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March 17, 2025

NOTICE OF AMENDMENTS TO THE UNIT SUB-METERING CODE

**AMENDMENTS TO INCREASE AWARENESS OF THE
CONSUMER PROTECTION FRAMEWORK FOR CUSTOMERS OF
UNIT SUB-METER PROVIDERS**

OEB FILE NO.: EB-2023-0345

**To: All Licensed Unit Sub-Meter Providers
All Other Participants in EB-2023-0345
All Other Interested Parties**

The Ontario Energy Board (OEB) is giving notice under section 70.2 of the *Ontario Energy Board Act, 1998* (Act) of final amendments to the *Unit Sub-Metering Code* (USM Code).

These amendments are intended to increase awareness of the consumer protection framework for customers of unit sub-meter providers (USMPs) by requiring USMPs to:

- include in their Conditions of Service a description of policies regarding:
 - i. the disconnection and reconnection of residential consumers in the winter period; and
 - ii. the application of reconnection charges;
- provide their residential consumers with certain consumer protection information twice annually; and
- notify the OEB of any change to the mandatory content that must be included in their Conditions of Service.

The OEB is also taking this opportunity to make minor, non-substantive language amendments in the USM Code.

These amendments will come into force on August 18, 2025.

A. Background

On December 5, 2024, the OEB issued a [Notice of Proposal to Amend the Unit Sub-Metering Code](#) (December Notice) for comment that included proposed amendments to the USM Code. These amendments were proposed as a result of the OEB's [Review of Consumer Protection Framework for Customers of USMPs](#) (Review) which was initiated on December 18, 2023. The Review was undertaken in response to recommendations contained in the Office of the Auditor General of Ontario's 2022 Value-for-Money Audit report. The results of the Review were presented in an [OEB Report](#) (Report) also issued by the OEB on December 5, 2024.

B. Adoption of Proposed Amendments to the USM Code

Having considered stakeholder comments and suggestions, the OEB is adopting the amendments as proposed in the December Notice. Appendix A to this Notice contains the amendments to the USM Code in blackline (relative to the existing USM Code), and Appendix B contains the final text of the USM Code amendments. A description of the final amendments, together with their rationale, is set out below.

Requirement to Include New Mandatory Information in Conditions of Service

To improve consumer awareness of USMP policies related to winter disconnection and reconnection, as well as the application of reconnection charges, the OEB is amending section 3.2.5 to ensure that a USMP's Conditions of Service include a description of its policies related to the following items:

- Disconnection of residential consumers for non-payment during the "winter period," defined as the period commencing at 12:00 a.m. on November 15th in one year and ending at 11:59 p.m. on April 30th in the following year, and the reconnection of customers during the winter period who had been disconnected for non-payment. As stated in the December Notice, the USMP's policy on this issue must be included even if that policy is to disconnect residential consumers in the winter and/or to refrain from reconnecting customers.
- Timing of application of any reconnection charge for customers who have been disconnected for non-payment (at any time of year) and any conditions under which that charge will be waived.

Requirement to Provide Notification of Changes to Conditions of Service

Upon the new section 3.2.4A taking effect, USMPs will also be required to notify the OEB within five business days of making any changes to their respective Conditions of Service related to the items set out in the bullet points in the paragraph above (re: winter disconnection and reconnection and the timing of reconnection charges) and to any other mandatory content listed in section 3.2.5. This will help to ensure the OEB remains informed of updates to USMPs' policies, just as electricity distributors

are required to provide the OEB with a copy of their Conditions of Service once changes to it are implemented.

Requirement Related to Raising Awareness of the Consumer Protection Framework

Improved consumer awareness of some of the key rules that are in place to protect their interests and of the availability of financial assistance programs to help eligible customers with their electricity bills is being facilitated through the amendments to section 3.3.1. Upon the amendments taking effect, USMPs will be required to communicate the following information to their residential consumers twice annually:

- the availability of arrears payment agreements;
- the availability of financial assistance programs for eligible low-income consumers;
- how to access the USMP's Conditions of Service; and
- the OEB's contact information for consumer complaint purposes.

The twice annual communication is to be provided to each residential consumer using their preferred method of communication, if known, by the USMP. If the preferred method of communication is not known, the communication should occur by mail, or other method of direct communication to the customer as determined appropriate by the USMP.

