

Patrick Wruck Commission Secretary

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Letter L-17-19

May 7, 2019

Sent via email



Re: Customer Choice Program – Dispute # (Acct #)/Access Gas Services Inc.

The British Columbia Utilities Commission (BCUC) is in receipt of your Customer Choice dispute and has considered the evidence relating to this matter. The BCUC's findings are outlined below.

Nature of the dispute

The customer filed the disputes on the basis of misrepresentation of the rate.

Evidence and other considerations

The contract, dated August 22, 2018, came into effect on November 1, 2018. The customer filed the dispute on March 12, 2019.

The customer states that the sales representative misrepresented the rate. The customer alleges that due to her limited understanding of English, she entered into an agreement she did not fully understand and that the amount of potential savings was overstated by the sales representative.

The agreement states clearly the contract terms, including the rate, the term and the cancellation provisions. Those key pieces of information are also confirmed with the signatory during the Third Party Verification (TPV) call, which was recorded and provided to the BCUC as evidence in this dispute. Specifically, the signatory confirms understanding the following:

- Access Gas will be supplying natural gas for 5 years at a fixed rate of \$5.89/GJ;
- Access Gas is an independent gas supplier that does not represent FortisBC Energy Inc. (FortisBC) or the government;
- the customer may not save money by entering into a fixed rate agreement; and
- the customer may cancel the agreement within 10 days.

In response to the dispute, Access Gas Services Inc. (Access Gas) states it "made several attempts to contact via phone and email to discuss the dispute. Access would like to attempt amicable resolution but we have not received a call or email back. We would encourage to contact us, so we can attempt to resolve the matter amicably. That said, we have provided our evidence and this matter can proceed to adjudication." Access Gas is of the view the contract is valid and binding.

Further, the customer confirms that the Access Gas sales representative left him with a signed copy of the agreement.

During the TPV call, the Access Gas representative asks the customer "Do you understand your right to cancel this agreement within 10 days from today?" Under Article 31 of the Code of Conduct for Gas Marketers, the TPV call must include confirmation that the customer understands the right to cancel without penalty during the 10-day cancellation period, or if the customer waived the right, confirmation that the customers has done so.

As the matter has not been resolved directly between the customer and the gas marketer, the BCUC has reviewed and adjudicated the matter.

BCUC determination

There is insufficient evidence to support the customer's statement that the sales representative misrepresented the rate.

During the TPV call, the agent does not mention "penalties" or "early exit fees" when asking the customer to confirm her understanding of the cancellation provisions. While the contract outlines the cancellation provisions, including penalties for early exit, the TPV call is required for door-to-door sales to ensure the customer understands the key terms of the contract, including cancellation.

The Code of Conduct for Gas Marketers requires penalties be mentioned when confirming cancellation provisions during the TPV call; the TPV call in this dispute is therefore not compliant with the Code of Conduct for Gas Marketers. On this basis, the BCUC determines the contract shall be canceled as of the dispute date.

The customer will return to FortisBC for natural gas supply as of March 12, 2019. Please note it may take one to three billing cycles for the change to appear on the customer's bill; a credit will be posted at that time.

Sincerely,

Original signed by:

Patrick Wruck Commission Secretary

OK/aci

Enclosure cc: Ms. Meghan Karrasch Director of Operations Access Gas Services Inc. meghan@accessgas.com

Charlie Barrotta Vice President Access Gas Services Inc. charlie.barrotta@accessgas.com

An application for reconsideration of this determination can be made following the guidelines enclosed.