

October 16, 2009

Kristen Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
Suite 2700
Toronto, Ontario M4P1E4

Re: Comments on Proposed Changes to the Natural Gas Reporting and Record Keeping Requirements: Gas Marketer Licence Requirements (Board File: EB-2009-0163)

Dear Ms. Walli:

Gateway Energy Services, Ltd. respectfully submits the following comments in response to the Ontario Energy Board's (the "Board") Consultation on Proposed Changes to the Natural Gas Reporting and Record Keeping Requirements: Gas Marketer Licence Requirements (Board File: EB-2009-0163).

Gateway Energy Services, Ltd. is a subsidiary of Gateway Energy Services Corporation, a corporation based in Rockland County, New York. Gateway Energy is one of the largest independent retail energy suppliers in North America, providing natural gas and electricity to residential and business customers in 28 markets across seven states, the District of Columbia and Ontario, Canada. Founded in 1997, Gateway Energy provides competitive energy products to consumers giving them more control over their energy costs. Gateway Energy appreciates the opportunity to comment on this proposal.

Gateway Energy has a concern with the January 1, 2010 implementation date. Some of the changes provided in this proposal will require programming and process changes. These changes will take time to implement and may not be in place by the January 1, 2010 proposed implementation date. Gateway Energy would request that a grace period be granted or that this date be extended for an additional 3 months. Below I will discuss more of Gateway Energy's concerns regarding specific sections of the proposed rules.

Section 2.1.2 of the proposal contains market monitoring information that must be included in the reporting. Gateway Energy seeks clarification as to whether or not this section applies for only low volume consumers. The preceding section (2.1.1) clearly applies to low volume consumers and Gateway Energy requests the same clarifying language be included in section 2.1.2 as well. Additionally, neither section 2.1.1 nor 2.1.2 indicate that the information we have to provide is for our Ontario sales only. Most of the marketers in the region have customers in various other jurisdictions and this should be clarified in the proposal.

Additionally, in Section 2.1.2, Gateway Energy finds many of these items to be onerous and difficult to track. Specifically, item c) which states "Marketing approach percentages based on

sales revenue broken down by: direct mail, door to door, telesales, internet sales and other". This may be difficult to determine because sometimes multiple channels are utilized in order to make a sale. Each customer may have received a direct mail piece, subsequently been visited by a door to door salesperson and in the end signed up via the internet. There is no way for us to determine which approach ultimately resulted in the sale.

Similarly, item f) requires "Retail offers available to customers during the quarter. Details include contract length and pricing details". Many times our larger customers are quoted one-off rates that accommodate their usage patterns. We do not necessary keep a record of all one-off quotes that we provide; we only track the resulting sales. This item should be revised to read "Retail products available to customers during the quarter", thus enabling marketers to report variable, fixed or any other type of products that were globally offered. The problem with this item goes away if it is restricted to low-volume consumers only as suggested above.

Gateway Energy believes that section 2.2.4 will also be difficult to comply with and requires a voluminous amount of information to be kept for a period of time of two years. Gateway agrees with items b) c), d) and e) of this section, but strongly recommends that the other items be revised. Item a) requires not only for us to maintain each offer we have made to all residential customers, but it also requires hard copy print outs of all web pages in which offers were contained. Item f) requires all reference materials to be kept. Reference materials include utility bills, price comparisons with details of price offers and forecasts, and other energy suppliers quoted, shown (or carried so as to be seen) or provided to prospective customers. This is a lot of material to be kept and maintained over a two year period.

Marketers should simply be required to maintain any documentation that was directly related to the actual contract the customer signed. Any marketing piece, confirmation letter, enrolment form, and terms and conditions relating to the actual sale should be kept. It is unclear why keeping any and all offers that have been available in the last two years is necessary. The Board may request to see any marketing materials or offers we currently have available and we'd be happy to provide those for review at any time. Requiring marketers to maintain this information for two years is a very costly and time consuming process.

Gateway Energy commends the Board seeking to improve the current rules. Gateway Energy also appreciates the ability to participate in this process by providing comments on this topic. We look forward to working with the Board to continue improvements within the market.

Respectfully submitted,



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