



Policy 7.0	Version 3.0
COLLECTION OVERVIEW	Created: September, 2002 Latest Revision: June 21, 2004

7.0.1 PURPOSE:

The purpose of this policy is to establish a process to ensure money owed to the LDC by consumers is collected.

7.0.2 POLICY STATEMENT:

The LDC shall follow the regulation and direction set out in the Distribution Rate Handbook Chapter 9 when implementing the collection process.

The LDC will collect all outstanding money owed from Customers and Retailers served by the LDC’s distribution system in accordance with the principles defined in the *Electricity Act (1998)*, the *Electricity Distribution Rate Handbook* and the *Retail Settlement Code*. The policies in this set are intended to provide guidance to the LDC’s managers and staff, and to help them make operational decisions that are consistent with applicable codes and regulations.

- 7.1 Customer Collections
- 7.2 Retailer Collections

The LDC will collect all outstanding money owed from Customers and Retailers served by the LDC’s distribution system in accordance with the principles defined in the *Electricity Act*.

7.0.3 DEFINITIONS:

Licensed Competitive Retailer is a company that has a valid electricity retailer’s license from the Ontario Energy Board.

Standard Service Supply Customer is a company or person who purchases electricity at spot market price or statutory pricing from a LDC’s distribution system as a direct pass through from the IMO.

Customer and Consumer will be understood herein as one and the same.

Non-Competitive Charges is made up of the Wholesale Market Service charge, the Debt Retirement charge, Transmission Connection charge, Transmission Network charge and Distribution charges.

Distributor-Consolidated Billing is when a retailer marketer who has signed contracts in the LDC service area and has opted for the distributor to do the billing and collection of the electricity commodity and all related non-competitive charges. collection of the electricity commodity and all related non-competitive charges.

Split Billing is when the retail marketer bills the customer for the electricity charges and the LDC bills for the customer for non-competitive, debt retirement and distribution charges. The retailer and the distributor shall each be responsible for the collection of their own accounts.

Late Payment Charge is an OEB approved interest charge that is applied after a specified date or a due date on a customer's bill.

Errors and Omissions Excepted the LDC shall reserve the right to make adjustments to any bill issued in error either in whole or in part.

Non-Payment Risk Mitigation the LDC may use any risk mitigation options available to manage consumer non-payment risk.

7.0.4 COLLECTION PAYMENT METHODS:

The LDC may accept one or more of the following methods of payment but are not obligated to offer all methods:

- Cash
- Payment made through most Financial Institutions including telephone & computer banking
- Certified Cheque
- Money Order or Bank Draft
- Credit Card
- Interac
- Preauthorized Chequing

7.0.5 RESPONSIBILITIES:

The Board of Directors are responsible for the approval of the policies contained in this manual.

7.0.6 REFERENCES:

The Electricity Act, 1998 – Province of Ontario, Ministry of Energy, Science and Technology

Electricity Distribution Rate Handbook – The Ontario Energy Board

Retail Settlement – The Ontario Energy Board

Distribution System Code – The Ontario Energy Board

Electricity Gas and Inspection Act – Government of Canada



Policy 7.1	Version 3.0
CUSTOMER COLLECTIONS	Created: September, 2002 Latest Revision: June 21, 2004

7.1.1 PURPOSE:

This policy confirms that the LDC must be prudent in their collection process to protect the corporation from unpaid invoices. The detailed policies in this set are intended to establish and document a process that will provide guidance to the LDC’s management and staff, to help them make operational decisions to ensure that monies owed to the LDC by the consumer or retailer are collected in a timely manner.

7.1.2 POLICY STATEMENT:

The LDC will take steps to collect the total amount for the customer’s bill, if not paid within the time specified, which shall be a minimum of sixteen calendar days from the date of mailing or hand delivery of the bill. A collection of account charge may be made if a representative of the utility is dispatched to collect the account.

The customer shall be subject either to a collection of account charge or a reconnection charge in the event service has been interrupted in order to collect outstanding amounts owed in any billing period, unless partial payment of the account has been accepted by the LDC.

The LDC may apply more than one collection of account charge or reconnection charge in one billing period if a partial payment has been accepted through a collection trip.

The LDC shall begin the collection process immediately following the application of late payment charge.

The LDC shall treat all customers in the same rate class in a non-discriminatory fashion when collecting unpaid accounts.

The LDC shall have the right to limit or disconnect service for non-payment, theft of power and/or failing to keep payment arrangements.

The LDC shall reserve the right to make adjustments to any bill issued in error either in whole or in part.

7.1.3 RESPONSIBILITIES:

The management of the company is responsible for ensuring that the corporation is protected from undue risk of bad debt.



7.1.4 REFERENCES:

The Electricity Act, 1998 – Province of Ontario, Ministry of Energy, Science and Technology

Retail Settlement Code – The Ontario Energy Board

Electricity Distribution Rates Handbook – The Ontario Energy Board

Distribution System Code – The Ontario Energy Board

Electricity Gas and Inspection Act – Government of Canada