

ONTARIO ENERGY ASSOCIATION

REGULATORY AMENDMENTS TO ELECTRICITY INVOICING REQUIREMENTS AND INFORMATION

17-ENE012 Submission

NOVEMBER 27, 2017

To shape our energy future for a stronger Ontario.



Ontario Energy Association

ABOUT

The Ontario Energy Association (OEA) is the credible and trusted voice of the energy sector. We earn our reputation by being an integral and influential part of energy policy development and decision making in Ontario. We represent Ontario's energy leaders that span the full diversity of the energy industry.

OEA takes a grassroots approach to policy development by combining thorough evidence based research with executive interviews and member polling. This unique approach ensures our policies are not only grounded in rigorous research, but represent the views of the majority of our members. This sound policy foundation allows us to advocate directly with government decision makers to tackle issues of strategic importance to our members.

Together, we are working to build a stronger energy future for Ontario.

The Ontario Energy Association (OEA) is pleased to provide this response to the Ministry of Energy's (the Ministry) proposed regulatory amendments to O. Reg. 196/17 (Invoicing Requirements) made under the Ontario Fair Hydro Plan Act, 2017 (OFHP) and regulatory amendments to O. Reg. 275/04 (Information on Invoices to Certain Classes of Consumers of Electricity) made under the Ontario Energy Board Act, 1998 ([Proposal Number: 17-ENE012](#)).

COMMENTS AND KEY RECOMMENDATIONS

The OEA has reviewed the summary proposal which states that the Ministry is seeking to redesign electricity bills to make them more understandable and to give consumers the information that they want on the bill.

The OEA does not have significant substantive concerns with the summary proposal. Further, the OEA is pleased to see that the Ministry is proposing to give electricity distributors and unit sub-meter providers increased flexibility with respect to electricity bill design through (1) proposing to reduce restrictions that prevent inclusion of information on bills except as prescribed and (2) revising the glossary of terms to simplify language and increase flexibility on the frequency that the glossary must be made available to consumers as part of the bill.

However, the OEA does have recommendations regarding the implementation of electricity bill redesign. The OEA is making the following key recommendations:

Recommendation 1: Timing and Transitional Period

The OEA notes that the summary proposal does not state a specific date, timeframe, or transitional period regarding when the regulations would take effect (i.e., when electricity distributors and unit sub-meter providers would be required to adapt invoices to comply with the proposals related to include dynamic messaging or prescribing key information to appear on the face of the invoice).

As a point of comparison, the OEA notes that, [Bill 13, Ontario Rebate for Electricity Consumers Act, 2016](#), which was the legislation setting out the 8% rebate, included specific language regarding a transitional period for adapting invoices:

Transitional

- (3) If, for technical or operational reasons, an electricity vendor or a person referred to in subsection (2) is unable to adapt its invoices to comply with this Act and the regulations by the time it issues its first invoice for electricity consumed in 2017 in respect of an eligible account,
- (a) the electricity vendor or person shall adapt its invoices as soon as possible and, in any event, no later than July 1, 2017

Given the technical nature of billing and dynamic messaging, including the Customer Information System, design and printing impacts of undertaking a bill redesign, whether all or parts of the billing process are performed in-house or contracted-out and associated customer and employee communications, it will be the case that the state of readiness and time required to implement changes will be non-uniform across different billing agents in Ontario.

The OEA recommends the Ministry use a phased-in approach to implementation, similar to what was done for the 8% rebate. For example, the Ministry could encourage early implementation where feasible and full implementation no later than a prescribed date (e.g., March 1, 2018).

Recommendation 2: Opportunity to Comment on Draft Regulatory Language

Similar to Recommendation 1 above, the OEA notes that the posting does not include any draft language for the amendments to be made to either O. Reg. 196/17 or O. Reg. 275/04. The opportunity to comment on draft regulatory language is common to most processes involving amendments to regulation.

The OEA believes that it is in the interests of all participants that the Ministry allow stakeholders an opportunity to comment on draft regulatory language regarding the electricity bill redesign before the Ministry issues final regulations. This would be especially helpful with respect to the proposal to include a prescribed methodology for providing a customer-specific dynamic calculation of savings associated with the Fair Hydro Plan for each billing period invoiced.

Providing stakeholders an opportunity to comment on draft regulatory language will allow participants to assess the proposed changes in detail and ensure important issues are not overlooked and misinterpreted, such as the time and costs necessary to implement dynamic messaging.

Conclusion

The OEA recognizes the importance of redesigning electricity bills to the Ministry. The above recommendations reflect that it is essential that these and any future enhancements are designed so that changes can be implemented successfully in a timely and cost-effective manner.

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Let's unravel complex energy challenges, together.