



Ontario Energy Board accepts Assurance of Voluntary Compliance from Rideau St. Lawrence Distribution Inc.

TORONTO (October 29, 2020) — The Ontario Energy Board (OEB) has accepted an Assurance of Voluntary Compliance (AVC) from Rideau St. Lawrence Distribution Inc. (Rideau St. Lawrence), an OEB-licensed electricity distributor, following an inspection into the company's disconnection practices which were found to be non-compliant with OEB rules. Under the terms of the AVC, Rideau St. Lawrence will pay an administrative monetary penalty of \$10,000.

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 Rideau St. Lawrence admitted, that between April 26 and May 31, 2019, 394 disconnection notices were sent to customers that were non-compliant with its licence, the OEB's Distribution System Code (DSC) or both. Twelve customers had their electricity disconnected and were charged reconnection fees after receiving non-compliant disconnection notices. Once Rideau St. Lawrence was advised of the inspection, it reversed all of these reconnection charges.

Of the 394 disconnection notices, 285 failed to comply with the requirement in the DSC that a disconnection notice indicate the amount that is overdue for payment in order to avoid disconnection. In these disconnection notices, the overdue amount for payment incorrectly included amounts for water and sewer arrears, with the result that Rideau St. Lawrence failed to ensure that its customers who were at risk of disconnection understood the overdue amount they needed to pay to avoid disconnection for non-payment. The OEB does not allow distributors to disconnect a customer for non-payment of charges that do not relate to electricity.

Another 109 disconnection notices were issued by Rideau St. Lawrence between April 26, 2019 and April 30, 2019, while the winter disconnection ban was in effect. At the time, distributors were prohibited by their licences from issuing disconnection notices to residential customers for non-payment during the winter disconnection ban that runs from November 15 and April 30.

Through the AVC, Rideau St. Lawrence assures the OEB that it has taken all reasonable steps to ensure its compliance with its customer disconnection-related obligations under the DSC and its licence, including revising its form of disconnection notice and its customer disconnection practices.



Quote

"Under the OEB's rules, utilities must provide accurate information in their disconnection notices so that customers understand what they need to do to avoid being disconnected. Customers are at risk of being harmed if a utility does not follow those rules. This assurance acknowledges that it is the utility's responsibility to ensure they comply with the rules that are in place to protect consumers." – Brian Hewson, Vice-President, **Consumer Protection & Industry Performance**

Additional Information and Resources

- Read the <u>Assurance of Voluntary Compliance</u> Rideau St. Lawrence Distribution Inc. (EB-2020-0217)
- Learn about the OEB's <u>Customer Service Rules</u> for electricity distributors, 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.

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Contact Us

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