

Re: confidential: bill mock ups from Alectra

From: Tamar Heisler <tamar.heisler@alectrautilities.com>
To: "Campbell, David (ENERGY)" <david.campbell2@ontario.ca>
Cc: "Teliszewsky, Andrew (ENERGY)" <andrew.teliszewsky@ontario.ca>
Date: Thu, 23 Feb 2017 09:07:53 -0500

Hi David,
We'll have something to you by end of day (probably by 3ish)
Thanks,
T

Sent from my iPhone

On Feb 23, 2017, at 9:04 AM, Campbell, David (ENERGY)
<David.Campbell2@ontario.ca<mailto:David.Campbell2@ontario.ca>> wrote:

Hi Tamar,

My apologies, I just realized I didn't respond last night! Feel free to include your branding on these – we'd be interested to see how it looks.

Again, let me know if you need anything else. We're looking forward to seeing the next iteration – let me know if you have any idea what the timeline might look like on that.

Talk soon,
David

From: Tamar Heisler [mailto:tamar.heisler@alectrautilities.com]
Sent: February-22-17 5:27 PM
To: Campbell, David (ENERGY)
Cc: Teliszewsky, Andrew (ENERGY)
Subject: RE: confidential: bill mock ups from Alectra

Hi David,
Yes, I'm sure we can do this quite easily. Should we brand it as Alectra or just leave blank? We're happy to brand it as Alectra actually. Our CEO is very supportive.
T

Tamar Heisler
Director, Government and Industry Relations
Alectra Utilities Corporation
Mobile: 416-258-4538

From: Campbell, David (ENERGY) [mailto:David.Campbell2@ontario.ca]
Sent: Wednesday, February 22, 2017 3:28 PM
To: Tamar Heisler
Cc: Teliszewsky, Andrew (ENERGY)
Subject: RE: confidential: bill mock ups from Alectra

Hi Tamar,

Thank you so much to you and the entire team for these. This is really excellent, and in the direction we are looking for.

A few requests:

- Would it be possible to design a simpler version to display these costs, rather than using true

mock bills? Ultimately we hope to use these as a communications product with journalists, so we want to try and lay out the impact of our policy changes as simply as possible. Rather than having two complete bills for comparison, we would love a product which just showed a comparison of charges before and after on a single page. The charges wouldn't even have to be broken out, or look at all like a normal bill – we could simply show the before and after for: electricity/commodity cost, the delivery charge, regulatory, tax, and whatever else is relevant (eg. OESP, 8%). Then the product should prominently display the % change to the total bill as a result of these initiatives. Let me know if this is something you think your comms shop could draft. If you'd like to jump on the phone for some clarification, I'm happy to chat any time.

- For the “before” comparisons, can we remove the 8% rebate? I.e. Make the bill reflective of December 2016. Our plan is to communicate that we have reduced bills by a total of 25% (on average) below 2016 rates, inclusive of the 8% rebate. So we'll need to have the bill comparisons reflect this.

- Simply reducing the RPP rates by 25% (which I know is a number I gave you) is a good interim measure for now, but at some point we will need to loop in our policy to get the exact impact on RPP which we expect as a result of GA smoothing. We don't expect it will actually be exactly 25%. So just a heads up that we are likely to update you with the exact size of that reduction at some point in the next few days.

Again, thank you so much for your help on these! They will be a huge help to our communications rollout when we announce these new initiatives.

Talk soon, and let me know if there's anything else I can provide,
David

P: (416)314-0704
C: (647)649-3739

From: Tamar Heisler [mailto:tamar.heisler@alectrautilities.com]
Sent: February-22-17 12:00 PM
To: Campbell, David (ENERGY)
Cc: Teliszewsky, Andrew (ENERGY)
Subject: confidential: bill mock ups from Alectra

Hi David,

Please find attached six mock bills as follows:

- 1) Residential bill, calculated using current rates
- 2) Residential bill, calculated using the proposed rates (25% reduction to TOU, elimination of RRRP and OESP charges)
- 3) Low-income residential bill, calculated using current rates
- 4) Low-income residential bill, using the proposed rates and proposed OESP benefit
- 5) Small business customer bill, calculated using current rates
- 6) Small business customer bill, calculated using the proposed rates

Assumptions:

- we have utilized the Horizon Utilities OEB-approved rates (effective February 1, 2017) as the baseline. The suggestion to use a hybrid Alectra Utilities rate was problematic as we are all in different tranches of the transition to fixed distribution charges.
- 750 kWh for the residential bills; 2,000 kWh for the small business customer (note—these

amounts are consistent with OEB averages)

- we utilized the \$30 OESP charge for the low-income bill; this is one of the more popular credit values
- All bills are based on monthly (30 day)

Note that the changes would result in an overall reduction of \$24.45 or 18% to a residential customer using 750 kWh. Higher consumption customers will realize a higher savings percentage i.e. 1,200 kWh results in savings of \$39.12 or 19.3%.

Finally, as I mentioned on the phone the other day, suggest the government takes this opportunity to remove the mandatory bill print messaging related to the Debt Retirement Charge for residential and exempt customers and replace it with one overarching message (as a result of various government initiatives you saved x on your bill this month—much more impactful). We also note that TOU rate changes are problematic for many utilities in terms of pro-rata. We would want to have a single TOU/RPP spring rate change, not two. For example, either incorporate these changes into the May 1 TOU/RPP rate change, or for this one time, implement the "May 1" rate change on April 1 or some other date. Two spring TOU/RPP rates changes, especially if they overlap, will cause programming challenges as well as customer confusion.

> Tamar Heisler

> Director, Government and Industry Relations

> Alectra Utilities Corporation

> Mobile: 416-258-4538

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