

**Assurance of Voluntary Compliance**

**Pursuant to section 112.7 of the  
*Ontario Energy Board Act, 1998***

**HALTON HILLS HYDRO INC.**

**EB-2022-0206**

**SEPTEMBER 8, 2022**

## **I. STATEMENT OF FACTS**

On March 24, 2022, Halton Hills Hydro Inc. (“HHHI”), after reviewing the Assurance of Voluntary Compliance (“AVC”) released by another Local Distribution Company on March 11, 2022 that identified the issue, proactively launched an initial review of its billing methodology and self-reported to the Ontario Energy Board (“OEB”) that a similar issue related to overcharging customers as a result of proration of fixed charges may also apply to HHHI. In this letter, HHHI indicated that it would conduct an internal review and provide further information by April 15, 2022. HHHI filed a subsequent report to the OEB on April 14, 2022.

HHHI explained that while it used the approved fixed monthly charges from its OEB-approved Rate Order, its billing system translated these monthly charges into a daily charge for application to customers’ bills. In the translation from monthly to a daily charge, the daily charge was calculated based on there being 30 days in every month (or 360 days in a year) but billed to customers 365 days a year. The issue persisted for several years and applied to all fixed monthly charges across all rate classes, including, for example, fixed charge rate riders, the Smart Metering Entity charge, and the Standard Supply Service – Administration Charge. As a matter of scope, however, the monthly service charge was the largest.

In its April 14, 2022 report, HHHI outlined that it had developed and would institute changes effective May 1, 2022 to its customer billing system to ensure customers would not be overcharged due to the incorrect proration of fixed monthly charges. HHHI implemented the corrective measure effective May 1, 2022.

## **II. ASSURANCE**

HHHI acknowledges that, as a result of its billing system configuration, it was charging customers more than the OEB-approved fixed charges. To remedy the contravention of the Rate Orders, HHHI assures the OEB that it will take the following measures:

HHHI will refund its customers the overcharged amounts for four years (the 2018, 2019, 2020 and 2021 rate years), calculated in the manner set out in the **Appendix** to this Assurance. The refund will be paid through a lump sum bill credit which will appear on a customer’s bill within ninety (90) days of the acceptance of this Assurance by the OEB. Every customer in a rate class will receive the same credit amount, as shown in the **Appendix**, regardless of whether the customer was actually a customer for the entire four (4) year refund period. At the time of the refund, HHHI will provide an explanation to customers in a form to be approved by the OEB. The total amount of all refunds to be provided, based on current customer counts, is estimated to be approximately \$450,466.

## **III. ADMINISTRATIVE PENALTY**

HHHI agrees to pay an administrative penalty to the OEB in the amount of \$5,000. Payment will be made by cheque or electronically with notice sent to the Registrar, within two (2) weeks of the acceptance of this Assurance by the OEB.

## **IV. CONSUMER RIGHTS**

Nothing in this Assurance affects any rights a consumer may have under any applicable law.

**V. FAILURE TO COMPLY**

HHHI acknowledges that this Assurance has the same force and effect as an order of the OEB pursuant to section 112.7(2) of the OEB Act.

**VI. EXECUTION OF ASSURANCE**

I have the authority to bind Halton Hills Hydro Inc. to the terms set out in this Assurance.

Name: Scott Knapman

Title: President & CEO, Halton Hills Hydro Inc.

Signature:  \_\_\_\_\_

Dated this 8<sup>th</sup> day of September, 2022

