

June 18, 2019

Nicole Black  
Senior Manager, Government and Regulatory Affairs  
Direct Energy Marketing Limited  
2500, 530 - 8th Avenue S.W.  
Calgary, Alta. T2P 3S8

Dear Ms. Black,

### **Self-Reported Billing Error**

1. On May 23, 2019, Direct Energy Marketing Limited (Direct Energy) self-reported that it had overcharged GST on the administrative fee portion on bills that impacted 50 small commercial sites. Direct Energy reported that the total amount of the overcharge was \$33.08, and that credits would be included in the next billing cycle to remedy the overcharge. Direct Energy further stated that the overcharge was due to the implementation of a new billing system and that it did not expect a reoccurrence in future billing system changes.

2. AUC Rule 003: *Service Standards for Energy Service Providers*, states in Subsection 3.4.1(2)(a) that an energy service provider must not issue an incorrect customer bill. AUC Rule 032: *Specified Penalties for Contravention of AUC Rules*, stipulates the specified penalty amounts that may be issued to an energy service provider when it issues an incorrect bill. Rule 032 further states that in making the decision on whether to issue a specified penalty, the Commission may consider the following:

- a. The impact on any person adversely affected by the contravention;
- b. The number of persons affected by the contravention;
- c. The timeliness of the action taken by the person who committed the contravention to address the conduct, activity or omission that resulted in the contravention;
- d. The level of satisfaction of the person affected by the contravention resulting from any action taken by the person who committed the contravention;
- e. If the conduct, action, or omission that resulted in the contravention was an isolated instance or a recurring problem; or
- f. Any action taken by the person who committed the contravention to ensure compliance in the future.

3. The Commission has determined that it will not to issue a penalty on the basis that (1) the impact on any person affected by the contravention was immaterial, (2) Direct Energy took quick action to address the conduct, and (3) the contravention appears to be an isolated instance.

Sincerely yours,

Fino Tiberi  
Executive Director, Market Enforcement and Oversight