
Assurance of Voluntary Compliance

**Pursuant to s. 112.7 of the
*Ontario Energy Board Act, 1998***

JUST ENERGY ONTARIO L.P.

EB-2013-0385

(Filed November 22, 2013)

I. BACKGROUND

Board staff conducted an inspection during the period of September to December 2012 in relation to prices charged to low-volume electricity consumers who have entered into retail electricity contracts with Just Energy Ontario L.P., ("Just Energy"). The inspection was conducted under the authority of Part VII of the *Ontario Energy Board Act, 1998* (the "Act").

The purpose of the inspection was to review the following aspects of Just Energy's operations:

- a) the content of contracts and their terms and conditions;
- b) the use of the applicable disclosure statements and price comparison documents; and
- c) testing of the transactions between the retailer and the distributor in facilitating service transaction requests.

Board staff sampled various contracts, price comparisons and billing transactions between April 1, 2012 and June 30, 2012 on a random basis and observed the following during the course of the inspection.

II. FINDINGS

1. In 13 of 60 contracts tested, Just Energy billed a group of consumers a Enrollment/De-enrollment fee of \$1.50 despite this fee not being listed in Just Energy's contract terms and conditions and price comparison templates.

Just Energy admits that it failed to comply with section 12(1)(b) of the *Energy Consumer Protection Act, 2010* (the "ECPA"), section 8(3) of Ontario

Regulation 389/10, and section 4.7 of Part B of the Electricity Retailer Code of Conduct.

2. In 60 contracts tested, Just Energy did not disclose each element of the contract price separately on the price comparison template for the month of June 2012. Specifically, a regulatory fee of \$0.20 per month was charged to consumers without being disclosed on the price comparison form provided to consumers. The fee is attributable to costs incurred under the OEB's cost assessment model.

Just Energy admits that it failed to comply with section 12(1)(b) of the ECPA, section 8(3) of Ontario Regulation 389/10, and section 4.6(b) of Part B of the Electricity Retailer Code of Conduct.

3. In 1 of 60 contracts tested, Just Energy did not disclose each element of the contract price separately on the price comparison template provided to the consumer. Specifically a one-time enrollment/de-enrollment fee of \$1.50 was not disclosed.

Just Energy admits that it failed to comply with section 12(1)(b) of the ECPA, section 8(3) of Ontario Regulation 389/10, and section 4.6(b) of Part B of the Electricity Retailer Code of Conduct.

4. In 1 of 60 contracts tested, the contract price billed by Just Energy was incorrect due to a system error. Specifically, a price adjustment was incorrectly applied to the billed amount calculated by Just Energy.

Just Energy admits that it failed to comply with section 12(1)(b) of the ECPA, section 8(3) of Ontario Regulation 389/10, and section 4.7 of Part B of the Electricity Retailer Code of Conduct.

III. ASSURANCE

Just Energy hereby assures the Board that it has and will take the following steps with respect to each of the findings noted above:

1. With respect to Just Energy's failure to provide the correct billed amount and include an enrollment/de-enrollment fee of \$1.50 in contracts and price comparison forms, Just Energy informed Board staff that in January 2013, a system error was fixed by updating the system to include reversing adjustment functionality for the enrollment/de-enrollment fee for products that do not include this fee in its contract terms and conditions. Just Energy confirms that as of September 23, 2013, credits were made to all consumer accounts impacted including 8,099 variable contract customers with a total credit of \$12,148.50 and 484 fixed price contract customers with a total credit of \$726.
2. With respect to Just Energy's failure to disclose on the price comparison the regulatory fee of \$0.20 per month for the month of June 2012, Just Energy indicated to Board staff that on July 1, 2012, the price comparison form was corrected to include the \$0.20 fee. Just Energy confirms that on September 20, 2013, an accumulative credit amount of \$1,183.40 was made to 5,917 affected consumer accounts.
3. With respect to Just Energy's failure to disclose the \$1.50 enrollment/de-enrollment fee in its price comparisons provided to consumers, Just Energy

confirmed to Board staff that a credit of \$1.50 was issued to 3 consumers impacted.

4. With respect to Just Energy's billing error, Just Energy indicated to Board staff the system error was corrected in March 2013. Just Energy confirms that this system error was corrected and the system is now able to identify changes to customer product offerings when customers switch from variable price contracts. Just Energy informed Board staff that 112 customers were impacted during this period and confirms that charges totaling \$8.87 were reversed for all of the impacted consumers.

Just Energy and Compliance Staff are satisfied that this matter is appropriately resolved by the filing of this Assurance of Voluntary Compliance ("Assurance").

Just Energy commits to ensuring that as of the date of this Assurance, the price comparison form, contract terms and conditions, and billing transactions to low-volume electricity consumers meet all of the requirements set out in section 12(1)(b) of the *Energy Consumer Protection Act, 2010*, section (8)(3) of Ontario Regulation 389/10 and sections 4.6(b) and 4.7 of Part B of the Electricity Retailer Code of Conduct.

IV. CONSUMER RIGHTS

Nothing in this Assurance affects any rights a consumer may have under his or her contract, or under any applicable laws.

V. FAILURE TO COMPLY

This Assurance has the same force and effect as an order of the Board pursuant to section 112.7(2) of the Act and any failure to comply with its terms shall be deemed to be a breach of an order of the Board.

VI. EXECUTION OF ASSURANCE

I have authority to bind Just Energy Ontario L.P. to the terms set out in this Assurance of Voluntary Compliance.

Name:

J. Howard Terson Herod

Title:

SVP and RGM Canada

Company:

Just Energy

Dated this *21st* day of November, 2013.