

July 29, 2020

Ms. Christine E. Long
 Registrar and Board Secretary
 Ontario Energy Board
 2300 Yonge St., Suite 2700
 Toronto, ON M4P 1E4

Re: NOTICE OF PROPOSAL TO AMEND THE STANDARD SUPPLY SERVICE CODE

Dear Ms. Long:

Thank you for allowing Hydro Ottawa Limited (HOL) the opportunity to comment on the proposed amendments to the Standard Supply Service Code in relation to the introduction of Rate Optionality. HOL stakeholders have reviewed the proposed amendments and accompanying guidance and have prepared the following comments for your consideration.

Each amendment is listed below in the order in which it would appear in the SSSC; the associated stakeholder comments (where applicable) can be found below each proposed amendment in blue.

SSS Code Amendments Customer Choice
1. Election Process
3.5.1 Where a distributor receives a notice from an RPP consumer that has an eligible time-of-use meter that the RPP consumer is electing to be charged tiered prices under section 3.3 instead of time-of-use prices under section 3.4, the distributor shall process and give effect to the RPP consumer's election, in accordance with the rules set out in sections 3.5.2 to 3.5.8.
Comments relating to sections 3.5.2 to 3.5.8 can be found below. Note that HOL stakeholders have also provided comments under section 3.5.14 regarding the framing structure and metering configuration for customers electing to choose Tiered Rates.

3.5.2 A distributor shall make available on its website a form for the notice referred to in section 3.5.1 and provide it directly to any consumer that requests it. The form of notice shall require only such information as is reasonably necessary for the distributor to process the election, and shall comply with any form of notice as may be approved by the Board. The distributor shall accept notices of election by e-mail and mail, and may also allow the notice of election to be completed online or by telephone, provided that where the notice of election is completed by telephone the call must be recorded.

HOL proposes that the option of web form also be made available to consumers through the LDC's online customer account platform (e.g., HOL's MyAccount), where available, in addition to website availability. For example, when HOL customers elect Tiered rates from a web form found in their online MyAccount profile, account information can be automatically generated to ensure the election is complete and accurate. HOL wishes to use this approach as a first level validation, with a second level validation process to take place once a completed form has been received. HOL plans to drive its customers to the MyAccount platform as much as possible to allow for automation within our Customer Information System (CIS). As the majority of residential customers in HOL's service territory now have access to HOL's MyAccount platform, it is believed that this approach is the most customer-centric as it provides customers with the ability to make rate elections whenever and wherever they please. Further, the automation of election validation through HOL's MyAccount platform would create efficiencies by mitigating errors and increasing business efficiencies by eliminating the need for HOL staff to manually upload and save election applications into its CIS.

Further, it is HOL's understanding that the OEB does not intend to provide distributors with a mandatory web form template. For consistency in the customer experience and collection of key information, it would be desirable to have the OEB identify certain mandatory information requirements on a distributor's rate election form. For example, is the election required to be completed and submitted by the main account holder? If an election is received by someone other than the main account holder, are distributors able to reject the form?

3.5.3 Where a distributor receives a notice referred to in section 3.5.1 that is incomplete or otherwise deficient, the distributor shall notify the consumer within 10 business days of receipt of the notice that the election cannot be processed and the reason it cannot be processed.

HOL proposes standard web form functionality that prohibits customers from submitting incomplete forms. In these instances (e.g., perhaps a customer uses an incomplete account number or an invalid phone number), the customer would not be able to submit the form and would therefore not receive a separate notice that the form was incomplete. Customers experiencing difficulty completing the online web form would be directed to call HOL's customer service team for assistance.

A customer who submits a form that is inaccurate or incomplete, despite the web form validation measures mentioned above, would receive a notice in line with the proposed section 3.5.5.

3.5.4 Where a distributor receives a notice referred to in section 3.5.1 that is not incomplete or otherwise deficient, the distributor shall begin charging the RPP consumer tiered prices under section 3.3:

(a) at the beginning of the first billing period for that RPP consumer after the notice of election is received, if it is received at least 10 business days before the beginning of that billing period; or

(b) otherwise, at the beginning of the second billing period for that RPP consumer after the notice of election is received, if the distributor is unable to begin charging the consumer tiered prices at the beginning of the first billing period; provided, however, that no election shall be applied to a billing period that begins before November 1, 2020.

While the timelines outlined above are generally agreeable to HOL stakeholders, there are certain instances where it is proposed that a consumer's election could be rejected regardless of whether it is found to be complete. For further detail, please refer to section 3.5.11.

