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FOR IMMEDIATE RELEASE

February 2, 2004

Ontario Energy Board Sets Out Minimum Requirements for Electricity Consumer Security Deposits

Toronto – The Ontario Energy Board has amended its Distribution System Code (DSC) for electricity distributors to include guidelines for electricity consumer security deposits in order to ensure that consumers receive consistent and equitable treatment.

The Board does not require electricity distributors to collect a security deposit from consumer. However, the DSC amendments spell out the conditions under which security deposits can be collected.

An electricity distributor can require a security deposit in instances where, for example: the consumer has received more than one disconnection notice from the distributor; more than one cheque or pre-authorized payment has been returned for insufficient funds; or, if a disconnect / collect trip has occurred.

The amendments to the DSC also outline the maximum amounts of security deposits and the length of time that distributors can hold them. The amendments cover the residential, commercial and industrial rate classes.

Distributors have a six-month implementation period to make any necessary changes to their own security deposit policies and customer information systems. In some cases, security deposits currently held by electricity distributors will be returned to consumers as a result of the amendments. Therefore, a transition period through to February 1, 2005 has been provided to address distributor cash flow issues.

The Board approved the DSC amendments following consultations with stakeholders that included a diverse number of electricity distributors and consumer groups in addition to industry and regulatory sector representation.

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