



EB-2011-0021

NOTICE OF APPLICATION AND HEARING

Application by Hydro One Remote Communities Inc. for a Licence Amendment to Reflect an Exemption from Sections 2.7.1.2, 2.7.2, 2.8.1, 2.8.2, 4.2.2.3, 4.2.3.1(a), 6.1.2.1, 6.1.2.2 and 7.10 of the Distribution System Code

The Application

Hydro One Remote Communities Inc. ("Remotes") filed an application dated March 1, 2011 with the Ontario Energy Board under section 74 of the *Ontario Energy Board Act, 1998* (the "Act") for an order of the Board granting Remotes a licence amendment to reflect an exemption from sections 2.7.1.2; 2.7.2; 2.8.1; 4.2.2.3; 4.2.3.1(a); 6.1.2.1; 6.1.2.2 and 7.10 of the Board's Distribution System Code (the "DSC").

The application will be decided by the Counsel, Special Projects who has been delegated this authority pursuant to section 6 of the Act. The Counsel, Special Projects does not intend to provide for an award of costs when deciding this application.

Arrears Payment Arrangements: Sections 2.7.1.2 and 2.7.2 of the DSC

Sections 2.7.1.2 and 2.7.2 of the DSC were developed in part to facilitate the arrears management programs – i.e., payment agreements that allow low-income energy consumers to pay arrears over an extended period.

Section 2.7.1.2 requires that the customer pays a down payment of up to 15% of the electricity charge arrears accumulated when entering into the arrears management program.

Section 2.7.2 specifies the periods over which the distributor shall allow the residential electricity customer to pay all remaining electricity charges, being:

- (a) at least 5 months, where the total amount of the electricity charges remaining overdue for payment is less than twice the customer's average monthly billing amount; or
- (b) at least 10 months, where the total amount of the electricity charges remaining overdue for payment is equal to or exceeds twice the customer's average monthly billing amount.

Remotes requests an exemption from these sections of the DSC, stating that its collections practices have been refined through many years of discussions with local band councils and social service offices in the communities it serves. Since 2007 Remotes has limited the length of customer payment arrangements to four months combined with a 50% payment due up front. Remotes wishes to continue this payment arrangement. Remotes states that as compared to the provisions in the DSC, its unique payment arrangements reduce customer disconnection and unmanageable arrears.

Additionally, Remotes requests that the Board considers through this proceeding additional exemptions from the proposed sections 2.71.3 and 2.7.2 of the DSC regarding payment arrangements as they apply to low-income customers.

Opening and Closing of Accounts: Sections 2.8.1, 2.8.2, 6.1.2.1 and 6.1.2.2 of the DSC

Sections 2.8.1, 2.8.2, 6.1.2.1 and 6.1.2.2 of the DSC set out requirements regarding opening and closing of accounts at the request of a third party, receiving confirmation from the intended customer within prescribed timelines and recovery of charges for a service provided.

Remotes states that due to unique nature of the housing arrangements where houses are community assets, high frequency of customers' moves with as little as 24 hours' notice and lack of telephone service and electronic communication within its service territory, it will be impossible to adhere to the requirements of the DSC without incurring significant costs.

Disconnection Notice and Reconnection Timelines: Sections 4.2.2.3, 4.2.3.1(a) and 7.10 of the DSC

Sections 4.2.2.3, 4.2.3.1(a) of the DSC set out the disconnection notice expiry date and the date that notice is deemed to have been received by the customer if sent by mail.

Section 7.10 requires distributors to reconnect the property that has been disconnected for non-payment within two business days of the date on which the customer makes payment in full of the amount overdue for payment or enters into an arrears payment agreement with the distributor.

Remotes states that due to the inaccessibility of the communities it serves, it bundles trips related to collections, disconnections and reconnections with other work related trips, to reduce costs. Remotes states that it performs disconnections in each community only twice a year and cannot meet the timelines for the disconnection notices and distribution standards of reconnecting customers without incurring substantial additional cost.

How to see Hydro One Remote Communities Inc.'s Application

Copies of the application are available for inspection at the Board's office in Toronto and on its website, www.ontarioenergyboard.com/OEB/Industry , and at Remotes' office and may be on its website.

Written Hearing

The Board intends to proceed with this matter by way of a written hearing unless a party satisfies the Board that there is a good reason for not holding a written hearing. If you object to the Board holding a written hearing in this matter, you must provide written reasons why an oral hearing is necessary. Any submissions objecting to a written

hearing must be received by the Board and copied to the applicant within **10 days** of the issuance of this notice.

How to Participate

You may participate in this proceeding in one of three ways:

1. Become an Intervenor

Intervenors participate actively in the proceeding (i.e., submit written questions, evidence, and arguments, and cross-examine witnesses at an oral hearing).

