

**Proposed**

**ELECTRICITY RETAILER  
CODE OF CONDUCT**

**Ontario Energy Board**  
June 2, 2004



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## **1 GENERAL**

### **1.1 Interpretation**

Unless otherwise defined in this Code, words and phrases shall have the meaning ascribed to them in the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B, as amended and the *Electricity Act, 1998*, S.O. 1998, c. 15, Schedule A, as amended. Nothing in this Code shall be interpreted to alter or affect the conditions of the licence of an electricity retailer, or relieve a retailer from compliance with the licence. Headings are for convenience only and shall not affect the interpretation of this Code. Words importing the singular include the plural and vice versa.

### **1.2 Definitions**

For the purposes of this Code,

"Act" means the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B;

"consumer" means a person who uses, for the person's own consumption, electricity that the person did not generate;

"consumer information" means information relating to a specific consumer obtained by a retailer or its salesperson, and includes information obtained without the consent of the consumer;

"customer" means a consumer with whom a retailer has a contract for the supply of electricity;

"Electricity Act" means the *Electricity Act, 1998*, S.O. 1998, c. 15, Schedule A;

"low volume consumer" means a person who uses, for the person's own consumption, electricity that the person did not generate and who annually uses less than 150,000 kilowatt hours of electricity.

"notice of acceptance" means the written notice to the retailer that indicates an intention of the consumer to accept the renewal or extension of a contract, as set out in section 6(2)5 of Ontario Regulation 200/02;

"notice of reaffirmation" means the written notice to the retailer that indicates an intention of the consumer to reaffirm the contract or not reaffirm the contract, as set out in section 4 of Ontario Regulation 200/02;

"retailing," for the purpose of this Code, includes door-to-door selling, telemarketing, direct mail selling activities, and any other means by which a retailer or a salesperson of a retailer interacts directly with a consumer;

"salesperson" has the meaning ascribed to it in section 88.4(4) of the Act.

### **1.3 Purpose of the Code**

This Code sets the minimum standards under which a licensed electricity retailer may retail electricity. Specific requirements may apply for retailing to low volume consumers. The Board may exempt a retailer from compliance with this Code, in whole or in part, subject to such conditions or restrictions as the Board may determine. From time to time, amendments may be made to this Code by the Board in accordance with the Act.

### **1.4 Obligation to comply with the law**

A retailer shall comply with the Act, the Electricity Act and regulations made under those Acts, including Part V.1 of the Act and O. Reg. 200/02. Nothing in this Code affects the obligation of a retailer and its salespersons to comply with provincial and federal law.

### **1.5 Obligation to ensure salespersons comply**

A retailer shall ensure that its salespersons adhere to the same standards required of the retailer as set out in this Code.

### **1.6 Coming into force**

This Code is in effect as of the date it is published on the Board's website, and replaces the Electricity Retailer Code of Conduct issued August 18, 1999.

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## 2 FAIR MARKETING PRACTICES

- 2.1 A retailer or salesperson of a retailer, when retailing to a consumer, shall:
- (a) immediately and truthfully give the name of the salesperson and the retailer to the consumer, and state that the retailer offering a contract for the supply of electricity is not the consumer's distributor;
  - (b) state the price to be paid under the contract for the supply of electricity, expressed per kilowatt hour of electricity for low volume consumers, and state the term of the contract;
  - (c) not exert undue pressure on a consumer;
  - (d) allow the consumer sufficient opportunity to read all documents provided;
  - (e) not make any offer or provide any promotional material to a consumer that is inconsistent with the contract being offered to or entered into with the consumer;
  - (f) not make any representation or statement or give any answer or take any measure that is false or is likely to mislead a consumer; and
  - (g) if retailing to a low volume consumer at a place other than the retailer's place of business, display a photograph of the salesperson, with the salesperson's name and the name of the retailer.
- 2.2 Where a retailer has a contract with a low volume customer that has a remaining term greater than 120 days, and the retailer has offered that customer a new contract that will amend, revoke or replace the existing contract, the retailer, as part of the process of reaffirmation of the new contract, must clearly inform the customer of the existing contract, its price, remaining term, and the fact that it will be amended, revoked or replaced if the customer reaffirms the new contract.



