

Ontario Energy Board accepts Assurance of Voluntary Compliance from E.L.K. Energy Inc.

TORONTO (November 16, 2020) — The Ontario Energy Board (OEB) has accepted an Assurance of Voluntary Compliance (AVC) from E.L.K. Energy Inc. (E.L.K. Energy), 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, E.L.K. Energy will pay an administrative monetary penalty of \$18,000 and make an additional payment of \$5,000 to the social agency that runs the [Low-income Energy Assistance Program](#) (LEAP) in E.L.K. Energy's service territory.

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 E.L.K. Energy admitted, that between May and November 2019, approximately 2,000 disconnection notices were sent to customers that did not comply with all of the requirements of the OEB's Distribution System Code (DSC). After receiving non-compliant disconnection notices, 111 customers had their electricity disconnected and were charged reconnection fees. As a result of the inspection, E.L.K. Energy has provided a full refund to those customers.

The DSC requires a distributor to indicate in the disconnection notice the amount that is overdue for payment. The overdue amount for payment incorrectly included amounts for water and sewer arrears. The OEB does not allow distributors to disconnect a customer's electricity service for non-payment of charges that do not relate to electricity. The result was that E.L.K. Energy failed to ensure that its customers who were at risk of disconnection understood the overdue amount they needed to pay for electricity to avoid disconnection.

In addition, the disconnection notices also lacked detailed information about payment methods and bill assistance programs as required by the DSC. They also did not properly advise customers of the earliest and latest possible dates of disconnection.

Under the terms of the AVC, E.L.K. Energy will deliver a letter to each of the customers that were disconnected advising them of its non-compliance with the DSC and of the additional funding being provided to the LEAP social agency. E.L.K. Energy has implemented changes to its disconnection notices, and also 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 provided accurate information in their disconnection notices so that they know what they need to do to avoid being disconnected. If a utility does not provide that information, customers are at risk of being harmed. With the actions we have taken, and E.L.K. Energy’s assurance, consumers will be better protected.”

– Brian Hewson, Vice-President, **Consumer Protection & Industry Performance**

Additional Information and Resources

- Read the [Assurance of Voluntary Compliance](#) – E.L.K. Energy Inc. (EB-2020-0170)
- Learn about the OEB’s [Customer Service Rules](#) 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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