



**uniongas**

A Spectra Energy Company

February 17, 2011

Ontario Energy Board  
2300 Young Street, Suite 2700  
Toronto, Ontario  
M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

**RE: Union Gas Submissions to the Board's Letter dated January 20, 2011  
Customer Service Standards for Natural Gas Distributors  
Board File No: EB-2010-0280**

Dear Ms Kirsten:

Please find attached Union's submission in response to the Board's Letter dated January 20, 2011 seeking input in assessing the need for developing customer service standards for natural gas distributors.

If you have any questions or concerns, please contact me at 519-436-4521.

Sincerely,

*[original signed by]*

Marian Redford  
Manager, Regulatory Initiatives

1 UNION GAS LIMITED

2 SUBMISSIONS

3  
4 The Ontario Energy Board (“the Board”) issued a letter on January 20, 2011 seeking input in  
5 assessing the need for developing customer service standards for natural gas distributors prior to  
6 proposing any amendments to the Gas Distribution Access Rule.

7  
8 The Board is asking gas distributors to review the customer service rules for electricity  
9 distributors posted on the Board’s website, document the current policies and practices in the  
10 areas addressed by those rules, and suggest new or modified policies that are appropriate for gas  
11 distributors. Attachment A summarizes Union’s current policies and practices for the areas  
12 addressed by the electricity customer service rules. In Union’s view current practices subject to  
13 the suggested modifications are consistent with the intent of the electricity customer service  
14 rules.

15  
16 In addition to reviewing the customer service rules for electricity, the Board is asking gas  
17 distributors to provide input on two questions:

- 18  
19 1. Should the Board develop rules which prescribe specific customer service standards to be  
20 applied to all rate-regulated gas distributors? If so, should these standards be analogous to the  
21 electricity code provisions for customer service standards? What are the potential advantages  
22 and disadvantages of this prescriptive approach?

1 2. Should the Board develop rules which require each rate regulated gas distributor to develop,  
2 publish, and adhere to customer service standards for certain prescribed areas of customer  
3 service? If so, should the rules include the requirement that gas distributors develop  
4 complaint processes which include recourse to the Board in the event disputes are not  
5 resolved to the satisfaction of the parties? What are the potential advantages and  
6 disadvantages of this less prescriptive approach?

7

## 8 **Overview**

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10 Union's current arrears management practices are sensitive, flexible and meet the needs of  
11 individual customers. These practices allow Union to provide customers with non-prescriptive  
12 payment options to manage arrears without a disconnection.<sup>1</sup> Through such flexible practices,  
13 Union is able to achieve its overarching goal of keeping the customer's gas service connected.  
14 Flexibility has also helped Union to adapt to the changing needs of its customers. During the  
15 recent economic downturn Union quickly modified practices to allow increased flexibility for  
16 front line employees to meet the needs of its customers. Union's flexible practices have  
17 contributed to increased customer satisfaction of 10% over two years and helped to reduce  
18 disconnections by 5,015.<sup>2</sup>

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<sup>1</sup> The number of customers in arrears increased from approximately 29,000 to 37,000 between 2008 and 2010 while the number of disconnection numbers actually declined.

<sup>2</sup> Customer satisfaction was 74% in 2008, 79% in 2009 and 84% 2010. Disconnections decreased from approximately 22,000 in 2008 to 17,000 in 2010.

1    **Union's Response to Question #1**

2    Union does not believe the Board should develop rules which prescribe specific customer  
3    service standards applicable to rate regulated gas distributors as these rules may have the effect  
4    of limiting or curtailing the current flexibility Union offers its customers.

5  
6    The advantage of a less prescriptive approach is that it allows Union to continue to offer flexible  
7    practices and tailored solutions to individual situations. Flexible practices are how Union is able  
8    to meet the varying needs of its customers and achieve high customer satisfaction and low  
9    disconnections.