Amendments to Update Language in the USM Code

The OEB is making a minor non-substantive change to sections 3.3.1 and 4.2.7A. Specifically, the OEB is changing the term "sub-metering" to "sub-meter" in section 3.3.1 and is changing the term "distributor" to "unit sub-meter provider" in section 4.2.7A. These non-substantive amendments do not change existing requirements, but are being made to improve clarity and consistency.

Also, as part of its commitment to being a truly diverse, accessible, and inclusive organization, the OEB promotes the use of language that is inclusive to everyone, including in its regulatory instruments. The word "master" has been identified as one example that may not align with that objective. While this word is commonplace and acceptable in some circumstances, there is no compelling basis for its use in the USM Code and the OEB sees merit in using alternative language. The OEB is therefore making the following changes to the USM Code:

- Replacing "master bill" with "principal bill" in the Table of Contents, and in sections 1.2.1, 4.4, and 4.4.1,
- Replacing "master consumer" with "principal consumer" in sections 1.2.1, 1.7.1, 2.2.1, 3.1.1, 3.1.3, 4.1.1, 4.2.1, 4.3.1, 4.6.8, and 4.9.14; and
- Replacing "master meter" with "principal meter" in the Table of Contents, and in sections 1.2.1, 2.2, and 2.2.1.

The OEB will make similar changes to the few instances of the word “master” in the Distribution System Code when the opportunity presents itself.

C. Stakeholder Comments

All stakeholders generally supported the proposed amendments as presented in the December Notice. Some stakeholders recommended a few minor revisions. The OEB considered all comments received and determined that no changes to the proposed amendments were needed.

Timing of Twice Annual Communications to Customers

One stakeholder recommended that the OEB prescribe when USMPs should contact their customers with their twice annual communications. Specifically, it was suggested that new USMP customers be contacted as soon as they become a customer, and no later than as part of their first USMP bill. In addition, the stakeholder suggested one of the communication times should be at the beginning of the winter period.

The OEB acknowledges the importance of ensuring that customers are informed about rules and policies intended to protect them, particularly during the periods identified by this stakeholder. At the same time, we are mindful of the diversity within the USMP sector and believe it is most appropriate to allow USMPs the flexibility to determine the timing of these communications. This approach will enable USMPs to align their twice annual communication timing with customer needs and their specific business practices.

Requirement to Provide Notification of Changes to Conditions of Service

One stakeholder suggested that USMPs should be required to notify the OEB of changes to their Conditions of Service prior to the changes taking effect (in alignment with the advance notice to the USMP customers). The OEB does not consider this necessary, as the OEB does not review or approve USMPs' Conditions of Service. The new requirement will keep the OEB sufficiently informed of USMPs' policy changes.

Alternative Amendments to Update Language in the USM Code

One stakeholder proposed that the OEB replace the term “master” with “bulk” (instead of “principal”) citing it would be more consistent with industry practices. While this suggestion is appreciated, the OEB notes that “bulk meter” is a term that is currently defined in the *Energy Consumer Protection Act, 2010*, in a manner that differs from the definition of “master meter” in the USM Code. Replacing “master meter” in the USM Code with “bulk meter” would therefore result in two definitions of “bulk meter” in use within the USMP regulatory framework.

To avoid the potential for confusion, the OEB will amend the USM Code as proposed by replacing the term “master” with “principal” throughout (as set out in Appendices A and B).

D. Anticipated Costs and Benefits

The anticipated costs and benefits with the amendments to the USM Code were set out in the December Notice. Interested parties should refer to the December Notice for information.

E. Coming into Force

The OEB recognizes that USMPs will need some time to make necessary process and system changes to incorporate the requirements described in this Notice. Therefore, these amendments to the USM Code will come into force on August 18, 2025.

F. Cost Awards

Cost awards related to this consultation will be addressed in separate correspondence.

If you have any questions regarding this Notice, please contact IndustryRelations@oeb.ca. The OEB’s toll-free number is 1-888-632-6273.

