



August 24, 2007

Important Information About Your Water Heater, Furnace or Boiler

Dear Valued Customer,

We believe it's important to provide you with information about industry regulations that affect the services we provide to you. In Ontario, beginning on August 1, 2007, the Technical Standards & Safety Authority (TSSA) has adopted new national code requirements regarding the installation of plastic venting systems for gas burning appliances such as water heaters, boilers and furnaces. Part of the TSSA's role is to regulate contractors, and equipment or appliances that use fuels. We have included a copy of the public notice from the TSSA on page 3 for further details.

This new regulation mandates that any new or replacement appliance installation must be completed with a venting material which is marked and complies with the new standard ULC S636 piping rather than unmarked PVC, CPVC or ABS piping which has been used for many years. This new code requirement has been adopted by all provinces across Canada and applies to every home in Ontario.

If your equipment is going to be replaced your existing plastic venting system must also be replaced. If you own your equipment there will be a fee for this service. If you rent an appliance from Direct Energy this upgrade is not covered under your rental agreement. We are able to replace your vent piping for you at the following rates:

	Minimum Charge Up to 10 feet*	Rates >10 feet in length*
2" Diameter ULC S636 PVC (up to 65C / 149F)	\$150.00	\$10.00 per extra foot of vent + \$10.00 per fitting
3" Diameter ULC S636 PVC (up to 65C / 149F)	\$250.00	\$18.00 per extra foot of vent + \$18.00 per fitting
2" Diameter ULC S636 CPVC (up to 90C / 194F)	\$325.00	\$24.00 per extra foot of vent + \$24.00 per fitting
3" Diameter ULC S636 CPVC (up to 90C / 194F)	\$600.00	\$52.00 per extra foot of vent + \$52.00 per fitting

* Pricing Example: 15 feet of 2" PVC vent with 2 additional fittings in last 5 feet of vent = \$150 + 5*\$10 + 2*\$10 = \$220. Prices do not include other extra charges that may apply with replacement equipment.

If the cost for the work is \$50-\$500, you may choose to have the amount added to your rental water heater bill. Note: You will be asked to authorize a credit check for this payment option.

In order to complete the work, we must have access to the appliance. Unfortunately, Direct Energy is not able to remove or replace structures like walls or structural barriers to reach the venting system for replacement.

If it is impractical to access the equipment, for example the venting system is inaccessible or it's not economically viable to have your venting system replaced, there is another option. You may consider having an electric water heater installed; however, extra charges may also apply to install it. Direct Energy provides rental electric water heaters and you may contact our representative at 1-800-266-3939 for details. In special circumstances, customers may apply to the TSSA for a variance. Please note: This process requires additional fees, a testing process and ongoing inspections of your venting system in order to qualify. If you have questions regarding the variance process or any other enquiries related to this requirement, you may contact the TSSA directly at 1-877-682-TSSA (8772) or 416-734-3300 in the Toronto area, or go to their website at www.tssa.org.

Please contact the Direct Energy Essential Home Services Executive Support Team at 1-866-907-7260 if you have questions about your rental agreement.

We thank you for being a Direct Energy customer. We look forward to serving you for many years to come.

Sincerely,

A handwritten signature in cursive script that reads "Lee Rose".

Lee Rose
Senior Vice-President,
Direct Energy Essential Home Services



April 16, 2007

Information Bulletin

Mandatory Use of Certified Plastic Gas Venting for New and Replacement Installations

Dear Property Owner/User:

The Technical Standards and Safety Authority's (TSSA) mandate is public safety. Designated by Ontario's Ministry of Government Services as a delegated administrative authority, TSSA administers and enforces the Technical Standards and Safety Act, 2000, which governs fuels safety and other regulated sectors in the province of Ontario. Specific to natural gas and propane appliance installations, TSSA maintains and is committed to continuously enhancing safety within the fuels sector.

TSSA has been made aware that some existing plastic gas vents installed for natural gas or propane fuelled equipment have failed (cracking, melting, etc.) in a number of installations which may lead to an unsafe condition. This condition may result in a carbon monoxide (CO) safety hazard in the home and can cause personal injury to you and your family.

To address this situation, the national installation code for gas and propane appliances has been revised. The code change, brought forward as a safety improvement, stipulates that only plastic piping that is certified as gas vent be used for all installations of *new and replacement natural gas and propane appliances*. This requirement will become effective in Ontario as of August 1, 2007.

Existing applications will not be affected unless there is a safety issue or the existing vent has deteriorated.

In the past, gas vents were not required to be separately certified. Resulting from the code change, when appliances are replaced after August 1, 2007, the existing vent will not be permitted to be re-used. Replacement of the vent may, at times, be costly if the vent is in a location that is difficult to access. TSSA will consider individual variances to this requirement provided it can be demonstrated, on an on-going basis, that the existing vent continues to operate in a safe condition.

TSSA and associated industries thank you in advance for your cooperation in this regard. If you require further clarification or have questions, please ask your gas technician, your gas utility, or TSSA at 1-877-682-8772 Website: www.tssa.org. Additionally, on TSSA's website, under fuels latest news, there are questions and answers posted to provide additional clarification.