

RENFREW HYDRO INC.

LOW INCOME POLICY



A member of

Cornerstone Hydro Electric Concepts Association

Policy 2.04 – LOW INCOME POLICY	Version 8.0
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2.04.01 PURPOSE

This policy describes the terms and conditions distributors will use for low-income customers while complying with the applicable legislation and codes.

2.04.02 POLICY STATEMENT

A distributor will comply with the low-income requirements as defined in the Distribution System Code, Retail Settlement Code, Standard Supply Service Code, and the Distribution Rate Handbook.

2.04.03 GENERAL

For the purposes of the definition of “eligible low-income customer”, a residential electricity customer becomes an eligible low-income customer on the day the customer is approved for Emergency Financial Assistance or the OESP, and remains an eligible low-income customer until the later of the following days:

- a) the day that is two years from the day the customer is approved for Emergency Financial Assistance, and
- b) the day that the customer stops receiving assistance under the OESP (*Ref: DSC 1.3.2*).

2.04.04 SECURITY DEPOSIT

A distributor shall not require a security deposit where a customer has been qualified as an eligible low-income customer and requests a waiver (*Ref: DSC 2.4.11(c)*).

When issuing a bill for a security deposit, the distributor shall advise a residential customer that the security deposit requirement will be waived for an eligible low-income customer upon request. The distributor shall notify the customer by means of a bill insert, bill message, letter or outgoing telephone message and shall include the distributor’s contact information where the customer can obtain further information and a referral to a Social Service Agency or Government Agency to review the customer’s low-income eligibility (*Ref: DSC 2.4.11.1*).

Where a distributor is advised by a Social Service Agency or a Government Agency that the agency is assessing the customer for eligibility as a low-income customer, the due date for payment of the security deposit shall be extended for at least 21 days pending the eligibility decision of the Social Service Agency or Government Agency (*Ref: DSC 2.4.11.2*).

A distributor shall give notice to all residential customers, at least annually, that any residential customer that qualifies as an eligible low-income customer may request and receive a refund of any security deposit previously paid to the distributor by the customer, after application of the security deposit to any outstanding arrears on the customer's account *(Ref: DSC 2.4.23B)*.

Where an eligible low-income customer requests a refund of a security deposit previously paid to a distributor by the customer, the distributor shall advise the customer within 10 days of the request that the balance remaining after application of the security deposit to any outstanding arrears will be credited to his or her account where the remaining amount is less than one month's average billing or, where the remaining amount is equal to or greater than one month's average billing, the customer may elect to receive the refund by cheque and the distributor shall issue a cheque within 11 days of the customer requesting payment by cheque *(Ref: DSC 2.4.23C)*.

2.04.05 EQUAL PAYMENT PLAN

A distributor shall offer an equal monthly payment plan option to all eligible low-income customers receiving standard supply service; however, eligible low-income customers may request an equalized billing plan without enrolling in an automatic withdrawal payment plan. The equal monthly payment plan option shall meet the minimum requirements as specified in the Standard Supply Service Code *(Ref: SSS 2.6.2)*.

2.04.06 ARREARS PAYMENT AGREEMENT

Where an eligible low-income customer enters into an arrears payment agreement for the first time or subsequent to having successfully completed a previous arrears payment agreement as an eligible low-income customer, a distributor may require that the customer pay a down payment of up to 10% of the electricity charge arrears accumulated, inclusive of any applicable late payment charges but excluding other service charges. *(Ref: DSC 2.7.1.3)*.

The arrears payment agreement shall allow the low-income electricity customer to pay all remaining "electricity charges" that are overdue for payment as well as the current bill amount if the customer elects to do so, after applying a security deposit, and the down payment including all electricity-related service charges that have accrued to the date of the agreement, over the following periods:

- in the case of an eligible low-income customer, a period of at least 8 months, where the total amount of the "electricity charges" remaining overdue for payment is less than or equal to 2 times the customer's average monthly billing amount *(Ref: DSC 2.7.2(c))*;
- in the case of an eligible low-income customer, a period of at least 12 months where the total amount of the "electricity charges" remaining overdue for payment exceeds 2 times the customer's average monthly billing amount and is less than or equal to 5 times the customer's average monthly billing amount; or *(Ref: DSC 2.7.2(d))*.

