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## **NOTICE OF AMENDMENT TO A CODE**

### **AMENDMENTS TO THE STANDARD SUPPLY SERVICE CODE**

#### **BOARD FILE NO.: RP-2004-0205**

**To: All Licensed Electricity Distributors  
All Licensed Electricity Retailers  
All Participants in Proceeding RP-2004-0205**

**RE: Regulated Price Plan (RP-2004-0205)  
Notice of Amendment to the Standard Supply Service Code –  
Bill Presentment and the Final RPP Variance Settlement**

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The Ontario Energy Board (the "Board") will amend the Standard Supply Service Code (the "SSS Code") as indicated below, pursuant to section 70.2 of the *Ontario Energy Board Act, 1998*.

On May 18, 2005, the Board issued a Notice of a Proposal to Amend the SSS Code. The proposed changes addressed how the "final RPP variance settlement" should be presented on the electricity bills of consumers that leave the Regulated Price Plan (the "RPP").

The Board received six written submissions from a variety of stakeholders in regard to the proposed changes to the SSS Code. The Board has considered the submissions received on this matter and has determined that no material changes need to be made relative to the SSS Code amendments as originally proposed. The Board has, however, made a minor revision as described below.

All of the submissions supported the Board's proposal to amend the SSS Code to require electricity distributors to add a separate line to the bill under the "Electricity" sub-heading for consumers that are subject to the final RPP variance settlement amount.

The Board had also proposed that the same terminology be used by all electricity distributors in applying this credit or charge to the electricity bill. That proposed terminology was "Final RPP variance settlement". While the use of consistent terminology was also supported, concerns regarding the proposed terminology were raised by certain parties. Specifically, some distributors noted that they can only accommodate a maximum of 20 characters on a line and suggested that the Board adopt a truncated description to avoid the costs associated with bill redesign. As described below, the Board has determined that a shorter version of this line item is acceptable.

The Board acknowledges the other bill presentment issues or comments that were raised in some of the submissions. These issues or comments are related to, but not directed at, the specific amendment proposed by the Board, and include the following:

- It was noted that there was a preference not to show the calculation of the final RPP variance settlement amount on the bill (the Board's original proposed amendment did not require this). This approach would be consistent with how the 'Delivery' line is currently displayed and it would also avoid the potential confusion for applicable consumers caused by showing two different consumption amounts on the same bill;
- There were differing views on whether the glossary of the bill should include a description of the final RPP variance settlement amount; and
- It was also suggested that the Board specify the French translation for the final RPP variance settlement amount line so that it will be standardized across the Province.

The Board agrees that showing the calculation of the final RPP variance settlement amount would likely result in confusion for consumers since this credit or charge would be based on 12 months of consumption. In contrast, the other charges on the bill are all based on consumption over the applicable billing period, which is a much shorter period of time. Accordingly, only the amount of the total credit or charge will appear on the bill of applicable consumers as initially proposed by the Board.

The Board is of the view that the SSS Code should not be amended to require that all distributors include a description of the final RPP variance settlement amount on the glossary of the bill. The glossary is not an appropriate place for such a description, since this line item will only apply to a relatively small subset of consumers at certain times, whereas the glossary appears on each bill. At the same time, the Board acknowledges that the final RPP variance settlement amount will need to be explained to applicable consumers and expects that distributors and retailers (that are using retailer-consolidated billing) will be diligent in providing any necessary explanation by using the option that best suits their differing circumstances. The Board's intent is to maximize flexibility for distributors and retailers in order to minimize the implementation costs and to avoid unnecessary delays.

The Board also acknowledges the concern expressed in certain submissions regarding the circumstances in which the final RPP variance settlement amount applies. Specifically, it was noted that section 3.7.1 of the SSS Code contemplates three situations where the final RPP variance settlement amount must be charged or paid to a consumer. It was proposed that a fourth situation be added to cover situations where an RPP consumer ceases to be eligible for the RPP. This would happen where, for example, an RPP consumer's consumption exceeds the annual threshold of 250,000 kWh, and ceases to be a designated consumer as identified in Government regulation. These concerns were not specific to the focus of this consultation but the Board acknowledges that the issue raised is an important one. The Board is therefore reviewing this matter and may further amend the SSS Code at a later date.