10  
11   The disadvantage to issuing prescriptive rules is it will limit Union's flexibility to change  
12   policies and practices to accommodate customers and respond to environmental change. In  
13   2008, Union's flexibility helped accommodate many customers impacted by the economic  
14   downturn. Union worked with customers to prevent disconnections by offering relaxed payment  
15   arrangements and information about financial assistance and cost reduction such as energy  
16   efficiency.

17  
18   The prescriptive approach will also lead to higher rates because of increased costs related to  
19   implementation and ongoing management of the rules. This will increase the financial burden to  
20   all customers including the most vulnerable rate payers.

1 Further, Union does not believe customer service standards analogous to the electricity code  
2 provisions are necessary for the gas utilities. The purpose of the rules defined for electricity  
3 distributors is to achieve consistency in customer experience between different electric utilities  
4 across Ontario. The same rules are not required to be prescribed for gas distributors since Union  
5 and Enbridge are already consistent in their policies and practices with respect to customer  
6 service standards. These policies and practices are also consistently applied across the entire  
7 franchise for both utilities. This means that the vast majority of Ontario gas consumers are  
8 subject to consistent policies and practices.

9

## 10 **Union's Response to Question #2**

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12 It is Union's view that the Board does not need to develop formal rules which require each rate  
13 regulated gas distributor to develop, publish and adhere to customer service standards for  
14 prescribed areas of customer service. Union already has policies in place that meet the needs of  
15 its customers. As illustrated in Attachment A, they are consistent, subject to any proposed  
16 modifications, with the intent of the customer service standards for electric distributors.

17

18 Union already publishes its customer service standards through its Gas Service Guidelines on its  
19 website. This document outlines Union's current policies and practices. Union commits to update  
20 the Gas Service Guidelines to include the proposed changes to the standards as suggested in  
21 Attachment A. Further, Union will make available, in writing, its customer service policies and  
22 practices to all new customers and existing customers as requested. Union will continue to

1 utilize and enhance its customer communication vehicles such as bill inserts, messages, letters  
2 and outbound calls to provide information related to Union policies and practices.

3

4 Customers with complaints may call Union's Customer Contact Centre. The customer contact  
5 centre telephone number is clearly identified on the customer bill and on a rate notice. In  
6 addition, Union has a written complaint policy which is published on uniongas.com. If a  
7 complaint has not been resolved to the satisfaction of the customer, the complainant always has  
8 the option of referring the complaint to the Board. Union works with the Board's Consumer  
9 Relations Centre to respond to customer inquiries and complaints, as required.

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11 Similar to question 1, this option would allow Union to maintain flexibility in its practices in  
12 order to better meet customer needs and provide customers a mechanism to ensure fair practices.

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#### 14 **Board Chart Template – Attachment A**

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16 Attachment A provides Union's current policies and practices for the areas addressed by the  
17 electricity customer service rules. In most cases, Union's current practices support the intent of  
18 these rules. Where there is a difference Union has indicated where it is prepared to modify  
19 existing policies and practices to coincide with the electricity standards. This includes the  
20 acceptance of credit cards for disconnection situations, more specific disconnection notices  
21 including timelines and enhanced arrears management.

1 To modify its policies and practices as proposed in Attachment A, a six to twelve month  
2 implementation period would be required. If required to do further changes or move to Board  
3 prescribed rules similar to those in place for electric utilities, implementation would take up to  
4 eighteen months. Union further submits that all one-time and ongoing costs resulting from  
5 modifying Union's current policies and practices should be recoverable from ratepayers.

6

7 The Board indicated in its January 20<sup>th</sup>, 2011 letter that it intends to pursue customer service  
8 standards tailored to low-income customers. If low-income rules are proposed for gas  
9 distributors, Union will require additional time and costs for implementation.

**Union Gas Comments on Existing and Proposed Customer Service Policies and Practices of Natural Gas Distributors**

**Completed by:** Union Gas Limited  
**Date:** February 17, 2011

- 1. Bill Issuance and Payment:** Mandatory rules for determining when a bill is overdue for payment will benefit customers and distributors alike by providing both clarity and uniformity of practice. Customers should not be exposed to late payment charges or disconnection by reason of delays in the processing of payment.

