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Ministry of Energy
77 Grenville Street, 6th Floor
Toronto, ON M7A 2C1

November 27, 2017

Dear Sir/Madam,

Re: O. Reg. 196/17 and O. Reg. 275/04
Bill Re-Design and Dynamic Messaging (17-ENE012)

On November 6, 2017, the Ministry of Energy (the "Ministry") proposed amendments to Ontario Regulation 196/17, *Invoicing Requirements* ("O. Reg. 196/17") and Ontario Regulation 275/04, *Information on Invoices to Low-Volume Consumers of Electricity* ("O. Reg. 275/04"). These regulations would enact changes to bill presentment for electricity consumers in Ontario.

O. Reg. 196/17 proposes to change the current information to be included on invoices and includes a requirement that Local Distribution Companies ("LDCs") provide a customer-specific dynamic calculation of savings associated with the Ontario Fair Hydro Plan ("OFHP") for each billing period. O. Reg. 275/04 proposes requirements that prescribed key information, including subheadings, be included on the face of the invoice. Additionally, this regulation proposes to reduce restrictions that prevent the inclusion of information on bills except as prescribed and proposes changes to the glossary of terms to simplify the language and increase flexibility on the frequency of including the glossary.

The following is the submission of Alectra Utilities Corporation ("Alectra"), on the proposed amendments to O. Reg. 196/17 and O. Reg. 275/04.

In April 2016, Enersource Hydro Mississauga, Horizon Utilities Corporation, and PowerStream Inc. filed an application with the Ontario Energy Board ("OEB") pursuant to the *Handbook to Electricity Distributor and Transmitter Consolidation* (the "MAADs Handbook") seeking approval to amalgamate to form Alectra Inc., and for Alectra Inc. to purchase and amalgamate with Hydro One Brampton Networks Inc. On December 8, 2016, the OEB approved the application.

Since the amalgamation in February 2017, the newly merged utility has been undertaking a rigorous approach to integration that has required careful planning and alignment with customer, shareholder and regulatory obligations. Alectra is committed to being an ally to our customers as they navigate the dynamic and changing energy environment. As such, one of our most pressing priorities has been to achieve a seamless transition from four legacy billing systems to one. Customer trust in Alectra is largely based on delivery of accurate and timely bills, and privacy protection—areas in which we would never wish to compromise.

The consolidation of the Customer Information Systems ("CIS") environment into one common Oracle Customer Care & Billing ("CC&B") system to facilitate integration of Customer Service business functions and improve service to customers is currently underway. Each CIS system migration of the predecessor utilities involves significant customer change including new bill formats and account number changes. It will be necessary to stabilize our systems and ensure our customers are informed and confident of the service changes before further bill re-design and dynamic messaging changes can be implemented. An aggressive timeline for CIS consolidation has been set in order to achieve these goals in as timely a manner as possible while also respecting the fact that the migration will mean significant impacts to customers in 2018. Alectra will be transferring legacy systems to the new CIS platform in stages, beginning in January 2018, with the goal of completing the transition by the end of 2018.

Numerous ongoing parallel activities are underway throughout the conversion process, including efforts to develop a single consolidated customer bill. This involves design, development and testing at each "go live" milestone in 2018; there are three such "go lives". Any interruption of these activities or the addition of new requirements will have an immediate impact on the CIS consolidation schedule. The timing of any additional changes will also require re-work and further testing.

Alectra has assessed the Ministry's proposed regulatory changes and the impact to the current conversion schedule. Alectra estimates that a total of five months and 1600 hours will be required to support the proposed changes based on significant testing required, as well as current resource constraints. Alectra will not have sufficient resources to support: the parallel priorities of "business as usual"; the proposed amendments; and the CIS convergence project. In addition, one of Alectra's CIS systems (that of legacy PowerStream) is already in "lockdown" as we prepare to migrate it to the new Alectra platform in January 2018.

Alectra is also concerned that customers would be presented with several billing changes in quick succession as a result of the transition to the new CIS system, including but not limited to: branding changes; bill statement design changes; new account numbers; bill cycle changes; and changes to due dates.

Alectra understands the Ministry's efforts to have LDCs display on-bill dynamic messaging for Fair Hydro Plan savings effective January 1, 2018; we are proposing to implement the O. Reg. 196/17 and O. Reg. 275/04 changes in Q1/Q2 of 2019. Alectra considers this a prudent approach, based on a significant amount of analysis and consideration of the competing priorities brought about by a merger of our scale. Some of the risks associated with implementing these changes during the current CIS implementation schedule include:

incremental costs associated with additional configuration changes; delays to the current implementation schedule; and most importantly, disruption for customers.

Alectra has been a supportive and engaged participant in the Ministry's ongoing bill re-design efforts and we share the Ministry's desire to achieve greater clarity and simplicity for customers over the longer term. We are committed achieving and maintaining compliance with O. Reg. 196/17 and O. Reg. 275/04. We propose to do so as set out in this letter. Alectra believes that this is a responsible approach and one that provides the maximum benefits to customers while recognizing current CIS system constraints. We ask that in finalizing the above regulations, the Ministry consider the impact on utilities, like Alectra, who have so recently undergone a consolidation and provide an allowance for a longer implementation period.

We would be happy to meet with the Ministry to discuss this in further detail. If that is of interest, please contact Tamar Heisler, Director, Government & Industry Relations at tamar.heisler@alectrautilities.com

Sincerely,

Original signed by

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Vice President, Regulatory Affairs
Alectra Utilities