Communications Snapshot
Electricity Bill Modernization
March 20, 2018

Communications Objectives

- Raise awareness of Ontario's work to support innovative reporting for LDCs
- Highlight proposed changes to the regulatory framework that remove barriers and provide LDCs the flexibility to modernize bills to best meet customer needs
- Prepare a mitigation strategy to manage potential negative reaction and issues

Context

- Tracking for Legislation and Regulations Committee (LRC) and Cabinet Office March 26, 2018
- Electricity bills are a customer's main window into the electricity system. Through the Long-Term Energy Plan consultation process, the government heard that customers find their current bills confusing and inaccessible.
- In the 2017 Long-Term Energy Plan released on October 26, 2017, the Ministry of Energy committed to modernize electricity bills to make them more understandable and to give consumers the information they want on a more consumer friendly bill.
- Hydro One has been a leader in consumer research on ways to improve the appearance and comprehension of its bill. Hydro One enlisted the services of a behavioural research firm and engaged with thousands of customers to develop a new bill design which has been observed to increase customer satisfaction and comprehension.
- Building on this research, the Ministry launched the Bill Redesign Action Plan (RAP) with the aim of revising the regulatory framework on invoicing to improve the value of electricity bills for consumers.
- The Ministry engaged with industry and consumers to better understand consumer concerns and preferences with respect to the bill to ensure that any proposed changes to the bill's design will meet consumer's needs. As part of this approach, the Ministry:
    - Engaged with Hydro One and BEWorks to learn more about how consumers react to the information presented on bills.
    - Formed the RAP Local Distribution Companies (LDC) Working Group to seek the best advice from industry on how to develop new invoicing requirements.
    - Undertook qualitative consumer engagement to hear directly from customers on their billing preferences.
- The Ministry of Energy (ENERGY) has heard from LDCs and USMPs that the current regulatory requirements do not allow them to design a bill that meets the needs of their specific customer-base.
- As a first step ENERGY moved forward with regulatory changes, effective January 1, 2018, that require LDCs to provide customer-specific Ontario Fair Hydro Plan (OFHP) savings on their invoices by no later than March 31, 2018. This requirement replaces the previous static OFHP on-bill message.
- In September, 2017, ENERGY partnered with the Ontario Energy Board Consumer Panel to conduct qualitative consumer research with approximately 100 consumers throughout the Province to seek feedback on consumers' understanding of the bill and what kinds of information they wanted to see on the bill.
- ENERGY partnered with Ipsos to undertake a quantitative research study that surveyed 1006 residential consumers in Ontario and 201 small business consumers. This research suggested that consumers are not interested in major changes to their electricity bills but that there are areas that could be improved to help with their understanding.
- Accordingly, the Ministry proposes to amend O. Reg. 275/04 to, if approved, provide LDCs and USMPs with increased flexibility to design bills that are tailored to different customer needs on a timeline that best suits each individual LDC and USMP.

- In response, ENERGY is proposing to amend O. Reg. 275/04 to remove provisions that require electricity bills to include the Debt Retirement Charge (DRC). If approved, the regulatory amendments would come into effect April 1, 2018.
- In addition, ENERGY is proposing to clean up the components that comprise the “regulatory” charge that appears on electricity invoices. If approved, the regulatory amendments would come into effect April 1, 2018.

Target Audiences

- Industry partners (e.g., LDCs, associations)
- Internal and other energy sector partners (e.g., Hydro One, intra-ministry)
- Ontario families and businesses that receive an electricity bill

Key Messages

- ENERGY has proposed regulatory amendments to provide flexibility to Local Distribution Companies (LDCs) and Unit Sub-Metering Providers (USMPs) to design electricity bills that best meet the needs of their customers. LDCs & USMPs know their customers best, so the Province is giving them the flexibility to make changes that meet the needs of customers in their communities.
- The Ministry engaged with consumers to better understand their concerns and preferences with respect to hydro bills. This research was completed over the winter and suggested that consumers are relatively happy with their current bills and not seeking major change, but there are opportunities for improvement.
- The Ministry of Energy has heard from LDCs and USMPs that the current regulatory requirements do not allow them to design a bill that meets the needs of their specific customer-base. These proposed regulatory changes will provide LDCs the flexibility to modernize their bills and include information that is relevant to their consumers. These changes can be implemented on a timeline that best suits each individual Invoice Issuer.

Strategic Approach

- Low profile, reactive
- Policy will communicate regulatory changes to stakeholders through industry association and existing communication channels
- Remove regulatory barriers to enable LDCs to modernize bills to best meet the needs of their customer base

Issues & Mitigation

- Ontarians may react negatively to the fact that LDCs will not be mandated to modernize electricity bills
- Ontarians may perceive that the Ministry has abandoned its commitment to redesign electricity bills stated in the LTEP, “the Ministry of Energy is working with local distribution companies to modernize electricity bills to give consumers easily accessible information they find valuable and can use.“

Issue/Consideration	Mitigation Strategy	Key Message
Bill Modernization is not mandated ▪ Electricity customers may question why the government has not mandated bill modernization for all LDCs.	▪ Emphasize the flexibility LDCs will now have to modernize bills to best meet consumer needs. ▪ Convey sensitivity to the cost pressures on electricity consumers. ▪ Underline that ENERGY is responding to consumer research that did not indicate a strong need for a bill redesign. ▪ Acknowledge the limitations of smaller LDCs and costs involved in mandating a bill redesign. ▪ Acknowledge that much-needed investments in our electricity system have led to higher electricity prices.	▪ Through qualitative and quantitate research with residential and small business rate payers, ENERGY heard that consumers are not interested in major changes to their electricity bills but that there are areas for improvement. ▪ To address these concerns, the Ministry has proposed regulatory amendments to provide LDCs with the flexibility to modernize bills that best meet customer needs ▪ Ontario's Fair Hydro Plan reduced electricity bills for all residential customers by an average of 25 per cent and will hold any increases to the rate of inflation for four years. As many as half a million small businesses and farms are also benefitting.

Tactics & Rollout

	Pre-Launch	Launch	Post-Launch

Regional Rollout
Examples:
- MPP Template
- Speeches
  - Media event
  - Op-ed, media pitch
  - Editorial board meeting
	N/A	N/A	N/A

Earned
Examples:
- News release, etc.
- Remarks
  - Event
  - Calls/emails to targeted audiences
  - Multilingual media
  - Fact sheets
  - House Statement
	N/A	- Stakeholder outreach through the Electricity Distribution Association (EDA) and the Bill Redesign Working Group by Policy Division	- Stakeholder correspondence by Policy Division

Digital / Social Examples: - Web content	N/A	- Web page – Ontario.ca	N/A

- Twitter/Facebook - Keyword / interactive web - Blogger outreach - Videos			
Paid ***(must include budget)*** Examples: - TV/radio/newspaper - Online banners/ads - Advertorial - Householder/direct mail	N/A	N/A	N/A

Evaluation

News media

- Use media measurement system to evaluate, track and record each news article and editorial (broadcast, print, web) including re-prints of wire services and broadcast syndication, record verified reach, apply a scale to evaluate tone

Website

- Measure unique visitors and engagement to ERB page

Correspondence

- Track the number of letters and emails referring to the regulatory changes and redesigned electricity bills