<b>Customer Service Rules for Electricity Distributors<sup>1</sup></b>	<b>Union Gas Existing policies and practices</b>	<b>Union Gas Proposed modified policies and practices</b>
<p>The minimum payment period (before a late payment penalty can be applied) will be at least 16 days from the date the bill was issued to the customer.</p> <p>The date on which the bill was issued is determined to be three days after it was printed if sent by mail or on the date on which an email was sent over the internet.</p> <p>A bill payment is deemed to be received from the customer: three days before it is received by the distributor if sent by mail; on the date when the payment is acknowledged by a bank, or when the credit card payment is accepted by the financial institution.</p>	<p>Invoices are due when rendered and the customer is provided a 16 day period for payment before a Late Payment (LP) charge is applied to the account.</p> <p>Both the invoice mail date and the LP applicable date are printed on all invoices.</p> <p>The LP applicable period is set to 15 days plus 1 business day from the date the invoice is mailed to the customers. This ensures no LP applicable dates fall on a weekend or statutory holiday.</p> <p>No matter the vehicle used to issue the invoice to the consumer, the dates and timelines are the same.</p>	<p>Union proposes to maintain current practices which support the intent of the electricity Customer Service Rules (CSR).</p> <p><u>Proposed Modified Policies and Practices</u>          Union is prepared to increase the payment applicable period from 16 days to 20 days from invoicing to meet the requirement of 16 days plus 3 days for mailing.</p> <p>Implementing the above change does not impact Union’s current policy on having grace days.</p> <p>This change will ensure that either the 15<sup>th</sup> or the 30<sup>th</sup> of the month will fall between the invoice being issued and the LP applicable date.</p>

<sup>1</sup> Amendments to the Distribution System Code (DSC), the Retail Settlement Code (RSC) and the Standard Supply Service Code (SSSC) coming into force January 1, 2011.



<p>Any payment made after 5:00 p.m. is still effective on the day the payment is made. If a due date is a non-business day, it is extended to the next business day.</p>	<p>Union currently prints the invoice date on all invoices.</p> <p>If Union dated invoices 3 days after printing and mailing, it would result in some customers receiving their invoice before the date printed on the invoice. The customer could believe the invoice was created after it was received.</p> <p>Union allows for a grace period of no less than 3 business days to ensure that payments that are mailed or processed at a financial institution are deemed paid prior to the LP applicable date. This changes the LP applicable period to 18 days plus 1 business day.</p> <p>Payments are posted to the customer's account based on the day the payment is received, the grace days are employed to allow time for mailing.</p> <p>The customer is able to pay the invoice at their convenience on the 15<sup>th</sup> or 30<sup>th</sup> of the month, prior to the LP applicable date.</p> <p>Union does not accept credit card payments.</p>	<p>The customer can then choose to pay the invoice on either that date or the LP applicable date. This proposal will eliminate the need to offer specific dates to the customer as the LP applicable date, and leaves the payment decision with the customer.</p> <p><u>Proposed Modified Policies and Practices</u> Union is prepared to accept credit card payments from customers in a disconnection position where the customer is responsible for the convenience fee. Due to safety concerns, Union will not accept payments at the door but will follow our current practice and will provide guidance to the customer on payment options.</p>
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2. **Allocation of Payment between Gas & Non-gas Charges:** Customers should not be exposed to late payment charges or disconnection by reason of partial payments being allocated in whole or in part to non-gas charges.

