

**Assurance of Voluntary Compliance**

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

**SUNWAVE GAS & POWER INC.**

## I. BACKGROUND

On August 29, 2013, under cover of letter to the Managing Director of Compliance & Consumer Protection of the Ontario Energy Board (the "Board"), Sunwave Gas & Power Inc. ("Sunwave") self-reported a contravention of one of more enforceable provisions of the Board, namely:

- i. section 12(1)(b) of the *Energy Consumer Protection Act, 2010*;
- ii. section 8(3) of Ontario Regulation 389/10; and
- iii. section 4.6(b) (Part B) of the Electricity Retailer Code of Conduct.

Together, the foregoing enforceable provisions require that a retail contract for electricity include a "Price Comparison" document, prepared by the retailer in accordance with instructions contained in the then-current Board-approved price comparison template. Among other things, the Price Comparison document must show the contract price currently charged by the local utility (in Part A) and the price being offered by the retailer (in Part B).

Representatives of Sunwave and Board staff met to discuss Sunwave's notice of self-report, to arrive at a mutual understanding of the nature of the contravention, and to establish the terms of an Assurance of Voluntary Compliance.

## II. FINDINGS

Sunwave has self-reported that during the period from May 1, 2013 to July 31, 2013, it administered a Price Comparison document to consumers containing a calculation error in Part B of the document.

Sunwave advised that the error affects 585 of its retail electricity contracts, 236 of which were re-affirmed (i.e. verified) by the customer.

Specifically, while Sunwave included the correct forecast unit cost of the Global Adjustment of 6.61 cents/kWh, Sunwave erroneously calculated the total monthly number included in Part B of the Price Comparison document by using a value of 6.01 cents/kWh. The calculation error resulted in Sunwave understating (in Part B of the Price Comparison document) the total monthly forecast of the Global Adjustment by \$4.08.

### **III. ASSURANCE OF VOLUNTARY COMPLIANCE**

Sunwave admits to the findings set out in section II above. Sunwave agrees to remedy the contravention by providing an Assurance of Voluntary Compliance to the Board on the following terms:

1. Sunwave will send a notice letter to all low-volume electricity customers that received an inaccurate Price Comparison document during the period May 1, 2013 to July 31, 2013 (each, an "affected customer").
2. The notice letter will be provided by Sunwave to each affected customer together with an accurate Price Comparison document.
3. The notice letter will be sent to each affected customer by January 31, 2014 (the "Notice Date").
4. The notice letter will be sent using the form and content of the template letter attached hereto as Appendix A. Specifically, the notice letter will contain terms advising each affected customer of the option to either :

- a. by delivering a notice of election to Sunwave in writing within 4 weeks of the Notice Date, opt out of the contract with Sunwave and revert automatically to standard supply as of the first meter read after the Notice Date, without penalty, termination fee or damages (and notwithstanding any contractual provision restricting the customer's right to terminate or providing for any such penalty, fee, or damages); or
  - b. in default of sending any notice of election, continue the customer's contract with Sunwave.
5. Not later than 8 weeks after the Notice Date, Sunwave will provide to the Board's Compliance Staff a list setting out the names of the affected customers to whom a notice letter was sent together with a copy of any notices of election received from such customers.

As of the date of this Assurance of Voluntary Compliance, Sunwave confirms that the Price Comparison document that it provides to low-volume electricity consumers meets 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 section 4.6(b) (Part B) of the Electricity Retailer Code of Conduct.

#### **IV. CONSUMER RIGHTS**

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

## V. FAILURE TO COMPLY

This Assurance of Voluntary Compliance has the same force and effect as an order of the Board pursuant to section 112.7(2) of the *Ontario Energy Board Act, 1998* 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 the authority to bind Sunwave Gas & Power Inc. to the terms set out in this Assurance of Voluntary Compliance.

Name: ROBERT WEIR

Title: PRESIDENT

Company: SUNWAVE GAS & POWER INC.

Dated this 28<sup>th</sup> day of January, 2014.

**Appendix A**

[Date]

[Contract No. \_\_\_\_\_]

[Name of Customer]

[Address]

Dear [Customer]:

Re: [Name of Account Holder / Distributor / Account Number]

On [date] you entered into a contract with Sunwave Gas & Power Inc. for the supply of electricity. At the time of signing the contract, we provided you with a Price Comparison document that contained a calculation error, and understated the monthly forecast of the Global Adjustment by \$4.08. We have self-reported this error to the Ontario Energy Board and are enclosing a corrected Price Comparison to this letter. As a commitment to our customer service, you may cancel your contract without penalty. We apologize for this and regret having made the error. Please review and retain a copy of the enclosed corrected Price Comparison form indicating the contract price and the price charged by your utility at the time you entered into the contract.

If you wish to cancel your contract with Sunwave Gas & Power Inc. for the supply of electricity, please notify us in writing within 4 weeks of the date of this letter. Your cancellation will be processed immediately but may take 1 to 2 billing cycles to appear on your utility bill.

If you do not notify us in writing within the required timeframe, your contract will remain in place for the balance of the term. If you choose to remain in your contract, you do not need to take any further action.

If you have any questions about this letter or your enrollment with Sunwave Gas & Power, please contact us at us at 1-888-953-2514 or [customerservice@sunwavegas.com](mailto:customerservice@sunwavegas.com). You may also choose to contact the Ontario Energy Board at 1-877-632-2727 or [ConsumerRelations@ontarioenergyboard.ca](mailto:ConsumerRelations@ontarioenergyboard.ca).

Yours truly,

Sunwave Gas & Power Inc.