



**Ontario Energy Board**  
Commission de l'énergie de l'Ontario

## **Setting the Context**

**LEAP Financial Assistance Working Group**

**August 18, 2010**

# Overview

- Background on the Consultation on Energy Issues Relating to Low-Income Consumers
- OEB Initiatives Relating to Low Income Consumers
- Mandate of the Financial Assistance Working Group
- Principles to Guide Working Group
- Review of current environment



# How Did We Get Here?

- **May 2008:** court ruling that OEB has the jurisdiction, but not the obligation, to consider ability to pay.
- **July 2008:** OEB announces consultation process.
- **September 2008:** 4-day stakeholder conference.
- **March 2009:** OEB issues “*Report of the Board: Low-Income Energy Assistance Program*” (LEAP) & proposed customer service rules for electricity distributors, including low-income specific rules.
- **July – Sept. 2009:** meetings of the Financial Assistance Working Group.
- **September 2009:** Minister’s letter requesting the OEB defer further work on low-income issues.
- **October 2009 & March 2010:** OEB issues proposed customer service rules for further stakeholder comment, but without low-income specific rules.
- **July 2010:** OEB issues final customer service rules (without low-income rules.)
- **July 2010:** Minister’s letter requesting that the OEB resume work on low-income issues!
- **August 2010:** restart of Financial Assistance Working Group



# Board Initiatives Relating to Low Income Customers

Initiative		Lead	Key Dates
Overall coordination		Alison Cazalet	Ongoing
Emergency Financial Assistance		Alison Cazalet	Working Group meetings begin <b>August</b> , with program in place for heating season.
Low income electricity customer service rules		John Vrantsidis	Draft rules issued for comment <b>early September</b>
Natural gas customer service rules (including low income rules)		Beverly Jaffray	Draft rules issued for comment <b>late September</b>
Suite metering customer service rules (including low income rules)		Paul Gasparatto	Draft rules issued for comment <b>late September**</b>
Natural Gas DSM	2011	Viive Sawler	Minister's letter considered by Panel as part of hearings on 2011 DSM plans.
	2012 & beyond	Alexandre Ruest	Draft DSM Framework issued for comment in <b>September</b> .
Coordination with electricity CDM (CDM Code)		Alison Cazalet (Michael Bell)	Ongoing

*\*\* Subject to the status of relevant regulations under the Energy Consumer Protection Act*



## Mandate of Financial Assistance Working Group

- To propose for approval by the Board a framework for the delivery of financial assistance to low income energy consumers.
- To develop a Program Manual setting out the rules, policies, processes for the delivery of emergency financial assistance.
- How will we do this?
  - Review 2009 recommendations to consider whether changes needed given current environment, striving for consensus.
  - Staff to bring recommendations to the Board for approval
  - Approved recommendations and/or Board determinations to be reflected in the Program Manual.



# Board Principles to Guide Financial Assistance Working Group

1. Province-wide; Electricity & natural gas; Emergency, not ongoing/regular relief.
2. Intended contribute to, & complement, existing landscape of assistance; Not intended to address broader problem of poverty in Ontario.
3. Board must balance interests of low-income energy consumers with broader responsibilities to all consumers; Adhere to the tenets of ratemaking; Commodity price & distribution rates should reflect overall costs.
4. Funding level should provide emergency assistance but not create undue burden or material subsidy; Based on total distribution revenues, recovered from all rate classes based on distribution revenue; Take into account other funding sources.
5. Not be overly costly or complicated to administer or access.
6. Portion of funding should be allocated for administrative & program delivery costs.
7. Low-income residents of rental or condo units, if billed separately by suite meter provider, should have access to the LEAP funding.



## What has changed since last year?

- Minister's letter
- Electricity late payment settlement
- Inclusion of suite metering providers
- Low income statistics
- OPA low-income CDM program
- Other considerations?