<b>Customer Service Rules for Electricity Distributors</b>	<b>Existing policies and practices</b>	<b>Proposed modified policies and practices</b>
<p>If a bill includes charges other than electricity charges, any payment must first go directly to the electricity charges and then, if funds are remaining, to the other charges. If payment is sufficient to cover electricity charges, the distributor shall not issue late payment charges, a disconnection notice or disconnect the electricity supply. This applies to joint billing agreements when they are renewed, or after two years, whichever comes sooner.</p>	<p>Union does not provide a joint billing service for rentals or third party services. All charges appearing on a customer’s invoice are for services provided by Union related to the consumption of natural gas.</p> <p>Payments are applied to charges based on First In First Out, then a hierarchy of priority for charges incurred at the same time. Therefore, if the customer is in arrears for any charge, payment will be applied to the oldest charges first and LP will be applied to the outstanding balance.</p> <p>LP is not applied to unpaid security deposits.</p>	<p>Union proposes to maintain current practices which support the intent of the electricity CSR.</p> <p>All charges that appear on a Union invoice are related to the consumption of gas including security deposits and connection charges.</p> <p>Union has flexible processes in place that ensure customers are not disconnected for an unpaid security deposit or a connection charge.</p> <p>Union will continue to work with customers to minimize LP charges due to partial payments in the event of an outstanding balance.</p>

3. **Correction of Billing Errors:** Customers should not sustain undue impacts through no fault of their own. A distributor should not benefit from billing errors at the expense of the customer. Practice should be consistent, not discretionary.

<b>Customer Service Rules for Electricity Distributors</b>	<b>Existing policies and practices</b>	<b>Proposed modified policies and practices</b>
<p>Over or under-billing adjustments are permitted over a period of up to two years for all classes of customers. Note that the Limitations Act, 2002 provides a standard two-year limitation period for all actions in debt (subject to any considerations of discoverability).</p> <p>If a customer has been over-billed by an amount equal to or greater than the customer's average bill, the customer has the option of receiving a cheque or a credit on their next bill.</p> <p>If a customer has been over-billed and the amount is less than the customer's average bill, the customer will receive a credit on their next bill. If the customer has outstanding arrears, the distributor may apply the over-billed amount to the arrears first, and may credit or repay the balance to the customer.</p> <p>If a customer is under-billed and is not responsible for the error, the customer is allowed to pay the under-billed amount in equal instalments over the same amount of time as they were under-billed for up to</p>	<p>Union will adjust consumption for up to 2 years when the customer has been over-billed and 1 year when the customer has been under-billed, with the exception of tampering or theft of gas.</p> <p>When adjustments are significant the customer is contacted to explain payment options and to arrange a mutually agreeable schedule and method for payment or refund. Where adjustments are not significant, customers can contact Union to discuss options for payment or refund.</p> <p>In the case of over-billed accounts that have been paid by the customer, the customer can request a cheque or to leave the credit on their account to cover future bills.</p> <p>In the case of under-billed accounts Union will work with the customer to find a mutually agreeable payment schedule.</p> <p>Union does not pay or collect interest on adjustments made to accounts. In extenuating circumstances of over-billing Union will calculate a simple interest or provide a credit to the customer.</p>	<p>Union proposes to maintain current practices which support the intent of the electricity CSR.</p> <p>Union has flexible processes in place that ensure customers are able to work towards an agreeable payment schedule.</p> <p><u>Proposed Modified Policies and Practices</u>        Union is prepared to include a message on bills with a significant adjustment to inform customers to contact Union for options available.</p>

<p>a maximum of two years. (e.g., if a customer has been under-billed for five months, they will have five months to pay the under-billed amount).</p> <p>When a customer is responsible for the under-billing error, the distributor may require payment of the full amount on the next bill or on a separate bill.</p> <p>These rules do not apply when a distributor has under-billed or over-billed a customer but issues a corrected bill within 16 days of the date the incorrect bill was issued.</p>	<p>When a customer questions the validity of usage, Union provides information about options including the formal dispute process through Measurement Canada.</p> <p>In all cases, Union endeavors to correct any invoice as soon as possible. Corrections are often made before the customer receives the invoice. If the customer has received an incorrect invoice, the correction will appear on the next invoice; however Union will issue a new invoice at the customer's request.</p>	
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4. **Equal Payment & Equal Billing Plans:** Of benefit to customers (easier to budget) and distributors (customers more likely to pay; consistent cash flow). Customers can co-ordinate due dates with receipt of income. Review and reconciliation procedures protect customers from significant over- or under-billing.

