

Important Information about Customer Choice from Ontario's Energy Retailers

You have two choices when it comes to purchasing electricity or natural gas for your home or small business:

1. You can choose to stay on the regulated rate offered by the utility, or
2. You can choose to enter a contract with a licensed energy retailer

If you choose to enter a contract with an energy retailer there are some things that you should know. This brochure, developed by energy retailers and supported by the Ontario Energy Association, is designed to help you make an informed choice that's right for you.

A retail energy contract typically has two sections – the Agreement Form and the Terms and Conditions. If you are unclear about any of the details in your contract, contact your energy retailer for an explanation. If you enroll your home or small business with a door-to-door agent, these documents must be provided by the agent. If you enroll over the telephone, these documents must be provided by mail within 40 days after signing for the contract over the telephone.

Agreement Form

The Agreement Form describes the energy products and services you are purchasing from an energy retailer. If you enrolled over the telephone, this information may be included in your terms and conditions.

Check:

- The price you will pay for each unit of energy.
- The length of time the contract will be in effect.
- The special terms and conditions that are unique to your energy retailer's product offering.
- The energy retailer's customer service contact information.

Terms and Conditions

This section of the contract outlines the rights and responsibilities you and your energy retailer have to each other.

Check:

- The early exit fee that you may be required to pay if you cancel the contract before the end of the term. Early exit fees can vary considerably by product, so take the time to understand how the fee would be calculated.
- How to end your energy contract (with or without paying an early exit fee).
- What happens to your contract if you move.

Frequently Asked Questions

In Ontario, you have options for how you buy electricity and natural gas for your home or small business. You can sign a contract with an energy retailer at an agreed contract price, or you can choose not to sign a contract and continue to buy energy at the regulated rate from your local utility.

How am I buying electricity and natural gas today?

If you currently receive electricity or natural gas and have not entered into a contract for those services, you are purchasing energy at the regulated rate.

What is the regulated rate?

The regulated rate is the unit cost of electricity or natural gas charged by the utility and set by the Ontario Energy Board. The regulated rate for gas is different depending on where in Ontario you live and may change up to four times throughout the year. The regulated rate for electricity is the same across the province and may change up to twice a year. Some customers may be on a regulated Time-of-Use (TOU) rate for electricity that varies depending on the time of the day and can change twice per year.

What is an energy contract?

An energy contract is a legal agreement between you and a licensed energy retailer. It states the price you will pay for energy and the terms and conditions of your energy purchase. An energy contract usually offers a price that is the same regardless of when you consume energy during the day and does not change throughout the term of the contract, unlike the regulated rate which fluctuates. It is not a guarantee of savings. You may or may not save money, compared with the regulated rate charged by your utility, over the duration of an energy contract.

What is an energy retailer?

An energy retailer is an independent electricity or natural gas marketing company whose prices are determined by market conditions – much like any other product. These companies are licensed by the Ontario Energy Board, but are not affiliated with the Ontario Energy Board, government or any regulated utility. Any rebates or special offers made to encourage you to sign a contract are not part of any government program.

What changes if I sign an energy contract?

- You will pay an agreed contract price for the energy you use for the duration of your contract.
- Some energy retailers may have additional charges, so be sure to thoroughly review the terms and conditions.
- You will begin paying the contract price generally within 30 to 120 days after you sign a contract.
- Your energy retailer may charge an early exit fee if you cancel your energy contract before the expiry date.
- Your energy retailer will provide customer service for the products and services you purchase from them and will help you with questions about your commodity supply line item and delivery costs where applicable. Your local utility will continue to be responsible for all other charges.
- You will begin to see the Provincial Benefit, which was previously included in your regulated rate, as a separate line item on your bill.
- You will see a final Variance Settlement amount on your bill if you sign an electricity contract. This can be a credit or a debit.
- If you are enrolled in an equal billing payment option, you could still be eligible for this payment option. Check with your utility.

What stays the same if I sign an energy contract?

- Most energy retailers rely on the utility to continue billing customers who have entered into energy contracts, so you will likely continue to receive your bill from your utility. It will now include an energy charge calculated at the contract price and not the regulated rate.
- Your bill will continue to include charges for energy, delivery, administration and taxes.
- Your bill will continue to include a line item for debt retirement charges.
- You will continue to pay delivery charges to a distribution company for delivering energy to your home or business. Delivery charges are regulated and are the same no matter which energy retailer you choose or if you remain on the regulated rate.

What is reaffirmation?

If you sign up for a contract at the door of your home or small business or as the result of a telephone call made to you by an energy retailer, the retailer must contact you to confirm your decision to enter the contract. Typically an energy retailer will call you to confirm your contract, but you can also email or contact the energy retailer yourself. The Ontario Energy Board Act requires this reaffirmation call, and your contract will not be successfully enrolled unless you reaffirm your decision at this time. The call can only take place between 10 and 60 days after you are provided with a copy of your contract including the terms and conditions. You can contact your energy retailer to reaffirm the contract by calling the number on your contract. This call does not affect your ability to cancel the contract for any reason within 10 days after signing at the door. See the section on Cancellation Rights for more information.

What if I'm already on a contract with another energy retailer?

If you have a contract with another energy retailer you will see the company's name in one of the lines on your current bill. Check your bill carefully for this information. Most energy retailers have fees associated with cancelling your contract prior to the end of its term. These fees cover the costs that energy retailers have already incurred to procure energy on your behalf, as well as the administration costs of processing your cancellation. Be sure you understand those fees before you decide to sign a contract with another energy retailer.

Your Cancellation Rights

You can cancel your contract for any reason within 10 days from when you receive a signed copy, if you sign up at the door of your home or small business. A consumer who commits to a contract over the telephone or internet may have a different cancellation period, and you should confirm this with your energy retailer. To cancel a new energy contract, you must send a notice or call your energy retailer using the contact information listed on your contract. Send your cancellation notice in a way that will allow you to prove you sent it. It is a good idea to ask the energy retailer to confirm that they have received your cancellation notice

As energy retailers, we are proud members of the Ontario Energy Association (OEA) and the OEA's Marketers and Retailers Sector Committee. For a full list of energy retailers who are OEA members, please go to www.energyontario.ca



For a list of licensed energy retailers, or for more detailed information on your options for buying electricity or natural gas, it is recommended that you contact the Ontario Energy Board, Ontario's independent energy regulator.

Ontario Energy Board: www.oeb.gov.on.ca or 1-877-632-2727 (Toll-Free in Ontario)