and the time limited nature of CEAP-SB.

24.5 The Licensee is not required to independently verify the claims for reimbursement submitted by a Utility, and may rely on the information contained in such claims for the purposes of making reimbursement.

24.6 The Licensee shall not reimburse a Utility in an amount greater than the total amount of CEAP-SB funding that has been allocated to that Utility by the Board.

24.7 The Licensee shall:

- (a) keep complete records of its settlement activities under paragraphs 24.1 to 24.6 for a period of two years following the date on which the last report is made to the Board under paragraph 24.7(b), and provide them to the Board on request; and
- (b) report the following information to the Board, in such form as may be required by the Board, on the 20<sup>th</sup> day of each month starting October 20, 2020 and until such time as the funds provided to the Licensee by the Government of Ontario on account of CEAP-SB have been expended and the Licensee has fully reported to the Board thereon:
  - (i) The amount of CEAP-SB funding (on both a monthly and total basis) claimed by each Utility; and
  - (ii) The amount of CEAP-SB funding (on both a monthly and total basis) distributed by the Licensee to each Utility.

**DATED** at Toronto August 10, 2020

**ONTARIO ENERGY BOARD**

*Original Signed By*

Brian Hewson  
Vice President, Consumer Protection & Industry Performance