A request for intervenor status must be made by letter of intervention and be received by the Board no later than **12 days** from the issuance of this notice. A letter of intervention must include: (a) a description of how you are, or may be, affected by the outcome of this proceeding; (b) if you represent a group, a description of the group and its membership; and (c) whether you intend to seek an award of costs and the grounds for your cost award eligibility.

You must provide a copy of your letter of intervention to the applicant.

Everything an intervenor files with the Board, including the intervenor's name and contact information, will be placed on the public record, which means that all filings will be available for viewing at the Board's offices and will be placed on the Board's website. If you already have a user ID, please submit your intervention request through the Board's web portal at www.errr.ontarioenergyboard.com. Additionally, two paper copies must be submitted to the address set out below.

If you do not have a user ID, visit the Board's website under e-Filing Services and complete a user ID/password request form. For instructions on how to submit documents and naming conventions please refer to the RESS Document Guidelines found at www.ontarioenergyboard.com/OEB/Industry, e-Filing Services.

The Board also accepts interventions by e-mail, at the address below, and again, two additional paper copies are required. Those who do not have internet access are required to submit their intervention request on a CD in PDF format, along with two paper copies.

2. Send a Letter with your Comments to the Board

If you wish to comment on the proceeding without becoming an intervenor, you may submit a letter of comment to the Board Secretary.

All letters of comment sent to the Board will be placed on the public record, which means that the letters will be available for viewing at the Board's offices and will be placed on the Board's website.

Before placing the letter of comment on the public record, the Board will remove any personal (i.e., not business) contact information from the letter of comment (i.e., the

address, fax number, phone number, and e-mail address of the individual). However, the name of the individual and the content of the letter of comment will become part of the public record.

A complete copy of your letter of comment, including your name, contact information, and the content of the letter, will be provided to the applicant and the Hearing Panel.

Your letter of comment must be received by the Board no later than **30 days** from the issuance of this notice. The Board accepts letters of comment by either post or e-mail at the addresses below.

3. Become an Observer

Observers do not participate actively in the proceeding but receive documents issued by the Board in the proceeding. There is no fee for observers to receive documents issued by the Board.

A request for observer status must be made in writing and be received by the Board no later than **12 days** from the issuance of this notice. The Board accepts observer request letters by either post or e-mail at the addresses below.

All letters requesting observer status will become part of the public record, which means that the letters will be available for viewing at the Board's offices and will be placed on the Board's website.

Before placing the request for observer status on the public record, the Board will remove any personal (i.e., not business) contact information from the request (i.e., the address, fax number, phone number, and e-mail address of the individual). However, the name of the individual and the content of the request for observer status will become part of the public record.

Observers may also request documents filed by the applicant and other parties to the proceeding but must request these documents directly from the relevant party. Observers may be required to pay for the costs of reproducing and delivering the material.

If you already have a user ID, please submit your intervention request through the Board's web portal at www.errr.ontarioenergyboard.com. Additionally, two paper copies are required. If you do not have a user ID, please visit the Board's website under e-filings and fill out a user ID password request. For instructions on how to submit and naming conventions please refer to the RESS Document Guidelines found at www.ontarioenergyboard.com, e-Filing Services. The Board also accepts interventions by e-mail, at the address below, and again, two additional paper copies are required. Those who do not have internet access are required to submit their intervention request on a CD or diskette in PDF format, along with two paper copies.

How to Contact Us

In responding to this notice, please reference Board file number EB-2011-0021 in the subject line of your e-mail or at the top of your letter. It is also important that you provide

your name, postal address and telephone number and, if available, an e-mail address and fax number. All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

Need More Information?

Further information on how to participate may be obtained by visiting the Board's website at www.ontarioenergyboard.com or by calling our Consumer Relations Centre at 1-877-632-2727.

IMPORTANT

IF YOU DO NOT FILE A WRITTEN SUBMISSION OBJECTING TO A WRITTEN HEARING OR DO NOT PARTICIPATE IN THE HEARING BY FILING WRITTEN SUBMISSIONS IN ACCORDANCE WITH THIS NOTICE, THE BOARD MAY PROCEED WITHOUT YOUR PARTICIPATION AND YOU WILL NOT BE ENTITLED TO FURTHER NOTICE IN THIS PROCEEDING.

Addresses

The Board:

Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4
Attention: Board Secretary
Filings:
<https://www.errr.ontarioenergyboard.com>
E-mail: boardsec@ontarioenergyboard.com
Tel: 1-888-632-6273 (Toll free)
Fax: 416-440-7656

The Applicant:

Hydro One Remote Communities Inc.
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8th Floor, South Tower
Toronto ON M5G 2P5
Attention: Ms. Anne-Marie Reilly
E-Mail: regulatory@hydroone.com
Tel: +1 (416) 345-6482
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DATED at Toronto, March 21, 2011

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary