



BULLETIN

DATE ISSUED: August 8, 2019

**TO: All Licensed Electricity Distributors
All Other Interested Parties**

RE: Application of “Notification Charges” to Collection Activities

This Bulletin provides guidance to electricity distributors on whether an approved “Notification Charge” may be applied to a customer in relation to collection activities.

On March 14, 2019, in connection with the issuance of updated customer service rules for electricity and natural gas customers, the Ontario Energy Board (OEB) made a generic rate order eliminating “Collection of Account” charges for electricity distributors, effective July 1, 2019.¹

The OEB has received questions from some electricity distributors who have a “Notification Charge” on their OEB-approved tariff of rates and charges as to whether the Notification Charge may be applied when the distributor engages in collection activities such as the issuance of an account overdue or disconnection notice.

Collection of Account charges were eliminated as of July 1, 2019 by the generic rate order. As the OEB stated in its September 6, 2018 *Report of the Ontario Energy Board: Review of Customer Service Rules for Utilities – Phase One*, “activities associated with collection of accounts are part of normal business activities and customers should not

¹ Rate Order (Non-Payment of Account Service Charges), March 14, 2019 (EB-2017-0183).

be charged for them².” It is OEB staff’s view that using the Notification Charge, or any other approved specific service charge for the purpose of charging for activities related to collection of accounts would be inconsistent with the OEB’s decision to eliminate Collection of Account charges.

As a result, OEB staff’s view is that electricity distributors cannot apply the Notification Charge for collection activities.

The views expressed in this Bulletin are those of OEB staff and are not binding on the OEB. Any enquires regarding the Bulletin should be directed to the OEB’s Industry Relations email address at IndustryRelations@OEB.ca.

² Report of the Ontario Energy Board: Review of Customer Service Rules for Utilities – Phase One dated September 6, 2018 (EB-2017-0183), page 50