



**EB-2009-0005**

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*,  
S.O. 1998, c. 15, (Schedule B);

**AND IN THE MATTER OF** a Notice of Intention to Make  
an Order for an Administrative Penalty against Universal  
Energy Corporation

### **ORDER**

**Whereas** pursuant to section 112.5 of the *Ontario Energy Board Act, 1998*, the Board issued a Notice of Intention to Make an Order ("Notice") for the payment of an Administrative Penalty in the amount of \$200,000 against Universal Energy Corporation ("Universal") on January 5, 2009;

**And whereas** Universal was informed that it had fifteen days after receiving the Notice to give notice to the Board requiring the Board to hold a hearing and Universal has decided not to request a hearing;

**And whereas upon further review** 3 of the 7 transactions that were identified in paragraph 3 of the Notice have been withdrawn;

**And whereas** Universal has offered to provide the Board with an Assurance of Voluntary Compliance, a copy of which is attached as Appendix A (the "Assurance");

**And whereas** Universal has agreed to pay a reduced amount of \$127,500;

#### **NOW THEREFORE THE BOARD ORDERS THAT:**

Pursuant to section 112.5 of the Act, the Board directs Universal to pay an administrative penalty in the amount of \$127,500 by cheque payable to the Ontario Energy Board on or before February 20, 2009.

**DATED** at Toronto, January 20, 2009.

*Original signed by*

Kirsten Walli  
Board Secretary

**Assurance of Voluntary Compliance  
Pursuant to s. 112.7 of the  
*Ontario Energy Board Act, 1998*  
Universal Energy Corporation**

**EB-2009-0005  
January 20, 2009**

## I. INTRODUCTION

By Notice of Intention to Make an Order (the “Notice”) under section 112.5 of the *Ontario Energy Board Act, 1998*, (the “Act”) for an administrative penalty issued January 5, 2009 the Board announced that it intended to make an order against Universal Energy Corporation (“Universal”) to pay an administrative penalty in the amount of \$200,000.

Pursuant to s. 112.2(4) Universal was advised that it could, within 15 days after receiving the Notice, give notice to the Board requiring the Board to hold a hearing.

While Universal has addressed many of the issues identified in the Notice and does not agree with all of the allegations contained in the Notice, Universal has agreed to pay a reduced amount of \$127,500 and the Board has accepted payment of this reduced amount on, inter alia, the following grounds:

- a) Universal has agreed to enter into an Assurance of Voluntary Compliance on the terms contained herein;
- b) The vast majority of customer calls and transactions that were the subject of the Notice occurred during the period March – May 2007;
- c) The vast majority of the customer calls and transactions that were the subject of the Notice were caught by Universal’s Quality Assurance department and did not result in customer enrollments;
- d) 3 of the 7 transactions that were identified in paragraph 3 of the Notice have been withdrawn;
- e) In response to Board compliance staff’s request for remedial action, Universal voluntarily re-trained its customer service representatives, changed its customer scripts as necessary and submitted them to Board staff for review, and offered to contact and agree to cancel affected customers.

## II. ASSURANCE OF VOLUNTARY COMPLIANCE

Universal commits to the following:

1. Any low-volume consumer (“consumer” ) who was supplied electricity as a result of a reaffirmation call completed during the period covered by the Formal Review (March to May 2007) or the Retail Compliance Review (June 2008), in which one of the alleged misleading statements (as specified in paras. 1(a)-(c) and 2(a)-(e) of the Notice) was made, may request cancellation of his or her contract, in which case, the consumer’s contract will be cancelled without penalty, the consumer’s supply will be returned to the applicable utility’s regulated supply and the consumer reimbursed for 100% of the difference between the contract price and the applicable regulated electricity price for the period that Universal had supplied the consumer.
2. For a period of eighteen months, Universal commits to conducting quality assurance audits of all positive reaffirmation calls. These reviews will be conducted in the manner described by Universal in the filings with the Board in response to the Information Request dated August 19, 2008 (Retail Compliance Review), except that Universal will perform the review within a week of the reaffirmation calls. Universal commits to file a quarterly report to the Compliance Office that identifies the volume of positive reaffirmations conducted in the quarter and the results of the quality assurance program, including any remedial actions taken.
3. For a period of eighteen months, Universal commits to report in a quarterly report to the Compliance Office on any disciplinary action taken as the result of its quality assurance audits of all positive reaffirmation calls.
4. For a period of eighteen months, Universal commits to provide to the Board on a confidential basis a copy of all of its reaffirmation scripts and all prepared materials for use by reaffirmation agents (e.g. Q&As and rebuttal scripts), within 3 business days of such reaffirmation scripts and materials being implemented by Universal.

**Dated:** January 20, 2009