- in the case of an eligible low-income customer, a period of at least 16 months where the total amount of the “electricity charges” remaining overdue for payment exceeds 5 times the customer’s average monthly billing amount (Ref: DSC 2.7.2(e)).

Where an eligible low-income customer defaults on more than two occasions in making a payment in accordance with an arrears payment agreement, or a payment on account of a current electricity charge billing or an under-billing adjustment, the distributor may cancel the arrears payment agreement (Ref: DSC 2.7.4.3).

The payment defaults must occur over a period of at least 2 months before the distributor may cancel the arrears payment agreement (Ref: DSC 2.7.4.4).

In the case of an eligible low-income customer, the distributor shall allow such a customer to enter into a subsequent arrears payment agreement upon successful completion of the previous arrears payment agreement on the following terms:

- i) If a second or subsequent arrears agreement is requested less than 12 months from the date of completion of the previous arrears payment agreement, then the standard arrears payment agreement terms applicable to all residential customers also apply to the eligible low-income customer; or
- ii) If a second or subsequent arrears agreement is requested 12 months or more from the date of completion of the previous arrears payment agreement, the eligible low-income customer shall be entitled to the arrears payment agreement terms set out in this policy (Ref: DSC 2.7.5.1).

Notwithstanding the definition of “electricity charges”, where an eligible low-income customer enters into an arrears payment agreement with a distributor for the first time or subsequent to having successfully completed a previous arrears payment agreement as an eligible low-income customer, the distributor shall waive any service charges specifically related to collection, disconnection, nonpayment or load control devices and such charges shall not be included in the arrears payment agreement (Ref: DSC 2.7.6).

The distributor is not required to waive any late payment charges, that accrue to the date of the arrears payment agreement but no further late payment charges may be imposed on an eligible low-income customer after he or she has entered into an arrears payment agreement with the distributor in respect of the amount that is the subject of that agreement (Ref: DSC 2.7.6A).

The distributor shall not disconnect the property of an eligible low-income customer, for failing to make a payment subject to an arrears payment agreement, unless the customer is in default, and the distributor has cancelled the arrears payment agreement (Ref: DSC 2.7.7).

2.04.07 LOAD CONTROL

Where a distributor is notified by a Social Service Agency or Government Agency that the agency is assessing the customer for Emergency Financial Assistance, the distributor shall refrain from installing a load control device for a period of 21 days after receiving such notification (*Ref: DSC 2.9.2*).

A distributor may install a load control device at the customer's premises in lieu of disconnection (*Ref: DSC 4.2.2(k2)*).

2.04.08 ADDITIONAL ASSISTANCE (PRIOR TO DISCONNECTION)

A distributor that intends to disconnect the property of an eligible low-income customer for non-payment shall make reasonable efforts to contact, in person or by telephone, a residential customer to whom the distributor has issued a disconnection notice for non-payment at least 48 hours prior to the scheduled date of disconnection. At that time, the distributor shall advise that the following additional assistance may be available to an eligible low-income customer, along with contact information for the distributor where the customer can obtain further information about the additional assistance:

- i) a Board-prescribed arrears management program, and other expanded customer service provisions, specifically for eligible low-income customers; and
- ii) a Board-approved Emergency Financial Assistance program administered through a social service agency or government agency (*Ref: DSC 4.2.2(k1), DSC 4.2.2.4(f1)*).

2.04.9 RESPONSIBILITIES

Distributor management is responsible for ensuring this policy is implemented and adhered to by the employees of the distributor.