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**BY EMAIL** 

March 4, 2021

Greg St. Louis Director, Utilities Kitchener Utilities 131 Goodrich Drive Kitchener ON N2C 2E8 e-mail: <u>regulatory@kitchener.ca</u>

Dear Mr. Louis:

## Re: Covid-19 Energy Assistance Program and Covid-19 Energy Assistance Program – Small Business Amended Eligibility Criteria and Maximum Credit Amounts

By letters dated <u>June 16, 2020</u>, <u>August 7, 2020</u>, <u>September 30, 2020</u> and <u>January 18, 2021</u>, the OEB provided guidance to Enbridge Gas Inc., EPCOR Natural Gas Limited Partnership, Kitchener Utilities, and Utilities Kingston (collectively the Gas Utilities) on how the Gas Utilities should implement the COVID-19 Energy Assistance Program (CEAP) for residential customers, and the COVID-19 Energy Assistance Program – Small Business (CEAP-SB) for small business and registered charity customers. The guidance provided to the Gas Utilities was similar to the direction that the OEB provided to licensed electricity distributors and unit sub-meter providers (collectively the Electricity Utilities) in licence amendments issued on June 16, 2020, August 7, 2020, September 30, 2020 and January 14, 2021.

When the programs were designed, separate funds were made available by the government for each program. The OEB allocated to each Electricity Utility and Gas Utility a funding amount for CEAP and a separate funding amount for CEAP-SB. By letter dated March 1, 2021, the OEB was advised by the Ministry of Energy, Northern Development and Mines that the government will allow Electricity Utilities and Gas Utilities to pool their CEAP and CEAP-SB funds so that applications can proceed on a first-come, first-served basis, regardless of whether the applicant is a residential or small business customer. On March 3, 2021, the OEB further amended the Electricity Utilities' licences (CEAP/CEAP-SB Amendment Decision) to allow Utilities to effectively pool the funds allocated to them for the purpose of CEAP and CEAP-SB once their

funding allocation for one of the programs has been depleted, and to thereafter use the pool of remaining funds to provide credits for eligible customers under either program. These changes are expected to help ensure that as much funding as possible is made available to customers in need.

Given that Gas Utilities are expected to implement CEAP and CEAP-SB in a manner similar to Electricity Utilities, the OEB expects that the Gas Utilities will also pool their existing CEAP and CEAP-SB funding allocations in the same manner as set out in the CEAP/CEAP-SB Amendment Decision once their funding allocation for one of the programs has been depleted, effective immediately. The OEB understands that the government intends to make the necessary adjustments to the funding arrangements with each Gas Utility to implement the pooling approach. Where a Gas Utility has funds remaining for both programs, the Gas Utility will continue to process applications for each program separately in the order in which they were received. Once a Gas Utility has exhausted funding for one of the programs, the "first come, first-served" approach applies to all applications regardless of the program under which the application is made. If a Gas Utility currently has applications pending for a program for which it currently has insufficient funding but for the authorization to pool funds as set out in this letter, those applications should be processed first before processing any new applications.

Any questions relating to this letter should be directed to the OEB's Industry Relations Enquiry e-mail at <u>IndustryRelations@oeb.ca</u>. Please include "CEAP Implementation" in the subject line.

Yours truly,

Original Signed By

Brian Hewson Vice President, Consumer Protection & Industry Performance