<b>Customer Service Rules for Electricity Distributors</b>	<b>Existing policies and practices</b>	<b>Proposed modified policies and practices</b>
<p>Distributors are required to offer all residential customers receiving standard supply service the option to join an equal monthly payment plan.</p> <p>Only customers that are in arrears and have not entered into an arrears payment agreement may be refused an equal monthly payment option.</p> <p>Customers can join equal monthly payment plans any time of the year.</p> <p>Distributors may require customers who join an equal monthly payment plan to also join an automatic payment withdrawal plan if the billing cycle is less frequent than monthly.</p> <p>Residential equal payment customers who participate in automatic payment arrangements must be given a choice of at least two dates within a month for automatic payments to be withdrawn.</p> <p>Distributors may continue to issue bills on a monthly, bi-monthly or quarterly basis.</p>	<p>Union offers an 11 month Equal Billing Plan (EBP) to all residential customers. Customer can join the plan at any time; however if it is later than March 1<sup>st</sup>, the plan will become effective in September due to gas consumption patterns.</p> <p>The EBP amount is based on the prior year's volume and the rates that are currently in effect for the customer.</p> <p>Customers that are in arrears are not given the option of EBP until the arrears are resolved since it may not be in their best interest due to the time of year. During certain times of year the total charges under EBP may be larger than charges for covering arrears plus actual consumption.</p> <p>Union will work with the customer on a solution to combine arrears and EBP at the request of the customer.</p> <p>Union does not allow customers on Payment Arrangements to join EBP</p> <p>There is no requirement for customers to join</p>	<p>Union proposes to maintain current practices which support the intent of the electricity CSR.</p> <p><u>Proposed Modified Policies and Practices</u>          Union is prepared to allow customers to join the plan at any time of the year.</p>

<p>Utilities will review customer's monthly billing plans quarterly or semi-annually and adjust the monthly equalized payment if electricity consumption or approved charges have changed materially.</p> <p>Utilities are required to reconcile all of their equal monthly payment plans once during the calendar year but not on the 12<sup>th</sup> month anniversary of a customer joining the plan. If a customer is in the first year of a plan, they may be reconciled earlier.</p> <p>If the annual reconciliation shows that the customer is owed an amount equal to or exceeding the customer's average monthly billing, the amount will be credited to the customer's account. The customer will be notified of this credit and will have 10 days to request a refund cheque instead of the credit on their bill.</p> <p>If the annual reconciliation shows that the amount owed to the customer is less than the average billing amount, the amount will be credited to the customer's account.</p> <p>If the annual reconciliation shows that the customer owes an amount equal to or exceeding the customer's average monthly billing, the distributor shall recover the balance over the first 11</p>	<p>any other plan to be eligible for the EBP.</p> <p>The LP applicable date is based on the billing cycle. Union does not offer a customer selected LP applicable date.</p> <p>Union issues bills on a monthly basis.</p> <p>All EBP amounts are reviewed monthly with manual changes made where large variances exist. Based on price, weather and time of year, an automated review will take place.</p> <p>During the 12<sup>th</sup> month, EBP plans are trued up with any outstanding credits or debits applied to the account.</p> <p>When true up amounts are significant credits or debits, Union contacts the customer to provide the options available and works with the customer on a payment arrangement if required.</p> <p>In the case of credit true up amounts the customer may request a cheque or to leave the credit on their account to cover future bills.</p> <p>In the case of debit true up amounts Union will work with the customer to find a mutually agreeable payment schedule at the request of the customer.</p> <p>Where the amount is not deemed significant the same payment arrangements can be made</p>	
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<p>months of the following year's equal monthly payment plan.</p> <p>If the annual reconciliation shows that the amount the customer owes is less than the customer's average monthly billing, the distributor may collect the full amount by a charge on the bill in the 12<sup>th</sup> month of the equal monthly payment plan.</p>	<p>at the request of the customer.</p>	
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5. **Disconnection Notices:** Customers should receive adequate notice of disconnection and the options available to avoid disconnection.