Yours truly,

Nancy Marconi
Registrar

Attachments:

Appendix A: Amendments to the Unit Sub-Metering Code – Comparison Version to Current Code

Appendix B: Amendments to the Unit Sub-Metering Code – Clean Version

Appendix A

Notice of Amendments to the Unit Sub-Metering Code

March 17, 2025

EB-2023-0345

Amendments to the Unit Sub-Metering Code – Comparison Version to Current Code

Note: Underlined text indicates additions to the Unit Sub-Metering Code. Text with a strikethrough indicates deletions from the Unit Sub-Metering Code. Numbered titles and other text that is not underlined are included for convenience of reference only.

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2.2 Technical Requirements for the ~~Master~~ Principal Meter

4.4 Payment of the ~~Master~~ Principal Bill

1.2 Definitions

1.2.1 In this Code:

“~~master~~ principal bill” means the bill issued by the licensed distributor to the ~~master~~ principal consumer;

“~~master~~ principal consumer” means the exempt distributor or the person authorized by the ECPA Regulation to retain a unit sub-meter provider for the prescribed property being served by the licensed distributor;

“~~master~~ principal meter” means the meter controlled by the licensed distributor and used for settlement of the ~~master~~ principal bill with the ~~master~~ principal consumer;

1.7 Contract with a Prescribed Property

1.7.1 A unit sub-meter provider shall not undertake any prescribed activity in a prescribed property unless the unit sub-meter provider has a contract with the ~~master~~ principal consumer to do so.

2.2 Technical Requirements for the ~~Master~~ Principal Meter

2.2.1 A unit sub-meter provider shall ensure that the ~~master~~ principal consumer has requested, and a distributor has installed, a ~~master~~ principal meter that is an interval meter before beginning to provide unit sub-metering services.

3.1 Disclosure of Agreements and Disclosure in Agreements

3.1.1 For any prescribed property subject to section 33(2) of the ECPA, the unit sub-meter provider shall disclose to the ~~master~~ principal consumer of the prescribed property all agreements between the unit sub-meter provider or its affiliate and the developer of the prescribed property or an affiliate of the developer.

3.1.3 Every contract a unit sub-meter provider has with a consumer or ~~master~~ principal consumer shall include the following information:

- (a) the unit sub-meter provider's capital investment and a description of all types of costs that can be included in the capital investment;
- (b) the depreciation method used to depreciate the capital investment if there are to be undepreciated capital costs recovered upon termination of the contract;
- (c) a description of, and whenever possible, the actual amount for, all fees and charges related to the provision of the unit sub-metering service; and
- (d) a description of, and whenever possible, the actual amount for, all fees and charges related to the termination of the contract including:
 - (i) any fees or charges for the disconnection and removal of the installed unit sub-meters;
 - (ii) any fees and charges related to the repayment of the undepreciated capital cost of the unit sub-meter provider's capital investment; and
 - (iii) the length of time allowed to repay the amount in section (ii) above.

3.2 Conditions of Service

3.2.4AA unit sub-meter provider shall notify the OEB of any change to its Conditions of Service related to any of the subject matters listed in section 3.2.5 within five business days of the change taking effect.

3.2.5 A unit sub-meter provider's Conditions of Service shall include, at a minimum, a description of the following:

- (a) its billing cycle period and payment requirements;
- (b) its security deposit procedure;
- (c) its dispute resolution procedure;
- (d) its business process for disconnecting and reconnecting consumers, including means of notification and timing;
- (d.1) its policy in relation to the timing of the application of any charge for reconnecting residential consumers who have been disconnected for

non-payment, and any conditions under which the reconnection charge may be waived;

- (e) conditions under which it may disconnect a consumer; and
- (e.1) its policy in relation to disconnecting residential consumers for non-payment at any time during the winter period and in relation to the reconnection of residential consumers during the winter period who had been disconnected for non-payment, which for greater clarity includes a policy permitting disconnection and/or refraining from reconnection during the winter period; and
- (f) the unit sub-meter provider's rights and obligations with respect to a consumer.

3.2.5A For the purposes of paragraph (e.1) of section 3.2.5, "winter period" means the period commencing at 12:00 a.m. on November 15th in one year and ending at 11:59 p.m. on April 30th in the following year.

3.3 Provision of Information to Consumers and Consumer Complaints

3.3.1 A unit ~~sub-metering~~ sub-meter provider shall communicate general market and educational information to consumers to whom it provides a bill as required by the Board.

