



**INFRASTRUCTURE SERVICES DEPARTMENT  
KITCHENER UTILITIES**

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**BY E-MAIL & COURIER**

March 26, 2012

Ontario Energy Board  
Attn: Ms. Kirsten Walli, Board Secretary  
P.O. Box 2319  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, Ontario, M4P 1E4

Dear Ms. Walli:

**Re: EB-2010-0280 – Consultation on Low-Income Gas Customer Service Standards – Request for Comments by Gas Distributors – Response of the City of Kitchener (“Kitchener”)**

The Ontario Energy Board (“Board”) issued a document dated March 1, 2012 which, among other things, invited comments from Ontario gas distributors with respect to proposed customer service policies for low-income customers. At page 15 of its document, the Board stated:

*“The Board requests gas distributors to respond and indicate whether they will adopt the proposed approach or a similar approach in each customer service area discussed above, and if not, why.”*

Further on page 16, the Board stated:

*“The Board encourages the non rate-regulated natural gas distributors to review the updated customer service standards of the major gas distributors and carefully consider to what extent residential customers, including low-income customers, in their service area should receive similar treatment.”*

Kitchener respectfully provides the following comments, organized by area as set out in the Board’s Comments on the proposed low-income customer service policies, and with our appreciation for the opportunity to do so.

**General Comment**

Kitchener supports the proposition that similar customer service standards for residential customers, including low-income customers, should apply across Ontario for both rate-regulated and non rate-regulated gas distributors. However, we continue to believe that differences in scale and scope among the utilities must be reflected in the development and implementation of customer service standards at the franchise level.

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Both Union Gas and Enbridge Gas have well in excess of a million customers across their franchise areas. Each major utility has several thousand employees. By comparison, Kitchener currently has about 65,000 gas customers and less than 100 employees dedicated to its gas utility. The gas utility and its customers benefit from shared resources within the municipal structure, for example, with the City's Revenue Department that provides billing and collection services. It is important to note that these shared resources also provide billing and collection services for water, sewer, rental water heater programs and storm water utility.

These resources are constrained and deployed to provide the services of most value to all of Kitchener's citizens and ratepayers within a transparent framework of prudent municipal cost management. As we have respectfully stated in our previous submissions to the Board, Kitchener must consider the competing pressures and challenges in funding its programs and delivery of services. The utilization of targeted or specialized service programs relative to upfront and ongoing costs of implementation is particularly subject to scrutiny by City Council and the public.

a) Security Deposits

As stated at page 11 of its March 1, 2012 document, the Board *"...expects the gas distributors to modify their customer service policies to also waive security deposits for low-income customers who do not have an account with a financial institution and are willing to enroll in an equal billing plan."*

In its experience on a much smaller scale and scope relative to the major Ontario gas distributors, Kitchener has not encountered any customer, including a low-income customer, who does not have an account with a financial institution. In future, should any customer indicate to Kitchener that they do not have such an account, we would consider waiving the deposit. As the lack of a customer account at a financial institution has never been an issue, Kitchener would not consider this to be a reason to enroll or not enroll a customer in an equal billing plan.

Kitchener also wishes to emphasize that it does not charge security deposits to owners, but only to tenants. Upon request, security deposits are waived with enrollment in automatic payment plans or with an acceptable letter of reference, as set out in Kitchener's residential customer service standards.

b) Correction of billing errors

Kitchener notes that the Board considers the practice of Union Gas to be best in this area, i.e. to include a message on bills with significant under-billing adjustments to inform the customer to contact the distributor for payment options available.

Kitchener's practice in this area is similar to Union's in that a separate notice is sent with the bill to advise the customer that should they have difficulty in making payments for the under-billing adjustment, they can contact Kitchener and arrange a suitable payment plan.

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c) Equal monthly payment and equal billing plans

Kitchener notes that its current practice of allowing residential customers year round access to equal billing and equal payment plans is the Board's preferred policy approach in this area.

d) Disconnection for non-payment

The major gas distributors policies in this area include separate messaging to customers facing disconnection that the distributor will work with a customer to arrange a suitable arrears payment agreement. Kitchener's current customer service policy is similar in this area.

e) Arrears payment agreements

#### Late Payment Charges

Kitchener notes that its current practice to not impose further late payment charges on existing arrears after a customer enters into an arrears arrangement is the Board's preferable policy option in this area.

#### Disconnection Charges

Kitchener notes the Board's satisfaction with the current policies of the major gas distributors in this area whereby it will not require the waiving of disconnection charges for low-income gas customers entering into arrears payment agreements. Kitchener's policy in this area and its approach to make extra effort to find alternatives to disconnecting residential customers for non-payment is similar to the major gas utilities.

f) Definition of Eligible Low-Income Customers

Kitchener has no concerns with the Board's proposal that gas distributors use the same eligibility criteria for low-income customers that are applied for the LEAP EFA program.

#### Review of Updated Customer Service Standards of the Major Gas Distributors

Kitchener has reviewed the updated customer service standards of Union Gas and Enbridge Gas. As a result, Kitchener will be posting a revision to its customer service standards on its corporate and utility websites with respect to privacy of customer information.

#### Pending Consultation on Reporting Requirements

Kitchener notes that the Board intends to initiate a separate consultation process later in 2012 to develop effective customer service monitoring and reporting requirements to ensure that residential low-income customers are receiving customer service that adequately take into account their circumstances. The reporting requirements review may include detailed customer complaint tracking and reporting processes.

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Kitchener welcomes the opportunity to participate in this further consultation process as it unfolds. We agree with the Board's objective in this area. Kitchener respectfully cautions that care must be taken in balancing the benefits to low-income customers (presumably, including better service outcomes) with the additional cost and administrative burden to implement more detailed reporting processes as contemplated above that may unnecessarily duplicate existing reporting processes in our utility billing and collection services.

Kitchener thanks the Board for this opportunity to provide our comments on the proposed low-income customer service standards for gas distributors and hope they are helpful. We look forward to participating in the Board's further consultations in these proceedings.

Sincerely,

A handwritten signature in black ink, appearing to read 'James A. Gruenbauer', written in a cursive style.

James A. Gruenbauer, CMA  
Manager, Regulatory Affairs and Supply

Cc: W. Malcolm (Kitchener)  
J. Chatterjee (Kitchener)