<b>Customer Service Rules for Electricity Distributors</b>	<b>Existing policies and practices</b>	<b>Proposed modified policies and practices</b>
<p>All customers must receive 10 days notice before being disconnected for non-payment.</p> <p>Residents who have provided documentation from a physician that disconnection will pose a significant health risk, must receive 60 days notice before being disconnected for non-payment.</p> <p>When a disconnection notice is issued in a building with multiple units, and a master meter, a copy of the notice must be posted in a conspicuous place in the building.</p> <p>Disconnection notices sent to residential customers must contain prescribed information, such as the earliest and latest date disconnection may occur, the forms of payment a customer may use, that a Board-prescribed arrears management program is available, and that a disconnection may take place whether or not the customer is home at the time.</p>	<p>Union does not issue a separate disconnection notice or provide information to 3<sup>rd</sup> parties. For privacy reasons Union only communicates with the account holder.</p> <p>Union notifies its customers through a message on the bill that the account is in a position to be locked if they do not initiate action to manage arrears. Once a bill message is sent, at least 2 outbound calls are made prior to issuing a disconnection order. There is no predetermined time between the notice and an actual credit lock taking place.</p> <p>In some cases a manually requested disconnection letter is sent to customers with ongoing payment history notifying them of collection action.</p> <p>Tenant notices are posted in a conspicuous area when the building houses multiple tenants.</p> <p>If Union is aware of a Vital Services by-law in a community, Union does follow the requirements of the by-law.</p>	<p><u>Proposed Modified Policies and Practices</u>        Union is prepared to implement a separate disconnection notice with information as outlined in the rule.</p> <p>The letter will include the earliest and latest date for action to be taken.</p> <p>The exception will be references in the letter to the fact a Vital Services by-law may exist in the customer’s community and that the customer should contact their local municipality for more information.</p>



5a. **Disconnection Procedures:** Additional notice of disconnection and information on payment options may help customers avoid disconnection.

<b>Customer Service Rules for Electricity Distributors</b>	<b>Existing policies and practices</b>	<b>Proposed modified policies and practices</b>
<p>Distributors must make a reasonable effort to contact the customer one final time, in person or by telephone, prior to disconnecting service at least 48 hours before the scheduled disconnection date. There is certain prescribed information that a distributor must provide, such as advising of the potential availability of an arrears program.</p> <p>If a distributor has been unable to contact a customer 48 hours before a planned disconnection, they should generally make a reasonable attempt to communicate with the customer at the door (subject to consideration of the safety and security of utility field staff).</p> <p>Distributors must, at a minimum, have the facilities and staff available during regular business hours so residential customers can pay overdue amounts by credit card.</p> <p>When a distributor visits a customer's property to disconnect service, customers must be allowed to pay overdue amounts by credit card (and any other form of payment the distributor wishes to accept).</p>	<p>Union attempts to contact the customer 2 days before a disconnection action is taken.</p> <p>At any time prior to the actual disconnection for non-payment a customer can make a payment at a financial institution. The customer can notify Union through the Interactive Voice Response system or website including the payment tracking number provided by the financial institution and the order will be cancelled.</p> <p>When the account is paid in full Union will reconnect that account within 2 business days.</p> <p>Union currently observes a moratorium on disconnections during winter months based on actual or forecasted temperatures.</p>	<p>As stated above, Union is prepared to accept credit card payments from customers in a disconnection position where the customer is responsible for the convenience fee. Due to safety concerns, Union will not accept payments at the door but will follow our current practice and will provide guidance to the customer on payment options.</p>

<p><i>Distributors should reconnect a property within two business days of payment in full or entering into an arrears management agreement 85% of the time. (This metric already exists in the GDAR 7.3.7.1)</i></p>		
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5b. **Suspending disconnection action:** Customers and distributors can avoid disconnection if payment is imminent.

