



BY E-MAIL AND WEB POSTING

December 18, 2023

**TO: All Licensed Unit Sub-Meter Providers
All Other Interested Parties**

RE: Review of the Consumer Protection Framework for Customers of Unit Sub-Meter Providers | Ontario Energy Board File No. EB-2023-0345

The Ontario Energy Board (OEB) is commencing a review of the existing consumer protection framework for customers of Unit Sub-Meter Providers (USMPs) in Ontario. This letter sets out the objectives of the review, as well as the planned approach to research and stakeholder engagement activities.

The OEB will review the current USMP-related customer service rules to assess the potential alignment with electricity distributor-related customer service rules, having regard to the OEB's legislative authority and the role of USMPs in the energy sector. The OEB will also consider establishing mechanisms to enhance its ability to monitor the performance of USMPs related to the customer service rules, as well as provide consumers with the support to better understand the USMP sector.

In response to recommendations in the Auditor General of Ontario's 2022 audit report,¹ the OEB committed to undertaking this review as outlined in its [2023/24 -2025/26 Business Plan](#).

The Review

USMPs operate in a competitive market providing electricity metering and billing services to consumers in multi-unit buildings, based on contractual agreements with exempt distributors (i.e., building owners, landlords, property managers or condominium corporations). They are licensed by the OEB under the *Ontario Energy Board Act, 1998*

¹ [Value-for-Money Audit: Ontario Energy Board: Electricity Oversight and Consumer Protection](#)

and must follow rules relating to customer service standards set out in the [Unit Sub-Metering Code](#). The fees they charge for billing and metering services are not regulated by the OEB.

While USMP rules are generally similar to those of electricity distributors², there are some key differences, including those related to winter disconnection, reconnection, equal payment plans, the use of credit cards for emergency payments, and requirements relating to the application of service charges. Many of these differences reflect the nature of the USMP business as service providers to exempt distributors. These exempt distributors would likely incur costs if the same rules that apply to electricity distributors were applied to USMPs. However, there is no rate recovery mechanism as charges for unit sub-metering are not subject to regulation by the OEB.

This review will assess whether the existing consumer protection framework affords USMP customers a level of protection like that available for customers of electricity distributors. If not, it will consider potential changes, taking into account the aforementioned framework.

Stakeholder Engagement

As part of this review, the OEB will engage with the USMP sector, consumers, consumer groups and other relevant stakeholders.

More specifically, in early 2024, the OEB will engage with the USMP sector in Ontario to collect data relating to their practices. Specific details about data collection will be set out in a separate letter to USMPs. Meanwhile, through use of a survey, consumers will be engaged to gain insights into their levels of awareness regarding the USMP sector and knowledge about the existing consumer protection framework.

The OEB also intends to engage with consumer representatives, USMPs, and other relevant stakeholders via targeted meetings, in Spring 2024, to:

- Understand how the current OEB customer service rules are implemented by USMPs
- Provide stakeholders with an opportunity to respond to questions and to comment on the existing customer service rules applicable to USMPs, and hear their views on any proposed changes based on their experiences with those rules, and

² The OEB's rules relating to customer service standards for electricity distributors can be found in the Distribution System Code, Retail Settlement Code, and Standard Supply Service Code.

- Discuss potential performance measures for USMPs to provide their customers with insight into USMP performance.

The OEB will communicate its findings following completion of its review activities. At that time, the OEB may provide further guidance to the sector and, if deemed necessary, may issue notice of amendments to regulatory documents for public comments. The initiative is expected to be completed by early 2025.

Specifics about stakeholder engagement, including cost awards, will be announced at the appropriate time, and materials related to this initiative will be posted on the OEB's [website](#). If you have any questions regarding this initiative, please contact USMPreview@oeb.ca.

Yours truly,

Brian Hewson
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