

ASSURANCE OF VOLUNTARY COMPLIANCE

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

Entegrus Powerlines Inc.

Licence No. ED-2002-0563

OEB File No. EB-2026-0019

March 3, 2026

I. STATEMENT OF FACTS

Entegrus Powerlines Inc. (Entegrus) is a licensed distributor serving over 63,000 customers in a number of southwestern Ontario communities. It is owned by the Municipality of Chatham-Kent, the City of St. Thomas and Corix Infrastructure Inc.

Entegrus provides water and wastewater billing services on behalf of the Municipality of Chatham-Kent, the City of St. Thomas and the Village of Newbury. Charges for electricity, water and wastewater are shown on the same bill.

Following three customer complaints regarding Entegrus's application of Ontario Electricity Support Program (OESP) credits on the bill, the Ontario Energy Board (OEB) conducted an inspection of Entegrus's billing practices. The OESP is a Government-funded electricity rate assistance program. Eligible low-income customers are entitled to a monthly credit. The monthly amount depends on a number of factors including the size of the household and the household income.

Under the OESP rules set out in section 9.2.6 of the Distribution System Code and section 5.2 of the OESP Guideline for Electricity Distributors and Unit-Sub-Meter Providers, where the monthly credit exceeds the amount owing for electricity charges, the balance is carried over to the next month. If a customer closes their account with an accumulated credit, the distributor must return the credit to the program via the Independent Electricity System Operator (IESO). The rules do not provide for the application of any part of the credit to non-electricity charges.

The inspection revealed that for some customers, Entegrus incorrectly applied excess OESP credits to reduce the water and wastewater charges on the bill. This affected 150 customers between October 2016 and November 2022, when Entegrus implemented billing changes to prevent a recurrence. A total of \$50,812 in OESP credits was applied to water and wastewater charges instead of being carried forward to reduce electricity charges in subsequent months.

Eighty-seven of the 150 customers had closed their account at the time of the inspection. Had the excess OESP credits not been applied to water and wastewater, there would have been a balance to return to the IESO upon account closure of \$18,770.

The inspection also identified the following issues:

- In the case of 49 customers who had an unused OESP balance at the time of account closure, Entegrus provided a cash refund of the balance (\$4,239 in total). This was contrary to section 9.2.6 of the DSC, which prohibits the refunding of any accumulated credit amounts on account closure.
- In the case of 26 customers who relocated within Entegrus's service territory with excess OESP credits remaining on the account, Entegrus transferred the credit balance to the

customers' new account rather than returning the amount to the IESO (\$2,888 in total). This was contrary to section 5.5 of the OESP Guideline which provides that utilities are encouraged to inform OESP recipients that they must reapply for the program if they move, or if their circumstances change. The OEB's view is that any balance should be returned to the IESO, not transferred to the customer's new account.

- In the case of 77 customers who moved out of Entegrus's service territory with a credit balance remaining on the account, Entegrus incorrectly assumed that the credit balance related to excess OESP credits, and returned it to the IESO, when in fact it related to the customer's security deposit (\$3,927 in total). This was contrary to section 2.4.26 of the DSC which requires security deposits to be returned within six weeks of the closure of a customer's account.

By the end of 2022, Entegrus restored the \$40,899 in OESP credits that were misallocated to water and wastewater charges to affected customers who still had an account with Entegrus. This allowed the excess OESP credits to be properly applied toward future electricity charges for those customers.

In August 2025, Entegrus made a voluntary payment of \$21,127 to the IESO. This amount was calculated at the time based on excess OESP credits that were not returned to the IESO on account closure because they had been applied to water and wastewater charges; OESP credits that were refunded to customers rather than being returned to the IESO; OESP credits that were transferred to customers' new accounts rather than being returned to the IESO; and associated interest.

II. ASSURANCE

Entegrus assures the OEB that it will take the following measures to remedy the identified non-compliance, no later than March 31, 2026:

1. Entegrus will bear the cost of the \$40,899 that was restored in respect of the OESP error. Entegrus will not seek to recover any of those amounts from customers by rebilling for water or wastewater charges that were incorrectly offset by the OESP credits. Where Entegrus has already collected any such amounts, it will refund the customer with interest. Where Entegrus has made a demand for such amounts but not yet collected them, it will advise the customer that it has dropped the demand. In either case, Entegrus will provide a communication to the customer that will be reviewed and approved in advance by OEB staff.
2. Entegrus will make a contribution of \$11,404 plus interest of \$1,433 to its Low-income Energy Assistance Program (LEAP). This was calculated based on (1) \$7,477 representing the value of the OESP credits that were misallocated to water and wastewater charges but not previously returned to the IESO; (2) \$3,927 representing the value of the OESP credits that were mistakenly returned to the IESO but should have been retained by customers; and \$1,433 in interest.

Entegrus further assures the OEB that the above amounts will be treated as a shareholder cost and it will not apply to recover any amounts related to this Assurance of Voluntary Compliance in a rate application.

III. FAILURE TO COMPLY

Entegrus acknowledges that 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 *Ontario Energy Board Act, 1998* and any failure to comply with its terms shall be deemed to be a breach of an order of the OEB.

IV. ADMINISTRATIVE PENALTY

Entegrus agrees to pay an administrative penalty to the OEB in the amount of \$25,000. Payment will be made to the Registrar, within four weeks of the acceptance of this Assurance of Voluntary Compliance by the OEB.

V. EXECUTION OF ASSURANCE

I have the authority to bind Entegrus to the terms set out in this Assurance of Voluntary Compliance.

Name: Tomo Matesic

Title: President

Company: Entegrus Powerlines Inc.

Signature 

Dated this 3rd day of March 2026.