



Ontario
Energy
Board

Commission
de l'énergie
de l'Ontario

DECISION AND ORDER

EB-2020-0109

Amending Electricity Distributor Licences to Prohibit the Disconnection of Low-volume Consumers and Related Matters in light of the COVID-19 Pandemic

BY DELEGATION, BEFORE: **Brian Hewson**
Vice President,
Consumer Protection & Industry Performance

March 19, 2020

INTRODUCTION AND SUMMARY

The Ontario Energy Board (OEB), of its own motion, has initiated this proceeding to amend the licences of all electricity distributors in light of the current COVID-19 pandemic. As set out in this Decision and Order, the amendments extend the current prohibition against the disconnection of residential customers by reason of non-payment through July 31, 2020; establish a similar prohibition against the disconnection of all other low-volume consumers by reason of non-payment through July 31, 2020; and address related matters.

BACKGROUND

The OEB's Distribution System Code (DSC) contains a number of rules with which licensed distributors must comply in relation to the disconnection and reconnection of customers for non-payment. Currently, the DSC contains a "disconnection ban" that prohibits disconnection of "occupied residential property" (as those terms are defined in the DSC) for non-payment commencing on November 15th in one year and ending on April 30th in the following year. Residential customers fall within the group of electricity consumers referred to in the *Ontario Energy Board Act, 1998* (OEB Act) as low-volume consumers. The OEB Act defines low-volume consumer as a consumer who annually uses less than 150,000 kilowatt hours. There is currently no disconnection ban in respect of other electricity consumers (small businesses, for example) that qualify as low-volume consumers.

Section 70 of the OEB Act provides that conditions of a licence may contain provisions that govern a distributor's conduct as it relates to the disconnection of the supply of electricity to a consumer, including the manner in which and the time within which the disconnection takes place or is to take place, and with respect to a low-volume consumer, periods during which the disconnection may not take place. The OEB Act provides that the OEB's regulatory requirements regarding disconnection prevail over anything to the contrary in section 31 of the *Electricity Act, 1998* regarding disconnection for non-payment.

There is currently a great deal of uncertainty as to the severity and duration of the current COVID-19 pandemic. There has already been a significant amount of disruption in the lives and livelihoods of residential and small business electricity customers in Ontario, and the OEB believes that the risk of loss of electricity service on account of arrears should not be an added source of uncertainty at this time.

The OEB understands that a number of electricity distributors have taken measures to voluntarily suspend the disconnection of residential customers beyond the April 30,

2020 end of this year's winter disconnection ban in light of the COVID-19 pandemic. To ensure consistency in the application of the ban on disconnections and related new regulatory requirements across the Province, the licences of all distributors are being amended at this time.

This Decision and Order is being issued by Delegated Authority without a hearing pursuant to section 6(4) of the OEB Act.

DECISION

The OEB finds it to be in the public interest to amend the licences of all electricity distributors in order to ensure that all low volume consumers (as defined in the OEB Act) are not disconnected for non-payment while Ontario addresses the current COVID-19 pandemic.

The new licence conditions, which are effective immediately, are set out in Attachment A to this Decision and Order. By way of overview:

- i. Until July 31, 2020, no electricity distributor may disconnect a low-volume consumer solely on the grounds of non-payment or issue a disconnection notice to a low-volume consumer solely on the grounds of non-payment. Because the DSC already prohibits the disconnection of residential customers through April 30, 2020, the new licence provision will take effect on May 1, 2020 in respect of residential customers.
- ii. Until July 31, 2020, no electricity distributor may install a load limiting device in respect of a low-volume consumer's premises solely by reason that the customer is in arrears on the payment of their electricity bill. As with disconnections, because the DSC already prohibits the installation of load limiting devices in respect of residential customers' premises through April 30, 2020, the new licence provision will take effect on May 1, 2020.
- iii. Electricity distributors must continue to respect all applicable safety requirements or standards.

