

Ministry of Energy
and Infrastructure

Office of the Minister

4th Floor, Hearst Block
900 Bay Street
Toronto ON M7A 2E1
Tel.: 416-327-6758
Fax: 416-327-6754
www.ontario.ca/MEI

Ministère de l'Énergie
et de l'Infrastructure

Bureau du ministre

4^e étage, édifice Hearst
900, rue Bay
Toronto ON M7A 2E1
Tél. : 416 327-6758
Télééc. : 416 327-6754
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JUL 05 2010

MC-2010-2261

Mr. Howard I. Wetston
Chair
Ontario Energy Board
PO Box 2319
2600-2300 Yonge Street
Toronto ON M4P 1E3

Dear Mr. Wetston:

I am pleased to confirm that the Ontario Energy Board ("OEB") should now resume work in relation to low-income energy customers.

I understand that the OEB's efforts thus far have identified three aspects of a low-income energy strategy: customer service rules, emergency financial assistance, and conservation.

I am separately sending a direction to the Ontario Power Authority ("OPA") with instructions to design, implement and fund an electricity conservation and demand management ("CDM") program for low-income residential consumers as part of its suite of OPA-Contracted Province-Wide CDM Programs for the 2011 to 2014 period. With regard to low income natural gas demand-side management ("DSM") programs, the following policy objectives could further guide the OEB's work in developing such a program, which would include:

- Province-wide customer outreach,
- Co-ordinated efforts between gas distributors and the OPA's efforts pursuant to the aforementioned direction to the OPA,
- Provision of efficiency measures free of charge to the customer, with an emphasis on deep or extended measures, such as thermal envelope improvements, and appliance replacement,
- The conservation initiatives need not pass the standard Total Resource Cost test, but would be evaluated for other metrics, as the OEB considers appropriate, and
- Use of consistent criteria, where appropriate, to determine eligibility for all elements of the program.

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I also urge the OEB to consider expanding both low-income and general natural gas DSM efforts relative to previous years. While mindful of the OEB's responsibility to ensure the balancing of ratepayers' interests, I would support efforts by the OEB to expand DSM efforts in general, considering the scale of investments being made on electricity CDM and the natural gas DSM experience and funding levels of other leading jurisdictions.


In order to assist customers in better managing their bill payments, I request that the OEB give serious consideration to moving forward with:

- Completion of the OEB's initiative on customer service standards applicable to electricity distributors ("LDCs") in order to assist all customers, and the development of similar customer service rules applicable to natural gas distributors,
- The development of customer service rules for electricity and natural gas customers specifically tailored for low-income customers, as warranted, and
- The development of similar customer service rules applicable to customers of suite meter providers¹.

I also request that the OEB give serious consideration to continuing its efforts to establish an emergency financial assistance program for low-income customers, including customers of suite meter providers. And as such, consider increasing the funds allocated to such program beyond the level established by the OEB in its earlier consultation process in the amounts the OEB determines to be appropriate.

Where the OEB determines that it will conduct the low-income activities provided for in this letter, I would ask that the OEB begin work immediately so that it can be completed for January 2011, recognizing that 2011 may be a transition year with regards to establishing a robust and integrated natural gas and electricity low-income energy strategy.

Sincerely,



Brad Duguid
Minister

¹ The term "suite meter provider" shall be construed to mean distributors conducting smart metering activities or smart sub-metering activities, and also other licensees conducting smart sub-metering activities. Further, the term shall also be construed to include unit smart meter providers and unit sub-meter providers, once the relevant provisions of the *Energy Consumer Protection Act, 2010* are proclaimed and any associated regulations have been made and filed.