

# **ASSURANCE OF VOLUNTARY COMPLIANCE**

**Pursuant to s. 112.7 of the  
*Ontario Energy Board Act, 1998***

**Priority Submetering Solutions Inc.**

**Licence No. ES-2018-292**

**OEB File No. EB-2023-0263**

**December 15, 2023**

## **I. INTRODUCTION**

The Ontario Electricity Rebate (OER) appears as a line item on the electricity bills of eligible consumers. Ontario Energy Board (OEB) staff conducted an inspection of Priority Submetering Solutions Inc. (Priority) in order to assess Priority's compliance with its legal and regulatory obligations under the *Ontario Rebate for Electricity Consumers Act, 2016* (ORECA) relating to the delivery of the OER. Following the inspection, OEB staff identified, and Priority verified, specific instances of Priority's non-compliance with its delivery of the OER to its customers. In resolution of the non-compliance, Priority provided this Assurance of Voluntary Compliance to the OEB under section 112.7 of the *Ontario Energy Board Act, 1998* (OEB Act).

## **II. STATEMENT OF FACTS**

Priority is licenced by the OEB under Licence No. ES-2018-0292.

In 2021, the OEB received several complaints from customers of Priority, relating to treatment of OER on the bills received from Priority. OEB staff undertook an inspection of Priority to assess whether Priority had failed to apply OER credits to its customers' bills accurately and in accordance with ORECA. Staff undertook a detailed review of the bills of a random sample of ten of Priority's customers. In nine of the ten cases, OEB staff observed that Priority applied the OER to the customers' invoices as a charge instead of a credit or a zero amount, and that for several of the customers this happened numerous times.

Section 2.1 (5) of Ontario Regulation 363/16, General, made under ORECA (the General regulation), provides that if the base invoice amount of a consumer's bill is less than zero, it should be deemed to be zero (and, accordingly, in such instance the OER line item of the electricity bill would be zero). In respect of base invoice amounts, sections 2.1 (1) and (5) the General regulation specifically provide as follows:

### **Base invoice amount**

**2.1** (1) The base invoice amount for a billing period in respect of an eligible account under this Part,

- (a) includes,
  - (i) the commodity price of the electricity,

(ii) the rates and charges set out in the applicable rate order issued by the Board under subsection 78(3) of the *Ontario Energy Board Act, 1998*, subject to clause (b), and  
(iii) any adjustment on the invoice required pursuant to section 25.33 of the *Electricity Act, 1998*;

(b) does not include,

- (i) the balance of any amounts carried forward from previous invoices,
- (ii) all penalties and interest,
- (iii) any charges that do not relate to the consumption of electricity,
- (iv) the fixed monthly service charge payable by a generation facility, within the meaning of section 56 of the *Ontario Energy Board Act, 1998*, that is classified as “microFIT” in a rate order issued by the Board under subsection 78 (3) of that Act,
- (v) charges labelled as “specific service charges” or “retail service charges” in the applicable rate order issued by the Board under subsection 78 (3) of the *Ontario Energy Board Act, 1998*, and
- (vi) the amount of any harmonized sales tax payable under Part IX of the *Excise Tax Act (Canada)*. O. Reg. 342/19, s. 3.

...

(5) A base invoice amount for a billing period that would otherwise be less than zero is deemed to be zero.

Upon being advised of OEB staff’s concerns, Priority undertook its own review and analysis of the manner in which it delivered the OER. In correspondence in February 2023 (and in subsequent correspondence), Priority confirmed to OEB staff that Priority’s application of the OER to a subset of its customers’ invoices was in fact contrary to section 2.1 (5) of the General regulation.

Priority determined that its misapplication of the OER impacted 125 customers. A total of \$1,880.97 was incorrectly noted as being a charge owed by these customers on account of the OER. This was an error. Priority has credited all such amounts back to affected customers. No customer was subject to any arrears management actions such as disconnections or collections activity.

Priority updated its billing system in early 2023, to ensure that no customer will be charged for OER.

### **III. ASSURANCE**

Priority understands that the intent of the OER is to provide financial assistance to eligible consumers. Priority hereby assures the OEB that it is aware of its obligations under ORECA

relating to the delivery of the OER to each unit sub-metered consumer. Priority acknowledges that the OER should either appear as a credit or a zero amount on an electricity bill, and not ever appear as a charge (debit).

Priority took measures to address the impacts of its prior non-compliance on its customers and to ensure its ongoing compliance in respect of its delivery of the OER. All affected customers have been credited the amounts they should not have been charged and paid. Priority's billing system was fixed by early 2023 so that no consumers were improperly charged in relation to OER after that time.

Priority will pay \$5,000 to the Low-income Energy Assistance Program ("LEAP") in Durham Region by January 15, 2024. Durham Region was chosen because that is the location where the largest number of Priority's customers have been located.

#### **IV. ADMINISTRATIVE PENALTY**

Priority agrees to pay an administrative penalty to the OEB in the amount of \$5,000. Payment will be made electronically with notice sent to the Registrar, within two weeks of the acceptance of this Assurance of Voluntary Compliance by the OEB.

#### **V. CONSUMER RIGHTS**

Nothing in this Assurance of Voluntary Compliance affects any rights a consumer may have under any applicable law.

#### **VI. FAILURE TO COMPLY**

This Assurance of Voluntary Compliance has the same force and effect as an order of the OEB pursuant to section 112.7(2) of the OEB Act, and any failure to comply with its terms shall be deemed to be a breach of an order of the OEB.

**VII. EXECUTION**

I have the authority to bind Priority Submetering Solutions Inc. to the terms set out in this Assurance of Voluntary Compliance.

Name: Michael Platt

Title: CEO

Company: Priority Submetering Solutions Inc.

Signature:   
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Dated this 15th day of December 2023.