During the COVID-19 pandemic and in particular the ban on disconnection of low-volume consumers for non-payment, the OEB also expects distributors to focus efforts on promoting solutions for customers that have arrears, including greater flexibility in payment terms and in offering customers arrears payment agreements (APAs), such as waiving the provisions of section 2.7.8 of the DSC for customers who did not fulfil the

requirements of a previous APA. As well distributors are expected to take steps to increase awareness of assistance or support that may be available through the Low-Income Emergency Assistance Program and the Ontario Electricity Support Program.

The OEB will continue to monitor the situation and may take further steps to protect low-volume electricity consumers as circumstances warrant.

IT IS ORDERED THAT:

1. The electricity distribution licence of each electricity distributor be amended to include the conditions set out in Attachment A to this Decision and Order.

DATED at Toronto March 19, 2020

ONTARIO ENERGY BOARD

Original Signed By

Brian Hewson
Vice President, Consumer Protection & Industry Performance

Attachment A
To
Decision and Order dated March 19, 2020
EB-2020-0109

Licence Conditions

Note: The section and paragraph numbers will be revised when integrated into each licence.

1. May 1, 2020 – July 31, 2020 – Disconnection and Load Limiter Devices

1.1 Subject to paragraph 1.3, the Licensee shall not, during the period commencing May 1, 2020 and ending at 11:59 pm on July 31, 2020:

- a) disconnect an occupied residential property solely on the grounds of non-payment;
- b) issue a disconnection notice in respect of an occupied residential property solely on the grounds of non-payment; or
- c) install a load limiter device in respect of an occupied residential property solely on the grounds of non-payment.

Nothing in this paragraph shall preclude the Licensee from (i) disconnecting an occupied residential property in accordance with all applicable regulatory requirements, including the required disconnection notice; or (ii) installing a load limiter device in respect of an occupied residential property, in each case if at the unsolicited request of the customer given in writing on or after May 1, 2020.

1.2 Subject to paragraph 1.7, the Licensee shall not, during the period commencing March 20, 2020 and ending at 11:59 pm on July 31, 2020:

- a) disconnect a property occupied by a customer who is a low-volume consumer other than a residential customer solely on the grounds of non-payment;
- b) issue a disconnection notice in respect of a property occupied by a customer who is a low-volume consumer other than a residential customer solely on the grounds of non-payment; or

- c) install a load limiter device in respect of a property occupied by a customer who is a low-volume consumer other than a residential customer solely on the grounds of non-payment.

Nothing in this paragraph shall preclude the Licensee from (i) disconnecting a property occupied by a customer who is a low-volume consumer other than a residential customer in accordance with all applicable regulatory requirements, including the required disconnection notice; or (ii) installing a load limiter device in respect of a property occupied by a customer who is a low-volume consumer other than a residential customer, in each case if at the unsolicited request of the customer given in writing on or after March 20, 2020.

1.3 Nothing in paragraphs 1.1 to 1.2 shall:

- a) prevent the Licensee from taking such action in respect of an occupied residential property and/or a property occupied by a customer who is a low-volume consumer other than a residential customer as may be required to comply with any applicable and generally acceptable safety requirements or standards; or
- b) require the Licensee to act in a manner contrary to any applicable and generally accepted safety requirements or standards.

1.4 For the purposes of paragraphs 1.1 to 1.3:

“load limiter device” means a device that will allow a customer to run a small number of electrical items in his or her premises at any given time, and if the customer exceeds the limit of the load limiter, then the device will interrupt the power until it is reset; and

“occupied residential property” means an account with the Licensee:

- a) that falls within the residential rate classification as specified in the Licensee’s Rate Order; and
- b) that is inhabited. “property occupied by a customer who is a low-volume consumer other than a residential customer” means an account with the Licensee:
 - a) that falls within the definition of “low-volume consumer” in the Act and is not within a residential rate classification as specified in the Licensee’s Rate Order; and
 - that has not been permanently vacated.

- 1.5 Paragraphs 1.1 to 1.4 apply despite any provision of the Distribution System Code to the contrary.