

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
27th Floor
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
2300, rue Yonge
27e étage
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

October 25, 2010

To: Direct Energy Marketing Limited, Active Energy, Just Energy and Summitt Energy

And to: All Participants in Consultation Process EB-2010-0245

Re: Implementation of Consumer Protection (Retailer/Marketer) Provisions of the *Energy Consumer Protection Act, 2010* (EB-2010-0245)

On October 21, 2010, Direct Energy Marketing Limited, Active Energy, Just Energy and Summitt Energy (collectively, the "Suppliers") filed a letter with the Board requesting that the Board consider two options for addressing certain transitional issues relating to the renewal of energy contracts. Specifically, the Suppliers have requested that the Board allow all electricity retailers and gas marketers to do one of the following in relation to the renewal of energy contracts:

- i. to use the proposed disclosure statements and price comparisons found within the Notice of Revised Proposal issued by the Board on October 15, 2010 for renewal packages; or
- ii. to send renewal packages which are compliant with current rules in order to meet the 60 day window prescribed by law, followed by a subsequent mailing of the finalized documents within 10 business days of their release, and prior to December 15, 2010.

Ontario Regulation 389/10 addresses transitional issues relating to contract renewals, among others, but does not contemplate transitional arrangements of the type that the Suppliers have proposed in their letter to the Board.

Any approach to the transition for contract renewals must comply with the legal and regulatory requirements applicable at the time of renewal. The Board does not believe, however, that either of the options set out in the Suppliers' letter satisfy those requirements in all respects. If the Suppliers can propose an approach that does comply with those legal and regulatory requirements, the Board would be prepared to consider it.

The Board notes that retailers and marketers are at liberty to issue renewal packages that comply with the current rules and, on that basis, to solicit consumer acceptance of the renewal up to December 31, 2010. Retailers and marketers may do so for contracts that are

scheduled to expire after that date, so long as the renewal package is provided within the permitted 60-120 day window. Renewals completed on or after January 1, 2011 must comply with the applicable provisions of the *Energy Consumer Protection Act, 2010* and Ontario Regulation 389/10, filed on October 13, 2010.

The Board has made every effort to carry out its responsibilities in relation to the implementation of the *Energy Consumer Protection Act, 2010* as expeditiously as the circumstances and the dictates of its statutory processes will allow in order to facilitate the transition to the new legislative and regulatory regime for both suppliers and consumers.

Yours truly,

Original signed by

John Pickernell
Assistant Board Secretary