**Transfer requests**

- 2.3 A retailer shall not:
- (a) submit a request to a distributor for a change of electricity supply for a consumer to that retailer unless the retailer has the permission of the consumer in writing to do so; or
  - (b) supply electricity to a consumer unless the retailer has the permission of the consumer in writing to do so, and has received the notice of reaffirmation from the consumer, where reaffirmation is required.
- 2.4 If a retailer discovers that it has submitted a transfer request to a distributor supported by a contract that does not comply with the Act, the Regulations, the Retailer's Licence or this Code, or does not contain the signature of the consumer, the retailer shall contact the affected consumer, clearly explain the non-compliance, and offer that consumer a compliant contract; and
- (a) if the consumer accepts the compliant contract, provide a copy of the compliant contract to the consumer within 14 days of acceptance by that consumer; or
  - (b) if the consumer does not accept the compliant contract, immediately reverse the transfer request.

**Contracts with low volume consumers**

- 2.5 In addition to any requirements imposed by law, a contract between a retailer and a low volume consumer shall clearly state:
- (a) the time period for which the contract is in effect;
  - (b) the type and frequency of bills the consumer will receive; and
  - (c) any terms and conditions for renewal.
- 2.6 A retailer shall not enter into any contract with a low volume consumer that has a term of more than five years.

**Renewal of low volume consumer contracts**

- 2.7 If, within the last year of a contract, a customer notifies a retailer in writing that the customer does not wish to renew or extend the contract, the retailer shall not renew or extend the contract unless the retailer reminds the customer of the notice and obtains positive acceptance of the renewed contract from the customer.

**3 CONSUMER COMPLAINTS**

- 3.1 A retailer shall provide to its low volume customers and prospective customers in all written offers, contracts and renewal forms, the telephone number of the retailer's customer service centre and the telephone number of the Ontario Energy Board Customer Service Centre.
- 3.2 If any low volume consumer makes a complaint to a retailer regarding retailing by the retailer or its salespersons, the conduct of the retailer's salespersons, the contract the consumer has with the retailer, or any other matter related to the retailer, the retailer shall expeditiously investigate the complaint and take all appropriate and necessary steps to resolve the complaint. If the complaint is not resolved to the satisfaction of the consumer, the retailer shall provide to the consumer the telephone number of the Ontario Energy Board Customer Service Centre.
- 3.3 In cases where a consumer complaint has been referred to the retailer from the Ontario Energy Board and resolution of that complaint is reached, the retailer shall implement the resolution immediately and shall confirm this, in writing, with the Ontario Energy Board.

**4 SERVICES TO BE MAINTAINED BY AN ELECTRICITY RETAILER**

- 4.1 A retailer shall have a current mailing address in Ontario and a current telephone number listed in Ontario, and shall provide them to every customer. If the retailer retails electricity to low volume consumers, the retailer shall have a telephone number which may be reached by the general public without charge, and shall provide the telephone number to every low volume customer.

**5 CONFIDENTIALITY OF CONSUMER INFORMATION**

- 5.1 A retailer shall not disclose consumer information as defined in this Code to any person other than the consumer or the Board without the consent of the consumer in writing, except when the information has been sufficiently aggregated such that an individual consumer's information cannot be identified, or where consumer information is required to be disclosed:
- (a) for billing or market operation purposes;
  - (b) for law enforcement purposes;
  - (c) to comply with a statute or an order of a court or tribunal;
  - (d) when past due accounts of the consumer have been passed to a debt collection agency; or
  - (e) for the purpose of complying with the Market Rules.
- 5.2 A retailer shall inform consumers regarding the conditions described in paragraph 5.1 under which consumer information may be released to a third party without the consumer's consent.
- 5.3 A retailer shall not use consumer information obtained for one purpose from a consumer for any other purpose without the consent of the consumer in writing.

**6 TRANSFER AND ASSIGNMENT OF CONTRACTS**

- 6.1 A retailer shall not sell, transfer or assign a contract with a customer to another person who is not a licensed electricity retailer.
- 6.2 A retailer must notify the Board of any sale, transfer or assignment of contracts within 10 days of the sale, transfer or assignment.
- 6.3 Within 60 days of any sale, transfer or assignment of a contract to another retailer, the new retailer must notify the affected customers of the new retailer's address for service and telephone number.

**7 BREACH OF THIS CODE**

- 7.1 In addition to other penalties provided for under the Act, the licence of a retailer can be suspended or revoked if the licence holder does not comply with this Code.
- 7.2 A breach of this Code may occur in the course of retailing even if no contract is entered into.