

July 8, 2003

Mr. Paul Pudge  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street  
26<sup>th</sup> Floor  
Toronto, Ontario  
M4P 1E4

Dear Mr. Pudge:

**RE: Notice of Proceeding to Amend the Distribution System Code and Retail Settlement Code Consumer Security Deposit Policies RP-2002-0146**

Please find enclosed Whitby Hydro's written submission concerning the proposed amendments to the Distribution System Code and the Retail Settlement Code concerning Consumer Security Policies.

- 2.4.9 A one year good payment history for residential consumers represents only six (6) billing periods and we feel does not adequately reflect a customers payment pattern. A two year good payment history for residential customers would be more adequate. Commercial accounts pose the greatest financial risk to utilities if they close or go bankrupt. Even well established organizations can experience financial difficulties leaving utilities with large arrears situations. It is recommended that deposits be mandatory for commercial/industrial accounts for the term of their contract with the utility.
- 2.4.12 A flat rate deposit for residential customers would be much simpler to administer and provide consistency across the rate class. The proposed deposit calculation is further complicated by the process outlined in 2.4.14.
- 2.4.19 It needs to be made clear that the acceptance of security bonds and third party guarantees as deposits is the decision of the distributor. Many distributors would have difficulty administering these types of securities.
- 2.4.20 The majority of accounts that skip do it within the first month of energization. Instalments should not exceed 4 weeks.

We hope that our comments are duly noted during the hearing process. Inquiries can be addressed to:

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Sincerely,

Paul Elliott  
Vice President Customer Services

cc. Terry Adderley  
Ramona Abi-Rashed