<b>Customer Service Rules for Electricity Distributors</b>	<b>Existing policies and practices</b>	<b>Proposed modified policies and practices</b>
<p>If, during the disconnection notice period, a registered charity, government agency or social service agency advises a distributor they are assessing whether a residential customer is eligible for bill payment assistance, the distributor must suspend disconnection action for a period of 21 days after receiving notification from the agency.</p> <p>If, during the disconnection notice period, a third party, who had previously been designated by the customer to receive any disconnection notices, advises a distributor they are attempting to arrange assistance to help the customer pay their bill, the distributor must suspend disconnection action for a period of 21 days.</p> <p>A distributor must act on the disconnection notice within 11 days of its issuance or the lifting of a suspension. If disconnection does not occur within 11 days from the date of the notice or the lifting of the suspension, the distributor must issue a new disconnection notice and start the process once again.</p>	<p>Union allows 2 weeks for assessment although most agencies require 1- 3 days.</p> <p>Union communicates disconnection information to the account holder. Disconnection is delayed for a transactional party and if mutually agreeable payment arrangements are made. Once payment arrangements are made the disconnection is cancelled. If payment arrangements have been made or activities with a social service agency have begun, Union will delay further action for 2 weeks. If the payment arrangements have been missed, the account could be locked with no further notice.</p>	<p><u>Proposed Modified Policies and Practices</u>        Union is prepared to extend the agency assessment period from 2 weeks to 21 days.</p>

6. **Security Deposits:** Security deposits: (i) must be applied to gas charges before a disconnection notice can be issued; (ii) may be paid or repaid in instalments; and (iii) must be waived/refunded with good payment history.

<b>Customer Service Rules for Electricity Distributors</b>	<b>Existing policies and practices</b>	<b>Proposed modified policies and practices</b>
<p>Residential customers can pay a required deposit, an increase in a security deposit or a replacement of a deposit applied against arrears, in equal instalments over at least six months.</p> <p>There must be a review of the security deposit during the year after the first anniversary of the first instalment payment.</p> <p>A residential customer’s average monthly consumption over a 12-month, consecutive period in the last two years, must always be used to calculate the maximum amount a distributor can collect for a security deposit.</p> <p>Security deposits must be applied against any arrears and be insufficient to cover any amounts owing before a disconnection notice can be issued to a residential customer.</p> <p>When a security deposit has been applied against any arrears, the customer may have to repay the security deposit, and be allowed to repay in equal instalments over</p>	<p>The purpose of a security deposit is to ensure payments are received and to cover any outstanding arrears at the time a customer no longer uses the service.</p> <p>Customers unable to pay the security deposit in full can make arrangements to pay the deposit over 2 months.</p> <p>Except in extreme cases, Union will waive the security deposit if a) the customer enters into both the EBP plan and Automatic Payment Plan, or b) provides a letter of reference.</p> <p>12 months after full payment of the security deposit and a good payment history, deposits are automatically refunded with interest to the customer’s account.</p> <p>In addition to the review on the 1 year anniversary, all accounts that have been held for more than 12 months are reviewed and deposits are refunded based on the last 12 months of payment history.</p> <p>When the customer moves, the security deposit is applied to the customer’s account. If required a new deposit will be set up at the</p>	<p>Union proposes to maintain current practices which support the intent of the electricity CSR.</p> <p><u>Proposed Modified Policies and Practices</u>        Union is prepared to work with the customer to find a mutually agreeable payment plan for the security deposit up to a maximum of 6 months.</p> <p><u>Proposed Modified Policies and Practices</u>        Union is prepared to change security deposit requirements from 2 months of highest bills to 2 months of average bills based on the last 12 months usage history for the premises or \$250.00 if there is no historical consumption at that premises.</p> <p><u>Proposed Modified Policies and Practices</u>        Union is prepared to review the security deposit held on an account and include that amount in calculations to determine if credit action should be initiated.</p>

<p>at least six months.</p>	<p>customer's new account in the case of a transfer or move.</p> <p>When the deposit is applied, the customer has the option of leaving the credit amount on their account for future bills or requesting a cheque to be issued.</p> <p>Residential customers with either a history of credit issues or no prior utility account pay a security deposit. Depending on the circumstances the deposit ranges from a default of \$250 to the two highest months bills.</p>	
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7. **Arrears Management Programs:** These programs provide terms by which customers and distributors may avoid disconnection and mitigates accumulation of very large arrears.

