

New Ontario Energy Board customer service rules strengthen consumer protection

TORONTO (March 5, 2020) – New Ontario Energy Board (OEB) customer service rules that enhance protection for electricity and natural gas consumers took effect this week.

The OEB has had customer service rules in place for electricity utilities since 2011, which cover a wide range of topics such as disconnections, billing and security deposits. Most of those rules also apply to unit sub-meter providers (USMPs), which are companies that provide metering and billing services for some condos and apartments that have their own individual meters.

As a result of an extensive review, the electricity sector rules have been enhanced as of March 1, 2020, and now also apply to rate-regulated gas utilities, reflecting the comments of the majority of consumers who told us they expect the same level of service from both electricity and natural gas companies. The review was informed by feedback from utilities, consumer groups and more than 2,500 residential and small business energy consumers.

What This Means For Ontario Energy Consumers

The chart below shows how some of the previous electricity rules have been enhanced and now also apply to rate-regulated natural gas utilities. Unless noted otherwise, all of the new rules listed below apply to both residential and small business customers.

Previous Electricity Rules	New Gas and Electricity Rules
Minimum Payment Period	
The minimum payment period before an electricity utility can apply a late payment charge is at least <u>16 calendar days</u> from the date the bill is issued to the customer.	The minimum payment period before an electricity utility and rate-regulated gas utility can apply a late payment charge must be at least <u>20 calendar days</u> from the date the bill is issued to the customer.
Disconnection Notice Period and Timing	
Customers must receive <u>10 calendar days'</u> notice before having their electricity service	Electricity and rate-regulated gas utilities must give customers an "account overdue

<p>disconnected for non-payment. The notice period starts from the date on which the customer receives the disconnection notice.</p> <p>Disconnection notices sent out by mail are deemed to have been received by the customer on the <u>third business day</u> after the date the utility printed the notice.</p> <p>Utilities must disconnect a customer <u>within 11 calendar days following the 10-day minimum notice period</u>. After that, utilities must restart the disconnection process.</p>	<p>notice” <u>seven calendar days</u> before a disconnection notice is issued, and then give customers <u>14 calendar days’</u> notice before disconnecting them for non-payment.</p> <p>Disconnection notices sent out by mail are deemed to have been received by the customer on the <u>fifth calendar day</u> after the date the utility printed the notice.</p> <p>Utilities must disconnect a customer within 14 calendar days following the 14-day minimum notice period. After that, utilities must restart the disconnection process.</p> <p>Utilities must not disconnect a customer on a day when they are closed to the public to make payment and/or reconnection arrangements, or on the day before that day.</p>
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Winter Disconnection Ban for Residential Consumers

Note: This does not apply to USMPs

<p>Electricity utilities are banned from disconnecting residential customers for non-payment from November 15 – April 30.</p> <p>Customers disconnected prior to the ban period must be reconnected by November 15. Utilities must also remove load control devices that were installed as an alternative to disconnection, and they cannot install new load control devices during the disconnection ban period, unless the customer wants the device.</p>	<p>The winter disconnection ban that applies to electricity utilities now also applies to gas utilities.</p> <p>Both electricity and gas utilities will have until December 1 to reconnect customers who were previously disconnected for non-payment and remove load control devices, if applicable.</p>
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Security Deposits

<p>Security deposits must be returned to a residential electricity customer after one year of good payment history. For small businesses, security deposits must be returned after <u>five years</u> of good payment history.</p> <p>Security deposits are not required from new residential customers if they can provide a letter showing one year of good payment</p>	<p>For residential customers of both electricity and gas utilities, security deposits must be returned after one year of good payment history. Security deposits must be returned to small businesses after <u>three years</u> of good payment history.</p> <p>In addition to the exemption also in place for residential customers with a good payment history, security deposits must be waived for</p>
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history with another electricity or gas utility in Canada, or a satisfactory credit check at the customer's expense. Security deposits must also be waived for eligible low-income customers upon request.	new residential customers enrolling in the utility's equal payment plan and/or a pre-authorized payment plan as determined by the utility. For this purpose, a new customer is one who has not been served by the utility in the previous two years.
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Equal Payment Plans
Note: This does not apply to USMPs

<p>Electricity utilities must offer residential customers who do not have a contract with a retailer the option of joining an equal monthly payment plan or an equal billing plan that meets the requirements set by the OEB. Under such plans, a utility adds up a customer's bills for the past 12 months and divides them by 12 to get the average, which is then automatically withdrawn from the customer's bank account monthly or billed to the customer each month, depending on the plan.</p> <p>Utilities are not required to provide equal billing/equal payment plans to small business customers.</p>	<p>Electricity and gas utilities must offer residential customers who do not have a contract with a retailer the option of joining an equal monthly payment plan that meets the requirements set by the OEB. However, utilities are not allowed to make automatic withdrawals from a financial institution a requirement for signing up to an equal monthly payment plan. Utilities may cancel a customer's equal monthly payment plan after two missed payments within an equal payment year. Utilities are not required to offer equal monthly payment plans to seasonal rate class customers.</p> <p>Utilities must offer equal payment plans to small business customers except those who (1) have a contract with an energy retailer; (2) have less than one year of billing history; (3) are in arrears or their participation in the plan was cancelled for non-payment in the past year; or (4) have unpredictable consumption usage and for whom amounts cannot be estimated with a reasonable degree of accuracy.</p>
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Allocation of Payment
Note: This only applies to residential customers

If a residential customer's bill includes charges other than electricity charges – for instance, for water service – payments from the customer must go first to pay the electricity portion of the bill.	If a residential customer's bill includes charges other than electricity/gas charges, the utility is required to allocate a customer's payment to electricity/gas first. However, the utility may allocate a customer's payment differently based on that customer's request, but they are not required to.
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Arrears Payment Agreements (APAs)



<p>Residential customers who are facing disconnection for non-payment can enter into an APA that meets the minimum requirements set by the OEB. Electricity utilities are prohibited from applying late payment charges on the amount that is covered by the APA for <u>eligible low-income customers</u>.</p> <p>Utilities are not required to offer an APA to small business customers.</p>	<p>Residential customers who are facing disconnection for non-payment can enter into an APA that meets the minimum requirements set by the OEB. Utilities must not apply late payment charges on the amount covered by the APA for <u>any residential customers</u>. While USMPs must offer APAs to residential customers, they are not required to waive late payment charges on the amount covered by the APA.</p> <p>Small business customers who are facing disconnection for non-payment must be offered an APA. The terms and conditions of these arrangements are not set by the OEB, but they must be reasonable.</p>
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Quote

“Protecting energy consumers is a cornerstone of the OEB’s mandate. The new customer service rules strengthen consumer protection, while also ensuring that the ongoing operational needs of utilities are met. Hearing directly from energy consumers, consumer groups and utilities has been a great benefit in ensuring that our rules maintain the right balance.” – Brian Hewson, Vice President of Consumer Protection & Industry Performance

Additional Information and Resources

- [Three Things to Know About the New Rules](#)
- [Rules for Electricity Utilities](#)
- [Rules for Rate-regulated Natural Gas Utilities](#)
- [Consumer Charter](#)

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.

Contact Us

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

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