Ontario Energy Board

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## **Compliance Office**

April 12, 2005

Compliance Bulletin 200502

To: All Electricity Retailers

Facsimile: (416) 440-7656 Télécopieur: (416) 440-7656

Re: Price Disclosure to Low Volume Consumers

This bulletin is intended to clarify the rules regarding compliance with the requirement to disclose certain price information to low volume consumers (consumers who uses less than 150,000 kilowatt hours of electricity a year).

The Consumer Protection Regulation, O. Reg. 200/02 (the "Regulation"), imposes various obligations on electricity retailers relating to the disclosure of price information to low volume consumers. Among those obligations is the requirement to disclose, in various circumstances, the price (expressed per kilowatt hour of electricity) that would be payable by the consumer if the consumer purchases electricity from the consumer's local electricity distributor rather than under contract with the electricity retailer. For example, this comparative price information must be included in electricity retail contracts under paragraph 12.1(i)(B) of subsection 7(1) of the Regulation.

As of April 1, 2005, electricity pricing for eligible consumers, including low volume consumers, is governed by the Board's regulated price plan ("RPP"). The Compliance Office has been asked by electricity retailers to provide guidance regarding compliance with this comparative price disclosure obligation now that the RPP is in place.

The Compliance Office considers that the following would satisfy this comparative price disclosure requirement:

 a statement of the applicable RPP prices as currently determined by the Board, including the applicable thresholds (or, in the case of consumers with eligible time-of-use or "smart" meters that are subject to time-of-use pricing, the applicable times of use)

For example:

(a) for non-residential consumers with conventional meters:

5.0¢ per kWh for up to 750 kWh per month and 5.8¢ per kWh above 750 kWh per month

(b) for residential consumers with conventional meters:

April 1, 2005 – October 31, 2005	November 1, 2005 – March 31, 2006
5.0¢ per kWh for up to 750 kWh per month	5.0¢ per kWh for up to 1000 kWh per month
5.8¢ per kWh above 750 kWh per month	5.8¢ per kWh above 1000 kWh per month

- a statement of the period for which the current RPP prices will remain in effect (where the comparative price disclosure is being made during the first RPP year, the period would be "until at least March 31, 2006")
- a statement that, after the above-mentioned date, the prices will be determined by the Ontario Energy Board and are expected to change every six months

I hope you find this information to be helpful. Please direct any further questions you may have on this matter to the Market Participant hotline at 416-440-7604 or by e-mail at <a href="market.operations@oeb.gov.on.ca">market.operations@oeb.gov.on.ca</a>.

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