

Ontario Energy Board
26th Floor, P.O. Box 2319
2300 Yonge Street Toronto, Ontario M4P 1E4

By Fax and E-Mail

Attention: Ms. Anne Powell, Director of Rates and Licensing
cc Ms. Kathi Litt Regulatory Officer

Dear Ms. Powell Re- Proposed Gas Distributor Distribution Access Rule

These comments are provided by the Vulnerable Energy Consumers' Coalition (VECC) in response to your letter of September 26, 2000. We have undertaken a quick review of the Board Staff Draft Rule from the perspective of low volume customers, since time and resources did not allow a more comprehensive review.

In summary our high level comments are as follows:

1. The Draft Rule borrows liberally from the Electricity Distribution Access Code.

- a) Having a 'level playing field' for the two main sectors of the energy industry in Ontario allows competitive suppliers and their customers of both the energy commodity to be subject to similar rules. This may reduce the potential for preference for either energy form due to structural factors and allow pure price to be the key factor. In the service area it may also help promote further convergence that may lead economies of scale for suppliers and consumers.
- b) At present, the basic structures of the gas and electricity distribution sectors are quite different. The electricity sector presently consists of a few large distributors and many smaller distributors. The gas distribution sector which two large investor owned utilities with 90% of the infrastructure and customers, one small investor owned utility and two municipal utilities.

The question is whether, given the structure of the gas distribution sector the draft rule should be less prescriptive and complex than the electricity Distribution Access Code.

2. The Draft Rule suffers from a lack of customer participation and input.

The Sections of the draft Rule that address the working relationship between the distributor and gas marketers are reasonably clear and, given the relative sophistication of the parties, there is unlikely to be significant confusion.

However the sections that include the customer, although reasonably clear are not written with the customer as the prime concern. It appears that redefining the distributor-customer relationship was secondary to establishing the distributor- marketer relationship. There will be potential for the current confusion over customer rights in the small volume market to continue. This needs to be addressed in the style of writing and perhaps by a separate customer bill of rights as an Appendix to the draft Rule. In any event, consumer education about the Rule should be considered at the implementation stage.

Our detailed Comments are attached.

Yours truly

Michael Janigan Counsel to VECC

**Comments by Vulnerable Energy Consumers Coalition
on Proposed Gas Distributor Access Rule**

- Section 1 Interpretation
- Definitions Page 1 Typo last line Centra Gas
Page 2 emergency line 2 the first “firm” is not needed
- Section 2 Distribution Services
- Section 2.1.1 There are still unorganized communities for which a CPCN may not have been issued
- Section 2.2.2 The relevant parts of the new TSSAct (if not enacted, then the current codes) should be referenced
The word “new” appliance inspection service should be added
- Section 2.3.1 Enbridge and Union are required to do system inspections as part of the SQIs under their PBR plans. Does the Board have jurisdiction over Kitchener or Kingston?
- Section 3 Emergency Supply Planning
- Section 3.1.1 Line 4 insert the words “in order of priority” after service(s)
- Section 3.2 The Board has no jurisdiction over Kitchener or Kingston since this is a rate issue
- Section 4 Expansion and Connection to a Distribution System
- Ibid re jurisdiction in respect of Kitchener and Kingston
- Section 5 Standard Service Offering
- Section 5.6 This provision must reference and be subject to credit risk and security deposit requirements
- Section 6 Distributor-Marketer Relations
- Section 6.3.1 The Service Legal Agreement should be renamed to avoid confusion with the Service Level Agreement. Suggest Standard Marketing Agreement This is a commercial arrangement and should not fall under the jurisdiction of the Board except regarding non-discrimination
- Section 7 Service Transfer Requests
- Section 7.2 Should be clarified to apply to marketers not customers. Customers will contact the distributor and the list of requirements will form the check list at the call

centre. Suggest title: “STR Information Requirements for Marketers and Distributors”.

Section 7.3.1 Ibid re customer responsibility. The STR request should be processed by either the marketer or distributor. What is the requirement for an authorized agent? Authorized Agent or Agent is not defined. Suggest remove words.

Section 7.5 This is a complicated process and consumer education and a consumer bill of rights as an Appendix to this Rule is recommended.

Section 7.6.2 This should be modified to reflect credit history and possible requirement for a security deposit.

Section 8 Customer Information

Suggest a preamble that sets out the governing principle that “All customer information in the possession of the distributor is confidential and shall not be released or transferred except with permission of the customer for the purpose of administration of this Distribution Access Rule”.

Section 9 Billing

Section 9.1.1 For clarity insert the “distributors” bill. The bill should contain enquiry numbers related to the distribution and commodity regardless who renders the bill(s)

Section 10 Security Arrangements

As noted previously this section needs cross referencing as noted above.

Section 10.3.5 The maximum amount of cash deposit from low volume customers should be specified based on formula such as $[(\text{estimated annual distribution services bill} / 4) + (\text{estimated annual commodity use} * \text{price}) / 4]$.

Section 11 Financial Default by Marketers

NO comments

Section 12 Complaint Procedures

This section should distinguish complaints regarding SSO from those related to distribution services. Procedures for customer complaints received by the distributor regarding marketers should also be included. The customer needs a holistic approach to his/her complaint. The complainant should be made aware of the procedure and that if the response is not satisfactory they can take the matter to the Board

Suggest a customer Bill of Rights written in plain english (and French) be added as an Appendix A to the Rule.