3.5.5 Within 10 business days of receiving a notice referred to in section 3.5.1 that is not incomplete or otherwise deficient, a distributor shall notify the RPP consumer as to when the distributor will begin charging the consumer tiered prices under section 3.3. This notification shall specify:

(a) the calendar date on which the RPP consumer will start to be charged tiered prices, or

(b) if it is not practicable to specify the calendar date, the notification shall refer to the applicable billing period, in which case the distributor shall also provide or refer the RPP consumer to information that explains how the RPP consumer can ascertain when that billing period will begin.

HOL is concerned with the level of detail proposed in sections 3.5.5 (a) and (b). Alternatively, HOL proposes that a simple message be generated automatically at the time the application is received in the case of applications received by email or through the web form. This message could also be stated over the phone should a consumer call HOL to change from TOU to Tiered Rates. This message would:

- Thank the customer for their application;
- Confirm their request will be processed within the next 10 business days; and,
- Explain that the rate change will take place on the next available bill (which could be up to two billing cycles)

To provide further detail would require HOL to provide additional billing training to all of its call agent staff, as well as, employees who may be processing tiered rate elections. As billing cycles change monthly, this information would need to be provided to, and understood by a significantly larger pool of employees. The potential for error and further administration would be increased. This would also

require complex logic within our CIS, which would add time to an already compressed timeline to deliver these amendments.

Additionally, the rate change is to be indicated on the bill and thus the customer will be able to immediately see when the change has taken effect. To have the customer apply, receive an additional communication within 10 days by way of separate notice, and then have the rate change indicated on the bill could overwhelm or confuse some customers, considering these communications may all take place within a very short timeframe. HOL believes that the more generic message proposed, above, would be more efficient and just as effective as the notice outlined in proposed section 3.5.5 (b).

HOL supports maintaining the notice timelines as prescribed in section 3.5.1 for consumers who submit incomplete applications.

3.5.6 A notification under section 3.5.3 or 3.5.5 shall comply with any form as may be approved by the Board. The notification shall be delivered by the same method of delivery used by the RPP consumer to give the notice under section 3.5.1 and shall not be included with the bill or other communication to the RPP consumer. Where the notification is given by telephone the call must be recorded.

Telephone and email notices are not HOL's preferred method of election as they require significant manual effort and, often, involve more processing time. Ideally, elections will be made via web form either online or through the MyAccount platform to allow for automation and optimal efficiency. That said, as outlined in section 3.5.5, HOL prefers that the communication with the customer confirming that the election has been received be automatic, featuring a generic message that indicates that the completed application will be processed in the next 10 business days, and that the rate change is to take effect as soon as possible. Ideally, HOL would not communicate with the customer further unless the application was found to be incomplete or ineligible.

While the option to default to the second bill for implementing the customer's choice provides greater flexibility, for associated business process reasons HOL plans to complete elections that are eligible to switch on the next eligible bill.

3.5.7 For the purposes of sections 3.5.3 to 3.5.5, the computation of time begins on the day the notice is received by the distributor, even if it is received on a day that is not a business day or outside of the distributor's normal business hours on a business day.

For consistency, HOL proposes that the computation of time align with that prescribed in section 2.6.7 paragraphs (c) and (d) of the Distribution System Code which states:

"(c) where an act, other than payment by a customer, occurs on a day that is not a business day, it shall be deemed to have occurred on the next business day;

(d) where an act, other than payment by a customer, occurs after 5:00 p.m., it shall be deemed to have occurred on the next business day”.

3.5.8 A distributor shall advise an RPP consumer to whom section 3.5.4 applies that the RPP consumer is being charged tiered prices under section 3.3 by means of a bill message. The bill message shall appear on the first bill issued to the RPP consumer under tiered pricing, unless there is insufficient space on that bill by reason of another bill message required by an order, licence or code issued by the Board, or otherwise required by law, in which case the message shall appear on the following bill.

HOL proposes that a bill message not be included. HOL believes that a bill message would not be an effective method of communication, especially since the electricity line item on the bill clearly states that the customer is on either Tiered or TOU rates. For this reason a bill message, in addition to the electricity line item, would have questionable added value.

Further, the logic changes required for HOL’s CIS to include a dynamic bill message on the affected bill, along with logic to track of whether the bill message was included on the second bill would be challenging to create. Should distributors be required to include a bill message, HOL would configure the dynamic bill message for rate changes to ALWAYS appear on the first bill where the change has taken place.

