



Ontario
Energy
Board

Commission
de l'énergie
de l'Ontario

DECISION AND ORDER

EB-2021-0137

Amending Electricity Distributor Licences to Prohibit the Issuance of Disconnection Notices for Non- Payment to Residential Consumers in Light of the COVID-19 Stay-at-Home Order

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

April 13, 2021

INTRODUCTION AND SUMMARY

The Ontario Energy Board (OEB), of its own motion, has initiated this proceeding to amend the licences of all electricity distributors in light of the ongoing COVID-19 pandemic and, more particularly, the Ontario government's stay-at-home order that became effective on April 8, 2021 and which the Government has announced will remain in effect for 28 days. As set out in this Decision and Order, the amendment prohibits the issuance of disconnection notices to residential customers by reason of non-payment during the mandated stay-at-home period (i.e., ending on May 5, 2021). This effectively means that distributors cannot disconnect a residential customer for non-payment until at least 14 days after that date.

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).

BACKGROUND

The OEB's Distribution System Code (DSC) contains a number of rules with which licensed distributors must comply in relation to the disconnection and reconnection of customers for non-payment. Currently, the DSC prohibits disconnection of an "occupied residential property" (as that term is defined in the DSC) for non-payment commencing on November 15th in one year and ending on April 30th in the following year.

Section 70 of the OEB Act provides that conditions of a licence may contain provisions that govern a distributor's conduct as it relates to the disconnection of the supply of electricity to a consumer, including the manner in which and the time within which the disconnection takes place or is to take place, and with respect to a low-volume consumer, periods during which the disconnection may not take place. The OEB Act provides that the OEB's regulatory requirements regarding disconnection prevail over anything to the contrary in section 31 of the *Electricity Act, 1998* regarding disconnection for non-payment.

On April 7, 2021, the Ontario government declared a provincial emergency under the *Emergency Management and Civil Protection Act*, together with a province-wide stay-at-home order effective April 8, 2021. The government has stated that it intends to evaluate the impacts of these measures "after 28 days to determine if it is safe to lift the restrictions or if they need to be extended."¹

¹ For more information in this regard, please see:

(a) <https://news.ontario.ca/en/release/61029/ontario-enacts-provincial-emergency-and-stay-at-home-order>

DECISION

The OEB believes that the risk of loss of electricity service on account of arrears should not be an added source of uncertainty for residential customers while they are mandated to stay at home. Accordingly, the OEB considers it to be in the public interest to amend the licences of all electricity distributors to prohibit the issuance of notices of disconnection for non-payment to residential consumers during this period; in other words, up to and including the end of the day on May 5, 2021. Given the operation of the DSC provisions regarding the minimum amount of notice that must be given prior to disconnection, this effectively means that residential customers cannot be disconnected for non-payment until 14 days after that date, at the earliest.

The new licence condition, which is effective immediately, is set out below and provides that until 12:01 a.m. on May 6, 2021, no electricity distributor may issue a disconnection notice to a residential consumer solely on the grounds of non-payment. The condition will apply despite any provision of the DSC to the contrary regarding the issuance of disconnection notices for non-payment. However, electricity distributors must continue to respect all applicable safety requirements or standards.

The OEB continues to expect distributors to focus efforts on promoting solutions for customers that have arrears, including greater flexibility in payment terms and in offering customers arrears payment agreements (APAs), such as waiving the provisions of section 2.7.8 of the DSC for customers who did not fulfil the requirements of a previous APA. Distributors are also expected to take steps to increase awareness of assistance or support that may be available through the COVID-19 Energy Assistance Programs for residential, small business customers and registered charity customers, the Low-Income Emergency Assistance Program and the Ontario Electricity Support Program.

The Ontario government has announced that it intends to evaluate the impacts of its emergency measures after 28 days. The OEB will continue to monitor the situation and may take further steps as circumstances warrant, including extending the duration of the licence amendment being made today.

(b) <https://covid-19.ontario.ca/zones-and-restrictions>

IT IS ORDERED THAT:

1. The electricity distribution licence of each electricity distributor be amended to include the following condition:

Note: The section and paragraph numbers will be revised when integrated into each licence.

- 1. April 13, 2021 – May 5, 2021 – Disconnection Notices**

- 1.1 Despite any provision of the Distribution System Code to the contrary, the Licensee shall not, during the period commencing April 13, 2021 and ending at 11:59 pm on May 5, 2021, issue a disconnection notice pursuant to section 4.2 of the Distribution System Code in respect of an occupied residential property, as that term is defined in section 4.8.5 of the Distribution System Code, solely on the grounds of non-payment.

DATED at Toronto April 13, 2021

ONTARIO ENERGY BOARD

Original Signed By

Brian Hewson
Vice President, Consumer Protection & Industry Performance