

September 25, 2015

Ontario Energy Board
Attn: Kirsten Walli, Board Secretary
PO Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4

Via Web Portal and by post

Dear Ms. Walli,

Re: Board File no. EB-2015-0148

Proposed Amendments to the Distribution System Code, the Unit Sub-Metering Code, the Retail Settlement Code, the Standard Supply Service Code for Electricity Distributors, and the Gas Distribution Access Rule to implement the Ontario Electricity Support Program

The Electricity Distributors Association (EDA) is the voice of Ontario's local electricity distribution sector, which consists primarily of municipally and privately owned local distribution companies (LDC). The distribution sector delivers power to Ontarians through 4.9 million residential, commercial and institutional customer accounts. The sector employs 10,000 people directly and holds \$19 billion in assets; it has \$1.9 billion in annual capital spending and \$1.6 billion in annual operational spending; and makes hundreds of millions in direct contributions to both municipal and provincial revenues.

The EDA welcomes the opportunity to provide comments on the proposed amendments to several codes to implement the Ontario Electricity Support Program (OESP). The EDA and its members have been integrally involved with the OESP Implementation Working Group at the OEB for the past several months to ensure that the program is rolled out to Ontarians in a consistent manner. We look forward to continuing to work with the OEB as the launch date draws close.

The EDA would like to highlight that LDCs are spending considerable time and monetary resources to work with their respective third party vendors to ensure that their billing systems are ready for the roll out of the OESP. LDCs are currently out of pocket for these expenditures and the OEB has not confirmed if LDCs will be allowed to recover these costs. The EDA recommends that the OEB provide direction to the LDCs to track these implementation costs and clarify that if costs are material, they will be allowed to establish a deferral account to ultimately recover these costs once deemed prudent by the OEB.

Please see the EDA's detailed comments below on the various code amendments proposed by the OEB:

Amendments to the Distribution System Code (DSC)

Comments on Bullet no. 6

The EDA recommends that the term “*Social Service Agency or Government Agency*” is NOT replaced with “*LEAP Intake Agency*”, as is being proposed by this amendment. According to the new definition, a “*LEAP Intake Agency*” is a social service, municipal or government agency that assesses a residential consumer’s eligibility for Emergency Financial Assistance (EFA) under the OEB’s Low-Income Emergency Assistance Program (LEAP). However, there are many social service and government agencies across the Province who do not provide LEAP services, yet provide other forms of financial assistance to low-income consumers. These agencies may also work with the LDCs to enroll recipients for the OESP when the program is implemented.

Narrowing the definition and the role of the social agencies, as contemplated in this bullet, will limit the level of outreach that is often required by low income consumers to receive financial and other assistance, for LDCs to be notified when an account is close to a disconnection and for the OESP to reach more eligible customers. Therefore, the EDA recommends that the term “*Social Service Agency and Government Agency*” remain in the DSC, specifically in sections 2.4.11.1, 2.4.11.2, 2.9.2, 4.2.2.6 and 4.2.2.7.

Comments on Chapter 9

The EDA seeks clarification that its LDC members are not responsible for verifying and policing the accuracy of the assignment of eligible customers to the different OESP rate classes and will be relying on the Central Service Provider (CSP) for the accuracy of the income levels, the household size and the other special conditions that will assign an OESP recipient to a certain rate class.

Comments on Section 9.2.6

LDCs have advised that it is an onerous and complicated task to separate an OESP credit from any other credit that the customer is eligible to receive once the account has been closed. Implementing an automated system for this process will be costly for LDCs and LDCs will not be ready to do so by January 1, 2016. LDCs will be handling large volumes of bills on a daily basis to separate a customer’s credit which may include a refund deposit or a budget plan credit along with the OESP credit and it will create confusion amongst customers if they are not refunded the full amount of the credit that they are expecting. The EDA would like to state that failing to issue a refund to the customer for the OESP credit is not customer friendly and is contrary to the spirit of this program which is being implemented to assist low-income electricity consumers with their electricity bills. Therefore, the EDA recommends that LDCs should be allowed to issue a refund for the OESP portion of a credit at any time and that this section be deleted from the proposed amendments to the DSC.

Comments on Section 9.3.1

The EDA recommends that the OEB clarify that errors made by the CSP that lead to billing corrections or adjustments to a customer’s bill will not be included in the LDC’s billing accuracy metric that LDCs are required to report to the OEB as part of their ESQRs, and then reported on the publicly posted LDC scorecard.

Comments on Section 9.3.2

Sections 7.7.1, 7.7.2 and 7.7.3 of the Retailer Settlement Code (RSC) states the “customer or retailer may elect to have the full amount credited to their account or repaid in full by cheque” if the account has been overbilled. However, the OEB’s proposed Section 9.2.6 does not allow the LDC to issue a refund for the OESP portion of a credit, which could occur due to a billing error from the CSP or the LDC. The EDA recommends that Section 9.2.6 be deleted from the proposed amendments to the DSC to ensure that LDCs can implement Section 9.3.2.

Comments on Section 9.3.3

Since the LDC is not allowed to recover any rate assistance that the customer has already received, the OEB should clarify that the LDC will be able to recover that amount through the IESO settlement process.

Comments on Section 9.4

The EDA recommends that LDCs be provided with adequate notice to implement technical and administrative changes issued from time to time. As mentioned before, LDCs should also be allowed to track costs in a deferral account for later recovery accrued from implementing any of these changes.

Comments on Section 9.5

It is recommended that the OEB provide a guideline that includes the minimum requirements of the notice LDCs will need to provide to OESP recipients when their eligibility period is at least 60 days away from expiry. This will ensure that there is consistency in communications throughout the province.

Comments on Section 9.6

The EDA requests that the OEB provide further details regarding the IESO settlement process, specifically to ensure that the timelines for settlement are aligned with other settlement processes with the IESO.

The EDA does not have any comments regarding the proposed amendments to the Unit Sub-metering Code, the Retailer Settlement Code, the Standard Supply Code and the Gas Distribution Access Rule.

The EDA looks forward to working with the OEB as the Ontario Electricity Support Program is rolled out to the Province.

Sincerely,



Teresa Sarkesian
Vice President, Policy and Government Affairs

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