Additionally, HOL has limited space on its bill for any additional messaging, as it is required to provide its customers with bills in both official languages. This additional bill message could present additional space challenges.

It is important to note that customers must actively apply for rate changes and, so, they are expecting the change to take place on their bill. Hydro Ottawa seeks to provide the right amount of information to its customers, but not to overload them. With that in mind, it was felt that the line item which demonstrates the customer’s usage as either Tiered or TOU is sufficient to help them identify when the change occurred.

3.5.9 If in any calendar quarter a distributor places the bill message required by section 3.5.8 on an RPP consumer’s second bill under tiered pricing instead of the first, the distributor shall submit a report to the Board no later than 30 days after the end of the quarter identifying:

(a) the number of times in the quarter the distributor placed the bill message on the second bill, and the other mandatory bill message that prevented the bill message from being placed on the first bill; and

(b) the number of times in the quarter the distributor placed the bill message on the first bill.

HOL believes that this requirement is not feasible based on how its CIS handles bill messages. This requirement would be a challenge to track and would involve collaboration with our bill print provider. Frankly, at this time, HOL is not confident that its bill print provider would be capable of tracking these messages.

As noted above, HOL would aim to configure its system to always print the bill message on the first bill. Adding the bill message to the second bill would be the exception and would be a manual process.

HOL does not feel a bill message adds value for customers, due to the aforementioned alternatives.

3.5.10 A distributor shall ask a consumer that has an eligible time-of-use meter whether the consumer would like to be charged tiered prices under section 3.3 instead of time-of-use prices under section 3.4 before:

- (a) opening a new account for an RPP consumer;
- (b) beginning to provide standard supply to an RPP consumer that is switching from a contract with a retailer; or
- (c) charging prices under section 3.3 or 3.4 to an electing spot consumer that notifies the distributor under section 3.2.6 that the consumer no longer wishes to be charged spot prices under section 3.2.2.

The distributor shall ensure that the first bill issued to the consumer after the account is opened or the change is implemented reflects the price structure chosen by the consumer. For greater certainty, if the consumer does not elect to be charged tiered prices, the consumer shall be charged time-of-use prices.

Sections 3.5.2 to 3.5.8 do not apply in respect of an election under this section 3.5.10.

There are a number of instances where further clarification or direction is needed. A few such examples include:

- New Services (new build) where the builder is not the final consumer. Will these services be defaulted to TOU, or is the utility expected to determine rate choice before service is energized?
- Landlords who are enrolled in the Landlord Reversion Program. Ideally, Landlords would be automatically placed on TOU rates for interim periods between tenants. Is this acceptable?
- Customers who have undergone a rate reclassification. For example if a customer is downgraded from a large commercial customer to a small commercial customer and,

therefore, reinstated to RPP. HOL proposes to default to TOU and have the customer apply to change to tiered in the future.

- RPP consumers switching from a contract retailer via an automated inbound drop request. It would be a challenge to notify the customer that they must select the rate to default to once they come back to standard supply service before the actual switch takes place. HOL believes that it could notify the consumer on their first SSS bill that they have been defaulted to TOU and remind them that, should they like to change to Tiered rates, they may apply for the change.

3. Switching Back to TOU Rates

3.5.11 A distributor shall allow an RPP consumer that is being charged tiered prices under section 3.3 as a result of an election under this section 3.5 to elect at any time to be charged time-of-use prices under section 3.4. Sections 3.5.1 to 3.5.9 apply, with such modifications as the context may require, to this latter election.

HOL felt that some exceptions to proposed section 3.5.11 should be considered as unlimited customer elections may present challenges for a distributor's CIS. Instances where a rate change should not proceed might include:

- Accounts in which there is already a pending rate change request. For example if a consumer submits a rate change election on November 1st, followed by a subsequent election to change back on November 15th before the initial request has been implemented, HOL stakeholders felt that in these instances, the customer should have to wait until the first request is implemented before they can submit a subsequent request.
- Accounts that have a pending move, the rate change would be rejected at the premise from which the customer is vacating.

2. Record Keeping Requirements

3.5.12 A distributor shall keep the following records for two years, and make them available to the Board upon request:

(a) copies of all notices of election received under section 3.5.1, including recordings of calls where the notice of election was completed by telephone;

(b) copies of notifications sent to consumers under sections 3.5.3 and 3.5.5, including recordings of calls where the notification was done by telephone.

