

## Executive Committee

EX39.9	ACTION	Referred		Ward:All
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### **Request to Toronto Hydro-Electric System to cover the costs for consumers to change from unmetered flat rate billing to metered billing**

#### **Committee Decision**

The Executive Committee referred the report (November 2, 2009) from City Council entitled "Request to Toronto Hydro-Electric System to Cover the Costs for Consumers to Change from Unmetered Flat Rate Billing to Metered Billing" to the Toronto Hydro-Electric System Board with a request that they consider optional ways of dealing with this matter and submit a report to the Executive Committee as soon as possible.

#### **Origin**

(November 2, 2009) Report from City Council

#### **Summary**

Toronto Hydro-Electric System (THES) has stopped offering the unmetered flat rate billing option for the electricity used by a water heater, requiring that all consumers who have been paying the unmetered flat rate switch to metered billing. THES states that this change has been made to encourage consumers to monitor their electricity consumption. As a result of this change, those being billed an unmetered water heater service rate have been advised that they must change to metered service. Doing so requires that an electrician be hired to disconnect the water heater control wire in the electrical panel and either install a circuit breaker or re-wire the water heater switch so that it is connected to your main electrical panel supply, the cost of which THES is leaving to consumers to cover. THES has made arrangements with an electrical contractor to offer a reduced rate of \$185 plus GST to consumers who will have to change to metered service.

Consumers should not have to pay to convert their service from unmetered to metered. It was the decision of THES to discontinue unmetered flat rate billing, and as such, THES should cover the costs for the conversion. I have heard from many constituents who have received notice from THES that they must undergo this conversion or else their hot water will eventually be turned off. This is extremely disheartening for the approximately 36,000 consumers who are currently on unmetered flat rate billing, many of which are seniors, who cannot afford the cost associated with conversion. If THES cannot cover the full cost of conversion, they should at least cover a portion of the cost, as many people have reported to me that they were previously receiving metered service, until it was suggested by them to THES that they switch to the unmetered flat rate billing option. These individuals, who took the advice of THES, are now being forced to pay to switch back to the service they already had.

(Submitted to City Council on October 26 and 27, 2009 as MM41.1)

## **Background Information**

Request to Toronto Hydro-Electric System to cover the costs for consumers to change from unmetered flat rate billing to metered billing

(<http://www.toronto.ca/legdocs/mmis/2010/ex/bgrd/backgroundfile-26078.pdf>)

## **9a Request to Toronto Hydro-Electric System to Cover the Costs for Consumers to Change from Unmetered Flat Rate Billing to Metered Billing**

### **Origin**

(December 30, 2009) Letter from Councillor Frances Nunziata

### **Summary**

Letter (December 30, 2009) from Councillor Frances Nunziata requesting the support for the recommendations she have put forward in item EX39.9.

## **Background Information**

Request to Toronto Hydro-Electric System to Cover the Costs for Consumers to Change from Unmetered Flat Rate Billing to Metered Billing

(<http://www.toronto.ca/legdocs/mmis/2010/ex/bgrd/backgroundfile-26148.pdf>)

January 4, 2010

To: Toronto Hydro-Electric System Board

From: Executive Committee

Subject: Request to Toronto Hydro-Electric System to cover the costs for consumers to change from unmetered flat rate billing to metered billing

The Executive Committee on January 4, 2010, referred the report (November 2, 2009) from City Council, entitled "Request to Toronto Hydro-Electric System to Cover the Costs for Consumers to Change from Unmetered Flat Rate Billing to Metered Billing", to the Toronto Hydro-Electric System Board with a request that they consider optional ways of dealing with this matter and submit a report thereon to the Executive Committee as soon as possible.

Background:

The Executive Committee on January 4, 2010 considered the following:

- report (November 2, 2009) from City Council entitled "Request to Toronto Hydro-Electric System to Cover the Costs for Consumers to Change from Unmetered Flat Rate Billing to Metered Billing".
- letter (December 30, 2009) from Councillor Frances Nunziata.

