

**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**

September 28, 2009

**To: All Natural Gas Distributors  
All Electricity Distributors  
All Participants in Consultation Processes EB-2007-0722, EB-2008-0150  
and EB-2008-0346**

**Re: Electricity Distributors: Customer Service, Rate Classification and Non-Payment Risk (EB-2007-0722)  
Consultation on Energy Issues Relating to Low-Income Consumers (EB-2008-0150)  
Demand Side Management Guidelines for Natural Gas Distributors (EB-2008-0346)**

**Status of Initiatives Relating to Low-Income Energy Consumers and Further Direction to Electricity and Natural Gas Distributors**

---

The purpose of this letter is to update natural gas and electricity distributors and other interested stakeholders on the Board's Low-Income Energy Assistance Program (LEAP) initiative.

By letter dated September 8, 2009, the Minister of Energy and Infrastructure (the "Minister") advised the Board of the government's plan to develop a province-wide integrated program for low-income energy consumers. In light of these plans, the Minister requested that the Board not proceed to implement new support programs for low-income energy consumers in advance of a ministerial direction. The Minister further indicated that the Ministry, in the development of its program, would build upon the work the Board has undertaken to date and asked the Board to work with the Ministry as they move forward with their work. A copy of the Minister's letter is posted on the Board's website with this letter.

The Chair of the Ontario Energy Board has advised the Minister that the Board looks forward to working with the Ministry on the development of their integrated program and that the Board will defer further work on the LEAP initiative, as set out further below.

## Background to LEAP

On March 10, 2009, the Board issued its “Report of the Board: Low-income Energy Assistance Program.” The Report describes policies and measures for electricity and natural gas distributors to assist low-income energy consumers, including: (1) temporary financial assistance, (2) targeted conservation and demand side management (“DSM”) programs, and (3) more flexible customer service rules.

In June 2009, the Board announced the members of the stakeholder working groups that were formed to develop recommendations for implementing the conservation and financial assistance components of LEAP. The Conservation and Financial Assistance Working Groups met throughout the summer, and concluded their discussions in August, 2009. Materials from these meetings are posted on the Board’s website.

## Conservation Working Group and 2010 Low-Income DSM Programs

Prior to the receipt of the Minister’s letter, the Conservation Working Group’s report on a proposed short-term framework for natural gas low-income DSM was completed. The Board’s view is that this report is of interest to stakeholders and could be a valuable input to the development of the Ministry’s province-wide long term program and, accordingly, the “Report on the Proposed Short-Term (2010) Framework for Natural Gas Low-Income DSM: Final Report of the Conservation Working Group to the Ontario Energy Board” is today being released and posted on the Board’s website at [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca).

To ensure continuation of natural gas DSM programs for low-income consumers until a province-wide framework has been completed, the Board requests that Enbridge Gas Distribution Inc. (“Enbridge”) and Union Gas Ltd. (“Union Gas”) proceed to file 2010 DSM plans based on the existing DSM framework, including increases based on the established budget escalators. The existing DSM framework requires natural gas utilities to spend a minimum of 14 per cent of their residential DSM program budget on low-income DSM programs.

Enbridge and Union Gas are requested to file their low-income DSM plans no later than **October 15, 2009**. These plans will be addressed as the second phase in the existing proceedings on the 2010 DSM Plans for Enbridge (EB-2009-0154) and Union Gas (EB-2009-0166) respectively. The decision in respect of the low-income DSM plans will be made separately from the decision in respect of the DSM plans currently filed. The Board will allow for further review and testing of the 2010 low-income specific DSM plans.

## Financial Assistance Working Group and Programs for Winter 2009-2010

The final report of the Financial Assistance Working Group is near completion. Once completed, that report will be released and posted on the Board’s website as it will be of

interest to stakeholders and could be considered during the development of the Ministry's province-wide long term program.

The Board recognizes that, while the Ministry's province-wide program is in development, financial assistance should continue to be available to consumers in need, particularly during the winter season. While the Board is deferring the implementation of LEAP as envisioned in its report of March 10, 2009, the Board encourages those natural gas and electricity distributors with existing low-income financial assistance programs to continue to deliver these programs for the 2009-2010 winter season under their existing funding and partnership arrangements.

Distributors that plan to continue offering a program for the 2009-2010 winter season are asked to notify the Board no later than **October 20, 2009**.

### **Customer Service Rules**

On March 10, 2009, the Board issued a Notice of Proposal to Amend Codes, which set out proposed amendments to the Board's *Distribution System Code, Retail Settlement Code and Standard Supply Service Code*. These proposed amendments address matters such as bill payment, security deposits and disconnection notice periods. The proposals included proposed amendments tailored specifically to low-income electricity customers.

Based on the Minister's request, the Board has revised the proposed code amendments, which will be issued shortly. The revised proposed code amendments endeavour to address the needs of low-income electricity consumers through proposed code amendments applicable to all residential customers. Although there are no rules specific to low-income customers, the Board believes that the package of proposed amendments will benefit all customers, including low-income residential electricity customers.

The Board acknowledges the effort and contribution of the working groups and is confident that the work already completed will be of benefit to the government as it moves forward on the development of its province-wide low-income program.

The Board would like to thank all stakeholders that have participated in this consultation process. The Board will be working with the Ministry of Energy and Infrastructure as it moves forward with the development of a province-wide integrated program for low-income energy customers.

Yours truly,

*Original Signed By*

Kirsten Walli  
Board Secretary