

NEWS RELEASE

For Immediate Distribution

Ontario Energy Board accepts Assurance of Voluntary Compliance from Alectra Energy Services Inc.

TORONTO (January 20, 2021) — The Ontario Energy Board (OEB) has accepted an Assurance of Voluntary Compliance (AVC) from Alectra Energy Services Inc. (Alectra Energy), a licensed unit sub-meter provider that operates under the trade name PowerStream Energy Services. The AVC follows an inspection into the company's disconnection practices which were found to be non-compliant with OEB rules.

Under the terms of the AVC, Alectra Energy will pay an administrative monetary penalty of \$20,000 and make a payment of \$28,750 for use by the social agency that runs the Low-income Energy Assistance Program (LEAP) for residential customers throughout the principal area served by Alectra Energy.

An AVC is a binding commitment by a regulated entity to take measures to rectify or prevent non-compliance. Failure to abide by the terms of an AVC can lead to enforcement action being taken by the OEB.

The OEB's inspection found, and Alectra Energy admitted, that between May 2019 and June 2020, approximately 2,800 disconnection notices were sent to customers that did not comply with all of the requirements of the OEB's Unit Sub-Metering Code (USMC). In 1,900 of those cases, the 48-hour followup notification required to be provided by Alectra Energy was also deficient. The electricity service of 427 customers was disconnected, and the majority of those customers were charged disconnection and reconnection fees. Under the terms of the AVC, Alectra Energy will provide a full refund to those customers.

At the time of Alectra Energy's non-compliance, the USMC required a unit sub-meter provider to provide at least 10 days' notice prior to disconnection and established a maximum period of 11 days after that, during which a customer can be disconnected. These timelines have since been made longer under new customer service rules put into place by the OEB starting March 1, 2020 to better protect consumers. The USMC also requires a unit sub-meter provider to attempt to contact customers one final time at least 48 hours prior to the date of disconnection. Alectra Energy did not comply with these provisions of the USMC.

In addition, the non-compliant disconnection notices and 48-hour followup notifications did not include specific information about arrears payment programs and emergency bill assistance, nor did the disconnection notices accurately advise customers of the earliest and latest possible dates of disconnection. These requirements are also set out in the USMC.

Under the terms of the AVC, Alectra Energy will deliver a letter to each of the customers that were charged disconnection or reconnection fees, advising them of its non-compliance with the USMC, the reason for the refund, and the funding being provided for LEAP. Alectra Energy has implemented changes to ensure that its disconnection notices and 48-hour followup notifications contain clear and accurate information, and assures the OEB that all reasonable steps have been taken to ensure compliance with its customer disconnection-related obligations.

Quote

"Customers facing disconnection must be given proper notice so that they know how much time they have to pay the amount they owe, as well as information about options such as an arrears payment program. Otherwise, customers are at risk of being harmed. As a result of the actions we have taken, and this assurance, consumers will be better protected." – Brian Hewson, Vice-President, Consumer Protection & Industry Performance

Additional Information and Resources

- Read the <u>Assurance of Voluntary Compliance</u> Alectra Energy Services Inc. (EB-2020-0303)
- Learn about the OEB's <u>Customer Service Rules</u> for electricity utilities, including those governing disconnections
- Learn about the OEB's Compliance and Enforcement Process
- Understand the OEB's Consumer Complaint Process

About the Ontario Energy Board

The OEB is the independent regulator of Ontario's electricity and natural gas sectors. It protects consumers and makes decisions that serve the public interest. Its goal is to promote a sustainable and efficient energy sector that provides consumers with reliable energy services at a reasonable cost.

-30-

Contact Us

For more information, please visit the OEB website at oeb.ca or contact us directly.

Media Inquiries

Phone: 416-544-5171

Email: oebmedia@oeb.ca

Ce document est aussi disponible en français.