

NEWS RELEASE

For Immediate Distribution

Ontario Energy Board accepts Assurance of Voluntary Compliance from InnPower Corp.

TORONTO (January 5, 2021) — The Ontario Energy Board (OEB) has accepted an Assurance of Voluntary Compliance (AVC) from InnPower Corp. (InnPower), an OEB-licensed electricity distributor, following an inspection into InnPower's accounting procedures and controls that included a review of certain rates the company charged in 2017. The inspection found that these rates were non-compliant with an OEB rate order, and that InnPower had overcharged its customers \$405,769 as a result. Under the terms of the AVC, InnPower will pay an administrative monetary penalty of \$5,000. InnPower has also taken the necessary steps to refund the \$405,769.

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.

In its decision on InnPower's application for 2016 rates, the OEB approved, among other things, rate riders relating to the balances in the company's deferral and variance accounts. A rate rider is a temporary credit or charge approved by the OEB. Rate riders are listed separately on a company's Tariff of Rates and Charges, with an explicit expiry date. While the two rate riders in question were ordered to be effective only from January 1 to December 31, 2016, InnPower continued to charge them until December 31, 2017.

The OEB's inspection found, and InnPower admitted, that the company had overcharged its customers \$405,769 as a result of continuing to charge the two rate riders for an additional year to the end of 2017. As described in the AVC, InnPower has applied for, and received, the OEB's approval to refund the overcollected amounts, with interest, through the implementation of its 2021 rates.

Quote

"Utilities are ultimately responsible to ensure that the rates they charge comply with OEB rate orders. Rate riders are temporary credits or charges that can only be applied up to a specified expiry date. Through the AVC, InnPower has assured the OEB that it has taken all appropriate measures to ensure that all rates it charges its customers, including rate riders, comply with OEB rate orders." – Brian Hewson, Vice-President, **Consumer Protection & Industry Performance**

Additional Information and Resources

- Read the <u>Assurance of Voluntary Compliance</u> InnPower Corp. (EB-2020-0282)
- 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

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