## Revised Amendments to the Standard Supply Service Code

As noted above, the Board has determined that a shorter version of the final RPP variance settlement amount line item is appropriate. The Board has therefore made a minor revision to the originally proposed amendment to section 3.7.2 of the SSS Code. As indicated in yellow shading on the attached version of the amendment to the SSS Code, the standard terminology to be used has been shortened to “RPP settlement”. As originally proposed, this line must appear directly below the lines representing either the tiered or the time-of-use commodity prices payable, depending on whether the consumer is paying conventional meter RPP prices or smart meter RPP prices.

The Board acknowledges that it would be beneficial to standardize the French translation for “RPP settlement”, and suggests that “Règlement de la GTR” be used (the Board’s French-language materials use the terms “grille tarifaire réglementée” and “GTR” as the translations for “Regulated Price Plan” and “RPP”, respectively). The need to issue bills or billing information in French applies to a relatively small subset of distributors. The French translation is therefore not included in the code amendments.

By virtue of section 1.9.3 of the Retail Settlement Code, the requirements set out in the revised amendments to the SSS Code will apply equally to retailers that are billing RPP consumers using retailer-consolidated billing.

### Coming Into Force

These amendments to the SSS Code will come into force on July 1, 2005. This is the date on which the obligation to implement the final RPP variance settlement mechanism will become effective as stipulated in section 3.7 of the SSS Code.

This Notice and the accompanying amendments to the SSS Code are available on the Board’s website at [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca) and at the office of the Board during normal business hours.

If you have any questions regarding these amendments, please contact Chris Cincar at 416-440-7696 or Russell Chute at 416-440-7682. The Board’s toll free number is 1-888-632-6273.

E-mail inquiries should be directed to [RPP@oeb.gov.on.ca](mailto:RPP@oeb.gov.on.ca).

**DATED** at Toronto, June 16, 2005.

ONTARIO ENERGY BOARD

John Zych  
Board Secretary

Attachment: *Appendix A: Revised Amendments to the Standard Supply Service Code*

## Appendix A

### Revised Amendments to the Standard Supply Service Code

#### RP-2004-0205

The Standard Supply Service Code is amended as follows:

### **3.7 Final RPP Variance Settlement Amounts for RPP Consumers Leaving Regulated Price Plan**

#### 3.7.1 Where a distributor:

- (a) is advised that an RPP consumer that is being charged a commodity price for electricity in accordance with section 3.3 or 3.4 will be cancelling its account with the distributor and will be moving out of the province of Ontario;
- (b) receives a notice referred to in section 2.1.2 from or in relation to an RPP consumer that was, on the date of the notice, being charged a commodity price for electricity in accordance with section 3.3 or 3.4; or
- (c) receives a request referred to in section 3.2.3 from or in relation to an electing spot consumer that was, on the date of the request, being charged a commodity price for electricity in accordance with section 3.3 or 3.4,

the distributor shall charge or credit the RPP consumer or electing spot consumer a final RPP variance settlement amount calculated on the basis of historical consumption in accordance with the methodology established by the Board in the RPP Manual.

3.7.2 Where a distributor is required by section 3.7.1 to charge or credit a consumer with a final RPP variance settlement amount, the distributor must show the monetary value of the final RPP variance settlement amount as a separate item on the consumer's bill. The separate item shall be labelled as "RPP settlement" "Final RPP variance settlement" and shall be shown directly under the items referred to in section 3.3.5 or 3.4.3, as applicable.

3.7.3 Sections 3.7.1 and 3.7.2 shall not come into effect until the date that is three months after the first term commencement date.