

**Ontario Energy
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**Commission de l'énergie
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VIA E-MAIL & WEB POSTING

February 23, 2017

To: All Licensed Electricity Distributors
All Natural Gas Distributors
All Other Interested Parties

Re: Winter Disconnections and Launch of Review of Customer Service Rules

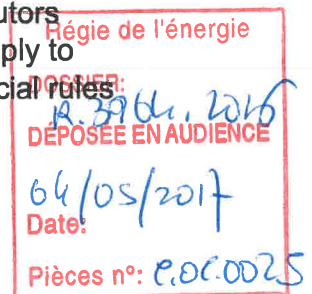
The Ontario Energy Board (OEB) has issued a Decision and Order amending the licences of all Ontario electricity distributors to ban the disconnection of residential consumers for the period through April 30, 2017, and to require that disconnected homes be reconnected as soon as possible at no charge.

The Decision and Order also requires the prompt removal of load limiting devices that have been installed on residential premises as an alternative to disconnection, and a prohibition on the installation of new devices during the disconnection ban.

This Decision and Order follows the passage of the *Protecting Vulnerable Energy Consumers Act, 2017* by the Ontario Legislature on February 22, 2017. The *Act*, which received Royal Assent on the same day, strengthens the OEB's authority in relation to disconnections by electricity and natural gas distributors. It does so by expressly recognizing that the OEB's rules can ban the disconnection of low-volume (residential and small business) consumers during certain periods, and by making it clear that the OEB's rules prevail over the statutory right to disconnect that electricity and natural gas distributors have under the *Electricity Act, 1998* and the *Public Utilities Act*, respectively.

The OEB has moved swiftly to address this priority matter for the balance of this winter as an interim measure. The OEB intends to launch a comprehensive review of customer service rules for both electricity and natural gas in the near future. More enduring rules relating to disconnection, among other matters, will be developed through this review.

The OEB has had detailed customer service rules in place for electricity distributors since 2011, and has made refinements to them over time. All of those rules apply to residential customers, and some also apply to small business customers. Special rules:



are also in place to provide even greater protection for low-income customers. The OEB committed to undertake an evaluation of how its customer service rules are working once there was sufficient experience with them.

The current rules address a number of issues including:

- Disconnections
- Security deposits
- Arrears management
- Billing errors
- Equal payment plans
- Bill issuance and payment
- Customer account management

The review will consider how these rules have been implemented by distributors and whether they maintain an appropriate balance between customer protection and the ongoing operational needs of utilities.

The review will also cover the natural gas sector. Natural gas utilities have customer service standards and practices similar to those that we require electricity utilities to follow, including special rules for low-income customers. A natural gas utility whose rates are set by the OEB must set out its customer service-related standards and practices in a Customer Service Policy that must be available on its website. We require the utility to comply with its Customer Service Policy, and to promptly notify customers of any changes to it.

The review will examine the application of specific service charges, such as account collection and reconnection fees, that distributors are allowed to charge in relation to customer service-related activities.

The OEB will consult with consumers, including representatives of low-income consumers, electricity and natural gas distributors and other interested stakeholders as part of its review. Although the review will cover all customer service rules, the OEB intends to focus initially on rules relating to disconnection.

The upcoming customer service rule review is part of the OEB's ongoing commitment to protecting the interests of Ontario's energy consumers and to ensuring that they are well-served by a financially viable sector. Further details regarding the OEB's process for the review will be issued in the near future.

Sincerely,

Original signed by:

Brian Hewson
Vice-President, Consumer Protection and Industry Performance