(c) a record of all other communications with individual consumers about electing to be charged prices under section 3.3 or 3.4.

No comments.

4. Information for Consumers

3.5.13 A distributor shall provide to consumers or otherwise make available such information in respect of the option to elect to be charged tiered prices under section 3.3 rather than time-of-use prices under section 3.4 as may be approved or directed by the Board.

HOL has concerns about the education that needs to be developed and available to customers with regards to rate optionality. In the interest of consistency across the province, it is believed that the OEB should provide customers with the bulk of the information, including resources such as bill calculators and comparison tools. Distributors could support these resources with additions to their website including FAQs, basic explanations of the difference between TOU and Tiered rates, and information on how to understand their bill.

5. Preparation of Billing Quantities by the Smart Metering Entity

3.5.14 A distributor shall rely on the Smart Metering Entity for the calculation of billing quantities in respect of all residential consumers or general service < 50kW consumers that are being charged tiered prices under section 3.3 as a result of an election under this section 3.5.

HOL has significant concerns with the prospect that it cannot obtain TOU billing quantities when a customer selects tiered rates. This is a significant change, every meter in our billing system would have to be reconfigured in CC&B when the customer switches between rate options. This is a complex customization to our system and will create considerable downstream impacts. This comment is based on our previous experience when TOU was initially introduced. This

implementation was extremely complicated, time consuming and expensive.

HOL believes that the OEB reporting requirements related to TOU and Tiered customers could be satisfied by submitting a commodity rate class parameter change to the MDM/R via the incremental synchronization interface. It is recommended that LDC's be allowed discretion on what "framing structure" to use that will work within their individual systems. In addition, HOL has multiple interfaces and customizations within the CIS system where TOU framing structure logic has been hard coded - each of these interfaces and customizations would **NEED** to be changed and tested. With this proposed approach, meeting the regulatory deadline would NOT be feasible.

Under the current framework, when a customer enrolls with a retailer, the meter configuration and framing structure remains as TOU and our CIS system handles totalizing the usage to be sent to the retailer. We also send a change to the commodity rate class to the MDM/R showing the switch to retailer. HOL believes that customers selecting tiered rates should be treated in the same manner.

In consultation with other LDC's across Ontario, as well as, contacts at the IESO, it was determined that the proposed section 3.5.14 is of great concern. HOL recommends that the OEB reconsider this particular amendment in light of the time, complexity, risk and cost involved.

6. Changes to Customer-Facing Retailer Materials

HOL seeks further detail with regard to the OEB's understanding of how retail customer interactions will proceed with rate optionality. Currently, retailer interactions are completely automated. When a customer is leaving a retail contract, a drop request is received in our system and the customer is seamlessly reintroduced to the RPP rate. How and when will distributors be expected to communicate the availability of rate optionality to these customers is not clear. HOL proposes that a bill message on the customer's first SSS bill be added to notify the customer of the existence of rate optionality.

Further comments for consideration:

Bill Presentment

1. Per section 6 of Ontario Regulation 275/04, distributors shall "include information on the historical consumption of electricity by the consumer in a manner that enables the consumer to readily compare electricity consumption from the current billing period to electricity consumption from earlier billing periods". HOL requires further guidance on how distributors are to present this information for customers who elect to switch back and forth between rates?
2. Will there be changes to the verbiage of the electricity line item on the bill? HOL stakeholders have assumed that the language related to the electricity line item is to remain consistent.

Timing

3. The requirement to have the in-take process ready by October 13th presents challenges given the number and variety of tasks that must be completed and tested on our webpage, customer platform, customer information system, and with our bill print provider. Further, without the availability of the November 1st rates before October 13th, consumers will not be able to make an informed decision as to which rate is best for them anyway. HOL recommends that this proposed date be reconsidered in favour of November 1, 2020.
4. Further to point #3 above, HOL anticipates the volume of changes will peak at global rate change periods which could overwhelm its customer service call center. The global price rate values must be provided earlier than in the past to allow LDCs sufficient time to implement the rate changes and for the consumer to make an informed decision.

HOL supports rate optionality and its importance to customers. In order to effectively meet the needs of our customers and business during this implementation phase, it is crucial that our business processes and customers' needs and expectations are appropriately aligned.

We appreciate the opportunity to share our comments with the OEB during this preliminary stage and trust our insights are helpful.

Should you have any questions, please do not hesitate to contact us.

Sincerely,

"Laurie Elliott on behalf of Greg Van Dusen"

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