3.3.1A A unit sub-meter provider shall provide to its residential consumers, at least twice annually, the following information in writing:

- (a) information about the availability of arrears payment agreements;
- (b) information about the availability of LEAP and OESP and any other electricity bill financial assistance program that the unit sub-meter providers may be required to make available to its residential consumers;
- (c) information about how to access the unit sub-meter provider's Conditions of Service; and
- (d) information about how to contact the Board to file a complaint.

3.3.1BA unit sub-meter provider shall deliver the information required under section 3.3.1A to a residential consumer by the consumer's preferred method of communication, if known, otherwise by mail or any other means determined appropriate by the unit sub-meter provider.

4.1 Security Deposits

4.1.1 A unit sub-meter provider who is contracted to collect security deposits on behalf of the ~~master~~ principal consumer shall ensure that its Conditions of Service include the unit sub-meter provider's security deposit policy which shall be consistent with the provisions of this Code. A unit sub-meter provider's security deposit policy shall include at a minimum the following:

- (a) a list of all potential types/forms of security accepted;
- (b) a detailed description of how the amount of security is calculated;
- (c) limits on the amount of security required;
- (d) the planned frequency, process and timing for updating security deposits;
- (e) criteria consumers must meet to have security deposit waived and/or returned; and
- (f) methods of enforcement where a security deposit is not paid.

4.2 Disconnection and Reconnection

4.2.1 A unit sub-meter provider shall not disconnect consumers for non-payment of bills unless the ~~master~~ principal consumer has contracted the unit sub-meter provider to do so on its behalf.

4.2.7A At least seven days before issuing a disconnection notice for non-payment, a unit sub-meter provider shall deliver an account overdue notice to the consumer by the consumer's preferred method of communication, if known, or otherwise by mail or any other means determined to be appropriate by the ~~distributor~~ unit sub-meter provider.

4.3 Form of the Invoice

4.3.1 A unit sub-meter provider who is contracted to bill low-volume consumers on behalf of the ~~master~~ principal consumer shall comply with all applicable regulations regarding information on invoices to low-volume consumers of electricity.

4.4 Payment of the ~~Master~~ Principal Bill

4.4.1 If the unit sub-meter provider has assumed responsibility for payment for the ~~master~~ principal bill, then the amount to be collected from consumers shall not include any penalties assessed by the licensed distributor on the ~~master~~ principal bill. Penalties include, but are not limited to, late payment charges and disconnect or reconnect charges.

4.6 Arrears Payment Agreements

4.6.8 Despite section 4.6.6, a unit sub-meter provider shall not be required to offer an arrears payment agreement time period to a residential consumer that extends past the length of time that the residential consumer has an obligation to the ~~master~~ principal consumer.

4.9 Billing Errors

4.9.14 Despite sections 4.9.5 and 4.9.6, a unit sub-meter provider shall not be required to allow a consumer to repay an under-billed amount over a time period that extends past the length of time that the consumer has an obligation to the ~~master~~ principal consumer.

Appendix B

**Notice of Amendments to the
Unit Sub-Metering Code**

March 17, 2025

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1.2.1 In this Code:

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“principal consumer” means the exempt distributor or the person authorized by the ECPA Regulation to retain a unit sub-meter provider for the prescribed property being served by the licensed distributor;

“principal meter” means the meter controlled by the licensed distributor and used for settlement of the principal bill with the principal consumer;

1.7 Contract with a Prescribed Property

1.7.1 A unit sub-meter provider shall not undertake any prescribed activity in a prescribed property unless the unit sub-meter provider has a contract with the principal consumer to do so.

2.2 Technical Requirements for the Principal Meter

2.2.1 A unit sub-meter provider shall ensure that the principal consumer has requested, and a distributor has installed, a principal meter that is an interval meter before beginning to provide unit sub-metering services.

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3.1.1 For any prescribed property subject to section 33(2) of the ECPA, the unit sub-meter provider shall disclose to the principal consumer of the prescribed

property all agreements between the unit sub-meter provider or its affiliate and the developer of the prescribed property or an affiliate of the developer.

