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VIA E-MAIL AND WEB POSTING

September 18, 2014

To: All Electricity and Natural Gas Distributors

All Participants in Consultation Process EB-2008-0150

All Other Interested Parties

Re: Policy Review of Electricity and Natural Gas Distributors' Residential

Customer Billing Practices and Performance

Board File No.: EB-2014-0198

The Board has today released a Draft Report of the Board on the Residential Billing Practices and Performance of Electricity and Natural Gas Distributors (the "draft Report").

The draft Report provides an analysis of the billing practices, including billing frequency and the use of estimated billing, by the natural gas and electricity distributors. The Board wants to transition all distributors to monthly billing by January 1, 2016. Further, now that smart meters have been deployed by electricity distributors, the Board intends to introduce policies on the use of estimated billing. In the draft Report, the Board has posed a number of questions in these areas for stakeholder comment.

The <u>draft Report</u> and other information related to this initiative are available on the "Policy Initiatives & Consultations" portion of the Board's website at <u>www.ontarioenergyboard.ca</u>. Details of how to provide written comments on the questions in the draft Report are set out below.

1. Background

On June 27, 2014 the Board issued a <u>letter</u> announcing the commencement of a policy review of electricity and natural gas distributors' residential customer billing practices and performance. The letter indicated that the Board is increasingly focusing on

ensuring that households and small businesses are well served by their distributors and provided with improved customer billing service to help them manage their energy costs.

The first stage of this consultation was to gather information from the electricity and natural gas distributors on current billing practices and estimated billing by issuing a survey, which was included as Appendix A to the June 27 letter. The second stage of the consultation is the development of policies regarding monthly billing and estimated billing for electricity distributors.

The Board does not see the need to develop further billing policies for natural gas distributors given that all their customers are billed monthly, and conventional meters are used for residential customers.

2. <u>Invitation to Comment</u>

Stakeholders are invited to provide written comments on the questions set out in the draft Report by **October 9, 2014,** in accordance with the filing instructions set out below. All comments received will be posted on the Board's website.

The Board will consider the comments provided before finalizing the Board's policy for monthly billing and estimated billing.

3. Cost Awards

Cost awards will be available under section 30 of the *Ontario Energy Board Act, 1998* to eligible persons in relation to the provision of comments on the draft Report, **to a maximum of 10 hours**. Costs awarded will be recovered from all licensed electricity distributors based on their respective distribution revenues.

Attachment 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.

4. Filing Instructions

All filings to the Board must be received by the Board Secretary by 4:45 p.m. on the required date. Filings must quote file number EB-2014-0198 and include your name, address, telephone number and, where available, your e-mail address and fax number. All filings received by the Board in relation to this consultation will be available for viewing at the Board's offices and will be placed on the Board's website. Further filing instructions are set out in Attachment B.

If you have questions regarding this initiative, please contact Vince Mazzone at vince.mazzone@ontarioenergyboard.ca or at 416-544-5159. The Board's toll free number is 1-888-632-6273.

Yours truly,

Original Signed By

Kirsten Walli Board Secretary

Attachments: Attachment A: Cost Awards

Attachment B: Filing Instructions

ATTACHMENT A

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 **September 25**, **2014**, identifying the nature of the person's interest in this consultation and the grounds on which the person believes that it is eligible for an award of costs (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 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 **October 2, 2014**. 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.

Eligible Activities

Cost awards will be available in relation to the provision of written comments on the draft Report, to a maximum of 10 hours.

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 expects that groups representing the same interests or class of persons will make every effort to communicate and co-ordinate their participation in this process.

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*. This document can be found on the Board's website at www.ontarioenergyboard.ca on the "Rules, Guidelines and Forms" webpage.

ATTACHMENT B

Filing Instructions

Please submit electronic copies of filings in searchable/unrestricted Adobe Acrobat (PDF) format through the Board's web portal at pes.ontarioenergyboard.ca/eservice and also file two paper copies at the address below. You will need a user ID to make filings through the Board's web portal. If you do not have a user ID, visit the "e-filings services" webpage on the Board's website at www.ontarioenergyboard.ca and fill out a user ID password request.

Please use 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 to boardsec@ontarioenergyboard.ca. If you do not have internet access, please provide a CD containing your filing in PDF format as described above to the Board Secretary at the following address:

Kirsten Walli Board Secretary Ontario Energy Board P.O. Box 2319 2300 Yonge Street, Suite 2700 Toronto, Ontario M4P 1E4

If the written comment is from a private citizen (i.e., not a lawyer representing a client, not a consultant representing a client or organization, not an individual in an organization that represents the interests of consumers or other groups, and not an individual from a regulated entity), before making the written comment available for viewing at the Board's offices or placing the written comment on the Board's website, the Board will remove any personal (i.e., not business) contact information from the written comment (i.e., the address, fax number, phone number, and e-mail address of the individual). However, the name of the individual and the content of the written comment will be available for viewing at the Board's offices and will be placed on the Board's website.