

Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4  
Attn: Ms. C. Long  
Registrar and Board Secretary

September 1, 2020

Dear Ms. Long

Re: **EB-2020-0152**

These are the Electricity Distributors Association's comments on the Ontario Energy Board's (OEB) August 25 Notice Of Revised Proposal To Amend the Standard Supply Service Code (SSSC). Ontario's local distribution companies (LDCs) are the face of the industry to Ontario's small volume consumers who will be eligible to elect between Time-of-Use (ToU) or Tiered Regulated Price Plans (RPP). Our members want to be fully prepared to appropriately support these customers as they seek to comprehend, navigate and potentially make decisions based on these changes.

We appreciate that the OEB will establish a deferral account to record the costs incurred to prepare for and deploy this program, as well as the costs incurred to process customer elections. We seek to learn the nature of the costs that will be eligible to be tracked in the account (e.g., costs to amend or replace existing processes and systems, up-front or one-time costs, ongoing costs to maintain systems, ongoing processing costs, ongoing communications costs) and assume that the balances recorded in the account will attract Carrying Charges. As our comments of July 29 described, all distributors will need to adapt and amend existing systems and processes to be able to support customer choice of RPP price plan (e.g., to program and test changes, to develop material to educate and support customers). As well, LDCs that are replacing or are preparing to replace their Customer Information Systems, billing systems or other systems will incur additional costs (e.g., to simultaneously adapt the legacy system that will be retired in the near term and to appropriately configure the replacement system). All costs incurred to facilitate the provision of customer choice of RPP price plan should be eligible for inclusion in the deferral account.

Our comments on the revised proposed amendments to the SSSC are organized as follows:

- The proposed revised amendments that reflect changes versus the proposed amendments
- The proposed revised amendments that continue to raise concerns or that raise new concerns
- Timelines

### Proposed revised amendments that reflect changes versus the proposed amendments

We acknowledge that the revised proposed amendments provide flexibility with respect to:

- Smart Meter Entity data framing structure
- form of media used to communicate to and/or correspond with the customer
- on-bill messaging
- rules applicable to account changes (e.g., when a customer transitions from retailer supply to RPP, when a customer is reclassified)

We appreciate the revised wording of section 3.5.4 of the SSSC and in particular the use of the term “practicable”. All these changes are expected to support LDCs in preparing for, and deploying, this initiative and to supporting consumers as they seek to understand the initiative and make decisions of whether to be billed at RPP tiered prices or to remain on ToU prices.

### Proposed revised amendments that continue to raise concerns or that raise new concerns

While the proposed change to section 3.5.8 is expected to simplify activity in the initial weeks of the program being made available it could simply defer action to a future date. In this respect, the revised proposed amendment appears to only have the effect of temporarily relieving the LDC from processing some elections.

The communications requirements set out in the revised proposed Code amendments appear best suited to situations where the premises are consistently occupied by the same customer. These requirements may not be advisable for those LDCs that provide distribution service to itinerant populations. These LDCs often experience situations where the premises’ landlord becomes the account holder for a comparatively short period of time and potentially two or more times in a 12-month period. The revised proposed amendments would require that the LDC communicate to the landlord, irrespective of how long the landlord is responsible for the account or of how recently the LDC communicated with the landlord about the RPP price plan or of the frequency the LDC communicates with the landlord. In these situations, it may be more appropriate for the LDC to educate these landlords rather than to repeatedly communicate with them.

Should the OEB consider this suggestion advisable, we appreciate that appropriate reporting requirements will need to be developed.

All LDCs know that, from time to time, a smart meter may cease to transmit data. LDCs consider it appropriate to prepare the last bill issued under an RPP price plan using actual metered data and are concerned about how to proceed if an actual meter read cannot be obtained. We ask that the OEB clarify whether an actual meter read is required, and that if it is not practicable to acquire an actual meter read if an estimated meter read may be used instead.

Our members continue to be concerned that the revised proposed amendments neither limit nor constrain the number of switches that consumers can request. As was stated in our July 29 comments, not restricting either the number or frequency of elections, and, not requiring that

elections be completely processed on a first-come-first-served basis (i.e., to hold elections submitted while an election is being processed) risks customer confusion and has the potential to increase the costs incurred by distributors. We acknowledge that the OEB has heard these concerns, but nonetheless, these concerns remain.