3.1.3 Every contract a unit sub-meter provider has with a consumer or principal consumer shall include the following information:

- (a) the unit sub-meter provider's capital investment and a description of all types of costs that can be included in the capital investment;
- (b) the depreciation method used to depreciate the capital investment if there are to be undepreciated capital costs recovered upon termination of the contract;
- (c) a description of, and whenever possible, the actual amount for, all fees and charges related to the provision of the unit sub-metering service; and
- (d) a description of, and whenever possible, the actual amount for, all fees and charges related to the termination of the contract including:
 - (i) any fees or charges for the disconnection and removal of the installed unit sub-meters;
 - (ii) any fees and charges related to the repayment of the undepreciated capital cost of the unit sub-meter provider's capital investment; and
 - (iii) the length of time allowed to repay the amount in section (ii) above.

3.2.4AA unit sub-meter provider shall notify the OEB of any change to its Conditions of Service related to any of the subject matters listed in section 3.2.5 within five business days of the change taking effect.

3.2.5 A unit sub-meter provider's Conditions of Service shall include, at a minimum, a description of the following:

- (a) its billing cycle period and payment requirements;
- (b) its security deposit procedure;
- (c) its dispute resolution procedure;
- (d) its business process for disconnecting and reconnecting consumers, including means of notification and timing;
- (d.1) its policy in relation to the timing of the application of any charge for reconnecting residential consumers who have been disconnected for non-payment, and any conditions under which the reconnection charge may be waived;
- (e) conditions under which it may disconnect a consumer;
- (e.1) its policy in relation to disconnecting residential consumers for non-payment at any time during the winter period and in relation to the reconnection of residential consumers during the winter period who

had been disconnected for non-payment, which for greater clarity includes a policy permitting disconnection and/or refraining from reconnection during the winter period; and

- (f) the unit sub-meter provider's rights and obligations with respect to a consumer.

3.2.5A For the purposes of paragraph (e.1) of section 3.2.5, "winter period" means the period commencing at 12:00 a.m. on November 15th in one year and ending at 11:59 p.m. on April 30th in the following year.

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- (c) information about how to access the unit sub-meter provider's Conditions of Service; and
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3.3.1BA unit sub-meter provider shall deliver the information required under section 3.3.1A to a residential consumer by the consumer's preferred method of communication, if known, otherwise by mail or any other means determined appropriate by the unit sub-meter provider.

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4.1.1 A unit sub-meter provider who is contracted to collect security deposits on behalf of the principal consumer shall ensure that its Conditions of Service include the unit sub-meter provider's security deposit policy which shall be consistent with the provisions of this Code. A unit sub-meter provider's security deposit policy shall include at a minimum the following:

- (a) a list of all potential types/forms of security accepted;
- (b) a detailed description of how the amount of security is calculated;
- (c) limits on the amount of security required;
- (d) the planned frequency, process and timing for updating security deposits;
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4.2.1 A unit sub-meter provider shall not disconnect consumers for non-payment of bills unless the principal consumer has contracted the unit sub-meter provider to do so on its behalf.

4.2.7A At least seven days before issuing a disconnection notice for non-payment, a unit sub-meter provider shall deliver an account overdue notice to the consumer by the consumer's preferred method of communication, if known, or otherwise by mail or any other means determined to be appropriate by the unit sub-meter provider.

4.3 Form of the Invoice

4.3.1 A unit sub-meter provider who is contracted to bill low-volume consumers on behalf of the principal consumer shall comply with all applicable regulations regarding information on invoices to low-volume consumers of electricity.

4.4 Payment of the Principal Bill

4.4.1 If the unit sub-meter provider has assumed responsibility for payment for the principal bill, then the amount to be collected from consumers shall not include any penalties assessed by the licensed distributor on the principal bill. Penalties include, but are not limited to, late payment charges and disconnect or reconnect charges.

4.6 Arrears Payment Agreements

4.6.8 Despite section 4.6.6, a unit sub-meter provider shall not be required to offer an arrears payment agreement time period to a residential consumer that extends past the length of time that the residential consumer has an obligation to the principal consumer.

4.9 Billing Errors

4.9.14 Despite sections 4.9.5 and 4.9.6, a unit sub-meter provider shall not be required to allow a consumer to repay an under-billed amount over a time period that extends past the length of time that the consumer has an obligation to the principal consumer.