City Clerk  
Patsy Morris

EX39.9  
Att.



**Councillor Frances Nunziata**  
**Chair, Etobicoke – York Community Council**  
Toronto City Council  
Ward 11  
York South-Weston

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December 30, 2009

Attn: Chair & Members of the Executive Committee

From: Councillor Frances Nunziata

**Re: Item EX39.9 Request to Toronto Hydro-Electric System to cover the costs for consumers to change from unmetered flat rate billing to metered billing**

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I am writing to request your support for the recommendations I have put forward in item *EX39.9 Request to Toronto Hydro-Electric System to cover the costs for consumers to change from unmetered flat rate billing to metered billing*, which will be considered at the January 4<sup>th</sup>, 2010 meeting of the Executive Committee.

As indicated in the motion that I put forward at City Council on October 26 and 27, 2009, which was referred to the Executive Committee for consideration, several constituents have contacted me regarding having received notification from Toronto Hydro-Electric System that they must convert from flat rate billing to metered billing, and are responsible for covering the costs associated with doing so. I firmly believe that it is unfair that consumers are being forced to pay these costs, and for this reason put forward the recommendations before you today.

It is with regret that I am unable to attend today's meeting in person, but ask that you please support the recommendations that I have put forward. As Mayor and Councillors, it is our responsibility to ensure our constituents are being treated fairly, and if they are not, as in this case, we must intervene and stand up for them.

Yours Sincerely,

Frances Nunziata  
Councillor, Ward 11, York South-Weston  
Chair, Etobicoke Community Council



## REFERRAL OF MEMBER MOTION BY CITY COUNCIL

### Request to Toronto Hydro-Electric System to cover the costs for consumers to change from unmetered flat rate billing to metered billing

<b>Date:</b>	November 2, 2009
<b>To:</b>	Executive Committee
<b>From:</b>	City Council
<b>Wards:</b>	All

### City Council Decision

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City Council on October 26 and 27, 2009, referred Motion MM41.1 to the Executive Committee.

### Recommendations

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Councillor Nunziata, seconded by Councillor Palacio, recommends that:

1. City Council request that going forward, Toronto Hydro-Electric System cover the costs associated with converting unmetered water heater service to metered service.
2. City Council request that Toronto Hydro-Electric System reimburse the costs of conversion to consumers who received notice from Toronto Hydro-Electric Service that the unmetered flat rate billing option has ended, and had their service converted at their own expense.

### Summary

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Toronto Hydro-Electric System (THES) has stopped offering the unmetered flat rate billing option for the electricity used by a water heater, requiring that all consumers who have been paying the unmetered flat rate switch to metered billing. THES states that this change has been made to encourage consumers to monitor their electricity consumption. As a result of this change, those being billed an unmetered water heater service rate have been advised that they must change to metered service. Doing so requires that an electrician be hired to disconnect the water heater control wire in the electrical panel and either install a circuit breaker or re-wire the water heater switch so that it is connected to your main electrical panel supply, the cost of which THES is leaving to consumers to cover. THES has made arrangements with an electrical contractor to offer a reduced rate of \$185 plus GST to consumers who will have to change to metered service.

Consumers should not have to pay to convert their service from unmetered to metered. It was the decision of THES to discontinue unmetered flat rate billing, and as such, THES should cover the costs for the conversion. I have heard from many constituents who have received notice from THES that they must undergo this conversion or else their hot water will eventually be turned off. This is extremely disheartening for the approximately 36,000 consumers who are currently on unmetered flat rate billing, many of which are seniors, who cannot afford the cost associated with conversion. If THES cannot cover the full cost of conversion, they should at least cover a portion of the cost, as many people have reported to me that they were previously receiving metered service, until it was suggested by them to THES that they switch to the unmetered flat rate billing option. These individuals, who took the advice of THES, are now being forced to pay to switch back to the service they already had.

(Submitted to City Council on October 26 and 27, 2009 as MM41.1)