<b>Customer Service Rules for Electricity Distributors</b>	<b>Existing policies and practices</b>	<b>Proposed modified policies and practices</b>
<p>Utilities must make arrears management programs available to any residential customer unable to pay their electricity charges. In the case of distributors who also collect water, sewer and other charges, these amendments apply only to the electricity charges.</p> <p>Any security deposit must be applied to the amounts owing before entering into an arrears payment agreement.</p> <p>Customers may be required to make a down payment of up to 15% of the arrears plus any accumulated late payment charges (not including other service charges such as reconnection charges) when entering into an arrears management agreement.</p> <p>If a customer owes less than twice their average monthly bill after applying the security deposit and down payment, the minimum length of time to pay the remaining amount is five months.</p> <p>If a customer owes more than twice their average monthly bill after applying the</p>	<p>The purpose of a security deposit is to ensure payments are received and to cover any outstanding arrears at the time a customer no longer uses the service.</p> <p>Union’s ultimate goal is to avoid disconnections.</p> <p>Excluding extreme circumstances, Union works with customers to find a mutually agreeable payment plan managed through payment arrangements.</p> <p>Payment arrangements normally don’t exceed 2 months.</p> <p>Payment plans are worked out with the customer on a case by case basis with multiple opportunities for the customer to work with Union on mutually satisfactory arrangements that could extend up to 2 months depending on the source of the arrears.</p> <p>Based on a customer’s past history, Union may contact the customer when payment arrangements are cancelled.</p> <p>There is at least 10 days between</p>	<p>Union proposes to maintain current practices which support the intent of the electricity CSR.</p> <p><u>Proposed Modified Policies and Practices</u>        Union is prepared to review the security deposit held on an account and include that amount in calculations to determine if credit action should be initiated.</p> <p><u>Proposed Modified Policies and Practices</u>        Union is prepared to send notification 10 days prior to cancelling a payment arrangement.</p>

<p>security deposit and down payment, the minimum length of time to pay the remaining amount is 10 months.</p> <p>Distributors can cancel the agreement if a customer defaults on the arrears payment or current bill payment more than once.</p> <p>Customers must be given 10 days written notice before an agreement can be cancelled, and the agreement must be reinstated if the customer pays in full before the cancellation date.</p>	<p>communication with the customer missing a payment arrangement and initiating a disconnect action. This communication takes place 8 days after the payment is missed.</p>	
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8. **Management of Customer Accounts:** Support constructive third party involvement and protects customers and distributors from fraud and misunderstandings.

<b>Customer Service Rules for Electricity Distributors</b>	<b>Existing policies and practices</b>	<b>Proposed modified policies and practices</b>
<p>If a distributor opens a new account based on a request from a third party, a letter must be sent to the new user within 15 days of the opening of the account. The account will not be set up if the new user has not approved the opening of the account within 15 days of the letter. However, a solicitor or person with Power of Attorney can agree on behalf of the new customer to the opening of the account.</p> <p>Distributors can only recover charges from a person who has agreed in writing to become a customer.</p> <p>When a tenant customer moves out of a rental unit, distributors cannot seek to recover future charges from any other person, including the landlord, unless that person has agreed in writing to assume responsibility for the account.</p> <p>A distributor and a landlord may enter into an agreement where the landlord agrees to automatically assume responsibility for paying for continued service after the closure of a tenants account.</p>	<p>A notification to transfer service to a third party name is currently accepted from vendors, purchasers, builders, vendor or purchaser solicitors, power of attorney or property owner/manager or housing administrator (example CFHA).          If notification is received from a builder we will honour the date they provide for closing and back bill the purchaser for gas used between the closing date and the account set-up date.</p> <p>We do not accept new tenant information from vacating tenants.</p> <p>Landlord notes are maintained with direction from the owner on how to handle the gas service when there is a vacancy at a property and this direction is used in absence of a contract.</p> <p>Recordings of calls are maintained for 24 months.</p>	<p>Union proposes to maintain current practices which support the intent of the electricity CSR.</p>



<b>Comments or Suggestions</b>