Our members are more concerned with the proposed October 13 Coming into Force date. As was stated in our July 29 comments, many of our members will be challenged to achieve a Coming into Force date of November 1. Their concern is heightened by the prospect of the October 13 Coming into Force date that the OEB continues to propose. We wish to point out that some LDCs and their vendors will require weeks, or even months, after October 13 to be appropriately prepared to fulfill their customers' choice of RPP price plan. LDCs are concerned that the provision of choice, which was intended to be universal, cannot be universally rendered. We understand that some LDCs will need to rely on manual processes until such time as they are able to complete their system adaptations and conversions and that they are concerned that they will not be able to fulfill customer expectations or comply with OEB required timelines. They note that neither the proposed amendments nor the revised proposed amendments have dealt with this issue, despite LDCs being clear that it is an eventuality rather than a possibility.

LDCs seek to learn the steps that they should take if they are unable to achieve the proposed October 13 Coming into Force date, e.g. whether they should:

- direct scarce resources to preparing and filing a regulatory application seeking a licence amendment that temporarily relieves them from complying with the Coming into Force date;
- receive and store elections to be processed at a future date, where processing may include cancel/rebill activities;
- process applications on a "best efforts" basis, perhaps using a first-come-first-served approach.

We clearly communicated to the Ministry in the spring of this year that LDCs' resources are as stretched as they can be. As such, we trust that a Coming Into Force date without paying due regard to LDCs' reality will not be interpreted as LDCs' unwillingness to comply with this aspect of government policy.

Finally, we wish to point out that, like the original Notice, the OEB's revised Notice does not provide a cost/benefit analysis as is mandated in section 70(2) of the *Ontario Energy Board Act, 1998* (the Act). The OEB has not taken steps to acquire evidence to support its assertion that either the original proposed amendments or the revised proposed amendments minimize implementation costs or lower implementation costs. The OEB's Notice states that the OEB believes it has struck the appropriate balance. With respect, the Act does not provide the OEB with discretion of:

- whether or not to provide a cost/benefit analysis

- whether to rely on an expectation that it will minimize or lower implementation costs
- whether to strike a balance

### Timelines

In addition to our concerns on the proposed October 13 Coming into Force date, we are concerned with the timelines of:

- the proposed Code amendments
- the provision of customer support materials
- the issuance of the RPP price levels that will take effect November 1, 2020.

We are concerned with the time permitted by the OEB for stakeholders to submit comments. The OEB issued the Proposed Amendments on July 15 and parties provided their comments 10 business days later, on July 29. Subsequently, the OEB used 17 business days to prepare its Revised Proposed Amendments and has made a 5-business day period available to stakeholders for comments.

Our best practices for preparing comments include engaging members in reviewing the matter and the associated issues, providing input, and providing two rounds of member review on the draft comments. Clearly, 5 business days is inadequate for our best practices to be followed. In future, we would appreciate if the OEB better balance the time they allow themselves to complete and release their deliverables against the time they allow stakeholders for comments. When stakeholders have adequate time to comment, everyone ultimately benefits, including the OEB and the customers they strive to protect.

We thank OEB staff for sharing a version of a revised on-line bill estimation tool that displays the bill impact of ToU and Tiered RPP rates. However, apart from that discussion, the OEB has not provided any details of the materials they are preparing that will educate consumers or support consumer decision making, when drafts or working versions will be made available for review, or when the final version will be released. LDCs need to know these dates so that they can take appropriate steps to support their customers in both understanding and potentially acting on choice.

Consumers will need to know the RPP price levels, both ToU and Tiered, at the earliest possible opportunity. In past years, the OEB has communicated the changed price levels a few days in advance of them taking effect. We encourage the OEB to release the RPP price levels as soon as is practicable so that consumers have full information about choice and whether to act on it.

In closing, we note that the OEB needs to prioritize taking steps to finalize the Code amendments. Doing so will allow LDCs to appropriately prepare to support consumers and have certainty of the changes they need to make. Ultimately, the consumer will have clarity of the processes, timelines and communications that their LDC is bound, as a condition of licence, to fulfill.

Thank you again for providing the revised proposed amendments and the opportunity to comment on them. We look forward to the next step in the OEB's Code amendment process. If you have any questions on these comments please do not hesitate to contact Kathi Farmer at 416.659.1546 or at [kfarmer@eda-on.ca](mailto:kfarmer@eda-on.ca).

Sincerely

Ted Wigdor  
Vice-President Policy, Government & Corporate Affairs