



January 18, 2019

BY RESS/COURIER

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON
M4P 1E4

Dear Ms. Walli,

Re: Review of Customer Service Rules- Phase 1 (EB-2017-0183)

Whitby Hydro Electric Corporation (Whitby Hydro) appreciates the opportunity to provide comments on the proposed amendments to the Customer Service Rules.

Whitby Hydro is a member of the Electricity Distributors Association (EDA) and supports the concerns, comments and recommendations provided by the EDA. In addition to those comments, Whitby Hydro provides the following for the OEB's consideration and to reinforce some of the issues important to Whitby Hydro.

Retirement of Specific Service Charges

The OEB proposes to eliminate the Collection of Account charge and the Install/Remove Load Control Device charge

Whitby Hydro notes that specific service charges are considered revenue offsets to the LDCs revenue requirement and are intended to put downward pressure on distribution rates. As such, LDCs should be provided a mechanism to recover any material impacts associated with these changes in customer service rules prior to re-basing under the new rule. This will avoid the cross subsidization of costs and will employ the 'user pays' principle.

Whitby Hydro agrees with the EDA that a generic deferral/variance account is more administratively efficient for the OEB versus issuing Decisions on potentially more than 30 applications. Granting a generic D/VA would be consistent with the recent decision regarding Wireline Pole Attachments.

Equal Billing (EBP) and Equal Payment (EPP) Plans

The OEB proposes to amend the code to require electricity distributors to offer the OEB-prescribed equal billing plan to non-seasonal residential customers and small business customers.

Whitby Hydro believes that the OEB's EPP and EBP terms are not appropriately transparent and that they risk confusing customers. Whitby Hydro agrees with the EDA that the OEB terms would better be characterized as an EPP and, if coupled with Pre-Authorized Payment (PAP), as an EPP-PAP.

Arrears Payment Agreement

The OEB proposes to amend the code to prohibit electricity distributors from charging residential customers additional late payment charges on the amount that is covered by the OEB-prescribed APAs.

Whitby Hydro notes that late payment charges are considered a revenue offset. As such, LDCs should be provided a mechanism to recover any material impacts associated with these changes in customer service rules.

The OEB proposes to amend the code to require Electricity Utilities to offer reasonable payment arrangements to small business customers unable to pay their bill.

Whitby Hydro believes that what constitutes 'reasonable payment arrangements' should be at the LDC's discretion based on its assessment of payment risk.

Disconnection Notice Period and Timing

The OEB proposes to amend the code to require electricity utilities to provide customers with an "account overdue notice" at least seven calendar days before the notice of disconnection is issued, to provide the customer with 14 calendar days' notice and to disconnect services within 14 calendar days after the applicable minimum notice period.

Whitby Hydro remains very concerned that the extended days being proposed in the collection/disconnection process coupled with the current winter disconnection policy results in significant limitations on the ability of LDCs to effectively manage collections for those customers who wish to take full advantage and further "game" the process thereby avoiding payments without risk of disconnection. Ultimately all customers bear the cost of bad debt expenses.

Whitby Hydro also advises that substantial modifications would be required in the CIS in order to continue to leverage existing collection tools/modules in the CIS to accommodate the additional time proposed in the collection schedules. Due to the numerous day extensions, in many instances, the customer will be re-billed twice before the collection/disconnection process is completed on the outstanding bill. This means that the collection process will not finish prior to the second billing causing the system to drop the current process and start again with the next bill. It could also mean that customers may receive multiple notices – as each bill will be in a different collection stage – which will cause confusion over arrear amounts and notice dates. CIS modifications will entail building, implementing and testing the new module and sufficient time must be allowed for these activities prior to the proposed changes going into effect. Overall impacts (cost/benefits) associated with the aggregate number of days added to the collection/disconnection process need to be appropriately evaluated before finalizing any the customer service rule changes. If the OEB continues to proceed with this proposed amendment, Whitby Hydro suggests that a one year implementation timeframe would be more appropriate.

Whitby Hydro supports the EDAs suggestion that any such amendment should permit the LDC discretion with respect to the form of media used, for example by allowing the LDC to use email, IVR or mail. "This change is proposed in an effort to appropriately leverage LDCs existing communications infrastructure and in a cost effective way". LDCs have built efficiencies into their processes through things like the IVR and Credit Control modules. We do not want to lose the efficiencies that have been gained through automation.

Consumer Complaint Response Process

The OEB intends to finalize the complaints response requirements.

Whitby Hydro agrees with the EDA that the OEB should consider the merits of a complaint closure process. This will ensure that all affected parties are informed that the matter has been appropriately dealt with and that the matter is officially closed.

Late Payment Charges

***The OEB proposes to prescribe the LPC, by way of a Rate Oder, as follows:
1.5% per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)***

Whitby Hydro requests that sufficient time be provided for any CIS modifications and testing required before moving from one methodology to the other. Whitby Hydro believes that three months is not adequate to complete the CIS changes since they will require code changes by the CIS vendor and rigorous testing must be completed before implementing. Whitby Hydro suggests that an estimated six month implementation timeline would provide a more adequate timeframe to complete and test all necessary changes.

Regards,



Susan Reffle
Vice President