

**Ontario Energy Board**  
P.O. Box 2319  
27th Floor  
2300 Yonge Street  
Toronto ON M4P 1E4  
Telephone: 416- 481-1967  
Facsimile: 416- 440-7656  
Toll free: 1-888-632-6273

**Commission de l'énergie  
de l'Ontario**  
C.P. 2319  
27e étage  
2300, rue Yonge  
Toronto ON M4P 1E4  
Téléphone; 416- 481-1967  
Télécopieur: 416- 440-7656  
Numéro sans frais: 1-888-632-6273



## **BY E-MAIL AND WEB POSTING**

July 2, 2008

**To: All Licensed Electricity Distributors  
All Licensed Gas Distributors  
All Other Interested Parties**

**Re: Consultation on Energy Issues Relating to Low Income Consumers  
Board File No.: EB-2008-0150**

### **Purpose and Scope of Consultation**

The Board is initiating a consultation process to examine issues associated with low income energy consumers in relation to their use of natural gas and electricity. This consultation is intended to assist the Board in gaining a better understanding of those issues and in considering the need for and nature of policies or measures that could address those issues.

The Board has decided that it is appropriate to proceed with such a consultation at this time due in part to the May 16, 2008 decision of the Divisional Court regarding the Board's jurisdiction to consider the ability to pay when setting utility rates. By majority decision, the Divisional Court held that the Board has such jurisdiction, but did not opine on whether or how the Board should exercise that jurisdiction. At this stage, the Board has made no decision about whether or how the Board should exercise that jurisdiction. This consultation will allow interested parties to provide input to the Board in relation to these latter questions.

The Board intends to consider these questions in the context of an examination of a broader range of potential regulatory policies and measures designed to address the particular needs of low income energy consumers in relation to their energy use. The Board will seek input from stakeholders about such potential policies and measures and about whether and how the Board should consider implementing them.

These potential regulatory policies and measures include possible initiatives relating to customer service (for example, billing plans, security deposits, arrears management and

disconnection) and targeted conservation and demand management programs. Some of these possible initiatives are currently being examined by the Board in the context of the “Electricity Distributors: Customer Service, Rate Classification and Non-Payment Risk” policy development initiative (EB-2007-0722). Going forward, consideration of these matters as they relate more specifically to low income energy consumers will be included as part of this consultation.

### **Stakeholder Conference**

The first step in the consultation process will be a stakeholder conference to be held the **week of September 22, 2008** at the offices of the Board. The stakeholder conference is intended to solicit input on the issues to be considered in this consultation. Further details regarding the stakeholder conference, including a list of questions or issues for discussion to assist participants in preparing for the conference, will be available in early August.

The Board intends to retain the services of a consultant to produce a report summarizing the types of instruments and programs used by other energy regulators in addressing issues of concern to low income energy consumers. This report will be posted on the Board’s website prior to the stakeholder conference.

### **Cost Awards**

Cost awards will be available to eligible parties under section 30 of the *Ontario Energy Board Act, 1998* for their participation in this consultation. Costs awarded will be recovered from all licensed electricity and gas distributors based on their respective distribution revenues.

**Appendix A contains important information regarding cost awards** for this consultation, including in relation to eligibility requests and objections. In order to facilitate a timely decision on cost eligibility, the deadlines for filing cost eligibility requests and objections will be strictly enforced.

### **Invitation to Participate and Filing Instructions**

The Board encourages participation in this consultation process by all interested parties. Those interested in participating should indicate their intent by letter addressed to the Board Secretary by **July 25, 2008**. The letter should include a statement as to whether the participant wishes to request cost eligibility. All requests for cost eligibility should be accompanied by the information specified in ‘Appendix A’ under the heading “Cost Award Eligibility”.

All filings to the Board in relation to this consultation must quote file number **EB-2008-0150** and include your name, postal address and telephone number and, if available, e-mail address and fax number. Two paper copies of each filing must be provided. The Board asks that participants make every effort to provide an electronic copy of their

filings in searchable/unrestricted Adobe Acrobat (PDF) format and to submit their filings through the Board's web portal at [www.errr.oeb.gov.on.ca](http://www.errr.oeb.gov.on.ca) . If you do not have a user ID, please visit the "e-filing services" webpage on the Board's website at [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca), and fill out a user ID password request. Additionally, interested parties are requested to follow the document naming conventions and document submission standards outlined in the document entitled "RESS Document Preparation – A Quick Guide" also found on the "e-filing services" webpage. If the Board's web portal is not available, electronic copies of filings may be filed by e-mail at [BoardSec@oeb.gov.on.ca](mailto:BoardSec@oeb.gov.on.ca). Those who do not have internet access should submit the electronic copy of their filing on CD or diskette.

Filings must be received by **4:45 pm** on the required date.

All materials related to this consultation will be posted on the "OEB Key Initiatives" portion of the Board's web site at [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca). The material will also be available for public inspection at the Board's office during normal business hours.

Questions relating to this consultation can be directed to:

Takis Plagiannakos  
Manager, Energy Infrastructure Policy  
Regulatory Policy Development

Phone: 416-440-7680  
E-mail: [takis.plagiannakos@oeb.gov.on.ca](mailto:takis.plagiannakos@oeb.gov.on.ca) .

The Board's toll-free number is 1-888-632-6273, and the Market Operations Hotline is 416-440-7604.

Yours truly,

*Original signed by*

Kirsten Walli  
Board Secretary

## Appendix A

To Letter Dated July 2, 2008  
EB-2008-0150

### Cost Awards

#### Cost Award Eligibility

The Board will determine eligibility for costs in accordance with its *Practice Direction on Cost Awards*. Any person requesting cost eligibility must file with the Board a written submission to that effect by **July 25, 2008**, identifying the nature of the person's interest in this process and the grounds on which the person believes that it is eligible for an award of costs (including addressing the Board's cost eligibility criteria as set out in section 3 of the Board's *Practice Direction on Cost Awards*). An explanation of any other funding to which the person has access must also be provided, as should the name and credentials of any lawyer, analyst or consultant that the person intends to retain, if known. All requests for cost eligibility will be posted on the Board's website.

Licensed electricity and gas distributors will be provided with an opportunity to object to any of the requests for cost award eligibility. If an electricity distributor has any objections to any of the requests for cost eligibility, such objections must be filed with the Board by **August 12, 2008**. Any objections will be posted on the Board's website. The Board will then make a final determination on the cost eligibility of the requesting parties.

Groups representing the same interests or class of persons are expected to make every effort to communicate and co-ordinate their participation in this process. Costs may be pooled when groups with common viewpoints collaborate and pool their resources.

#### Eligible Activities

Cost awards will be available for preparing for, attending at and reporting on the stakeholder conference, to a maximum of **40** hours.

The Board anticipates that cost awards will also be available for later activities forming part of this consultation process. Details will be made available by the Board at the relevant time.

#### Cost Awards

When determining the amount of the cost awards, the Board will apply the principles set out in section 5 of its *Practice Direction on Cost Awards*. The maximum hourly rates set out in the Board's Cost Awards Tariff will also be applied.

The Board will use the process set out in section 12 of its *Practice Direction on Cost Awards* to implement the payment of the cost awards. Therefore, the Board will act as a clearing house for all payments of cost awards in this process.

For more information on this process, please see the Board's *Practice Direction on Cost Awards* and the October 27, 2005 letter regarding the rationale for the Board acting as a clearing house for the cost award payments. These documents can be found on the Board's website at [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca) on the "Rules, Codes, Guidelines and Forms" webpage.