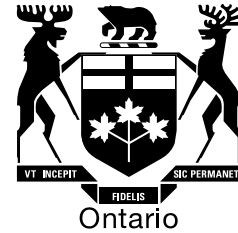


Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
27th Floor
Toronto ON M4P 1E4
Telephone: 416-481-1967
Facsimile: 416-440-7656
Toll free: 1-888-632-6273

Commission de l'énergie de l'Ontario
C.P. 2319
2300, rue Yonge
27^e étage
Toronto ON M4P 1E4
Téléphone: 416-481-1967
Télécopieur: 416-440-7656
Numéro sans frais: 1-888-632-6273



BY E-MAIL AND WEB POSTING

June 27, 2014

**To: All Electricity and Natural Gas Distributors
All Other Interested Parties**

**Re: Policy Review of Electricity and Natural Gas Distributors' Residential
Customer Billing Practices and Performance
EB-2014-0198**

As you know, the Board is increasingly focused on ensuring customers are well served by their distributors and receive appropriate value for the price they pay. To this end, the Board is currently pursuing a number of initiatives to improve the customer's bill and make it more effective in helping households and small businesses manage their energy costs.

Timely and accurate billing by electricity and natural gas distributors is essential to customer satisfaction. As such, the Board wants to ensure that billing practices by all distributors in Ontario meet those customer needs and expectations as well as their preferences for more frequent updates on their energy use.

Ultimately our goal is to give more customers a better understanding of their energy consumption so that they can better manage that consumption and control their costs.

The Board intends to consider policies related to billing practices for all regulated natural gas and electricity distributors to help meet these objectives. The Board is also in the process of developing a measure for billing accuracy that would be included on each electricity distributor's performance scorecard, as established by the Board earlier this year.

By undertaking this initiative, the Board expects to take advantage of the recent upgrades to the electricity system and investments in smart meters to provide additional benefits for customers. This will result in more accurate bills for consumers and receipt of electricity usage information based on actual meter readings in a more timely and convenient manner. The Board will also review the availability of e-billing as an option for customers.

Based on previous research, fewer than 50% of electricity customers in the province are billed on a monthly basis. The customers of the natural gas distributors are billed monthly. The Board is of the view that more timely bills in the form of monthly billing would allow customers to more effectively respond to the drivers that increase their energy costs and allow them to better anticipate and manage payments, respond to pricing signals (i.e. using electricity at times of the day when prices are lower), and help reduce negative situations such as disconnections or arrears. A monthly bill also provides a channel for more frequent communication with customers. Furthermore, shortening the time between when the energy is consumed and when the bill is issued can help customers in understanding what factors are affecting the bill.

The Board plans to complete this review in a number of stages. The first stage will be to gather further and updated information from distributors on current billing practices. Following a review of this information, the Board will announce further stages in this policy review.

Next Steps

The Board's first step is to gather data from electricity and natural gas distributors. The Board has included a survey at Appendix A of this letter which outlines the initial information it requires. Distributors must file a completed survey with the Board on or before **July 18, 2014**.

Please submit your survey responses to John Pickernell by email at Boardsec@ontarioenergyboard.ca in text searchable electronic format with the subject line: EB-2014-0198 Billing Practices Survey.

If you have any questions regarding this consultation process, please contact either Lenore Robson at Lenore.Robson@OntarioEnergyBoard.ca or 416-440-8141 or Josh Wasylyk at Josh.Wasylyk@OntarioEnergyBoard.ca or 416-440-7723.

Yours truly,

Original Signed By

Kirsten Walli
Board Secretary

Appendix A
EB-2014-0198

Billing Practices Survey for Natural Gas and Electricity Distributors

Please provide a complete response to the following questions:

1. Do you provide monthly bills to your residential and seasonal customers? If you do not, do you have plans to move to monthly billing, and if so when? Please indicate the billing frequency for your different customer classes.
2. Are residential customers provided with an option to choose the billing frequency they prefer other than through an equal billing or payment plan (i.e. choice of monthly or bi-monthly billing)?
3. Do you provide the options for customers to receive e-bills? If so, what is the percentage of customers enrolled in e-bills?
4. Please complete the table below to indicate the number of residential customers that receive various frequency of bills (if you have seasonal customers please show this separately):

Billing Frequency	Number of Customers
Monthly Bills	
Bi-Monthly Bills	
Quarterly Bills	
Other (please specify)	
Total	

5. Do you provide estimated bills to your residential customers? If yes,
 - a. Do you have a policy on how long bills can be estimated before an actual read is taken? If yes, is this documented in your Conditions of Service or elsewhere for public review?
 - b. What percentage of your bills are estimated? If an actual number is not available please provide an estimate.
 - c. For electricity distributors, has the frequency of estimated bills decreased now that smart meters have been deployed, if not, why not?

6. If you do not provide estimated bills, do you hold bills until an actual meter read is received? If yes, please estimate the maximum and average duration that a bill would be put on hold.

7. Please complete the following table on the number of customers on some form of equal plan.

Billing Plan	Number of Customers
Equal billing plan (monthly)	
Equal payment plan (monthly)	
Other billing plans (please specify)	
Total	