



Energizing Our Community

Telephone: (705) 326-7315  
Fax: (705) 326-0800

October 28, 2010

**Via RESS and by courier**

Ontario Energy Board  
2300 Yonge St., 27<sup>th</sup> Floor  
P.O. Box 2319  
Toronto ON  
M4P 1E4

Attn: Kirsten Walli, Board Secretary

**Re: Amendments to Customer Service Rules in the Distribution System Code,  
the Retail Settlement Code and the Standard Supply Service Code - Board  
File No: EB-2007-0722**

Dear Ms Walli:

Orillia Power Distribution Corporation ("OPDC") recently submitted comments regarding the current efforts of OPDC in the ongoing implementation of Amendments to Customer Service Rules in the Codes outlined in the Board's letter dated July 2, 2010 in the Ontario Energy Board Proceeding EB-2007-0722. In our comments we referenced a Scope of Work prepared by Northstar as Attachment A. We are resubmitting our comments with the attachment. We apologize for any inconvenience this may cause.

Any questions or concerns can be directed to me at [pwelsh@orilliapower.ca](mailto:pwelsh@orilliapower.ca) or (705)326-2495 ext 240.

Yours respectfully,

Pauline Welsh  
Regulatory Officer





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Ontario Energy Board Notice of Amendments to Codes - Board File No: EB-2007-0722  
Customer Service Rules – All Residential Customers

OPDC offers the following comments with regard to the implementation of changes set out in the Board's Notice of Amendments to Codes dated July 2, 2010:

Distributors had appealed to the Board during proceedings leading up to the Notice of Amendments to Codes that many of the proposed changes would require significant time to implement. At that time, actual time requirements and programming and related costs were not available.

In its decision, the Board adopted a phased approach towards implementation of the customer service code amendments: Suspending Disconnection Action and Arrears Management Programs come into force October 1, 2010; Bill Issuance and Payment, Disconnection Notices, Disconnection Procedures, and Security Deposits come into force January 1, 2011; and Equal Monthly Payments, Billing Adjustments, and Opening and Closing Accounts come into force April 1, 2011.

OPDC is among a group of distributors using the Northstar CIS billing system who have been working diligently with the system provider since the Notice of Amendments to Codes issued on July 2, 2010. The focus has been on amendments coming into force on October 1, 2010. In order to implement the Arrears Management Program, it was also necessary to implement the requirement to apply security deposits against any arrears before a disconnection notice can be issued to a residential customer. While work began immediately, a Scope of Work was only recently finalized. Identifying the necessary modifications to existing Northstar processes and developing new processes to automate the Arrears Management Program and related suspension of disconnection were the primary focus.

The Scope of Work prepared by Northstar is included as Attachment A. The total labour effort is 1,170 hours and estimated completion date for the arrears management program with testing and full functionality is early January 2011. Many practical issues are emerging as the new modules are tested. Our utility has opted not to implement the software changes until bugs are identified and fixed during beta testing. In the meantime



we have implemented manual procedures and work-arounds in an effort to remain compliant. These manual procedures are labour intensive and costly. Manual tracking will be necessary on a temporary basis and this is very dependent on available staff resources which are already strained.

Efforts are also underway to address the amendments coming into force January 1, 2011. We expect that manual procedures will continue to be necessary well into 2011 until further automation options can be fully explored. Our group of distributors is looking for consensus on solutions to reduce redundancy and adopt consistency in application.

Programming from planning to implementation for all the customer service changes is expected to take up to 12 months. Software changes are only part of the process. Procedural changes and training are ongoing as the manual processes continue to be reviewed for further efficiencies.

We respectfully ask that the Board acknowledge the intensive efforts required to implement the July 2, 2010 changes coming into force as well as additional proposed amendments to customer service rules for low-income customers expected to follow soon. The expansion of customer service options accommodating a range of customer needs is extremely challenging. Automation wherever possible is desired to streamline processes, ensure accuracy and consistency and avoids dependence on time consuming manual checks and tracking. Even with automation, the new processes are in addition to existing processes which are not eliminated. Bottom line, more work.

We are working under extremely tight time constraints to implement the OEB's changes to customer service rules across the province. We are asking for more realistic implementation timelines before the new rules come into force.



Date: August 20, 2010  
Customer: Ontario Northstar LDC's

Tracker ID: T22336  
Department: N/A

## ATTACHMENT A:

# Project Description

Based on the defined requirements specified within DSC section 2.7 of the OEB Regulated Changes – New Code Amendment – Arrears Management Program, Northstar is required to develop a new module, NS Arrears Management Program.

# Scope of Work

To meet the requirements of DSC section 2.7, a new Northstar module, *Arrears Management Program* is to be developed with the following business process approach:

## 1 DEVELOPMENT OF ARREARS MANAGEMENT PROGRAM

### ➤ Load Functionality for eligible customers

- Load by account
- Load will have filter to include current balance (checkbox)
- Load will put the account and balance info into an Entry Tab. \*\*NOTE - overdue and current balance require two separate fields
- Load will calculate the average bill as per section 2.7.3
- Load will calculate the 15% down payment required as per section 2.7.1.2
- Load will calculate the 5 month and 10 month arrangement amount as per section 2.7.2 a) and b) and enter into appropriate tab
- Load will recognize if the customer has had an arrangement in the last 2 years, by looking to arrears management screen for most recent start date of a management program
- Start date will be dictated here as well \*\*Make sure to do weekend/holiday checking
- **Load Filters:**
  - Account Number
  - Occupant Code
  - Service
  - Class Code
  - Debtor/Customer Number
  - Include Current Balance yes/no checkbox
  - Start Date (ie: first installment)

### ➤ Manual Entry Functionality

- **Header:**
  - Account Number
  - Occupant Code
  - Debtor Number
  - Name
  - Service Address
- **Details 2 tabs 5 vs. 10 month**

Service  
 Current Balance  
 Overdue Balance  
 15% Down Payment  
 Total Balance (sum of Curr + Overdue - 15%)  
 Average Bill  
 5 month arr amount  
 10 month arr amount

### ➤ **Applying Security Deposits Functionality**

- The program will allow the user to select specific customers or customer types
- It will then go out and identify if they have a deposit on hand
- If there is a deposit on hand, it will automatically load it into the refund journal.
- A key value will be used to specify if ALL of the deposit will be refunded or only the amount up to the arrears amount.
- The order of refunding should be from the oldest to most current.
- The refund will include both refunding of interest on account as well as calc any outstanding interest (ie: use the same rules as the existing refund journal)
- The user would then complete the refund journal, run the reassess in Credit Control and the account would be up to date.
- Filters required in the Apply Deposit Program:
  - Bill Code
  - Category Code
  - Account
  - Class Code
  - Service

### ➤ **Reassess Functionality based on applied refund amounts**

- Updates the entry screen by looking at the refund journal and reducing the balance loaded by the refund amount.

### ➤ **Letter Print Functionality**

- Letter print selection box required.
- New tokens to be created.

### ➤ **Verification / Journal Print**

- Filter requirements to be determined at a later date

### ➤ **Post - to service details - process**

- Post will move TOTAL balance amount from the loaded service to the new Arrears service.
- Service to move to will be specified by program key value or control table
- Category to use will default to electric category (make sure corresponding ones are set up)
- Bill code to use will be specified by program key value or control table
- Stat code to use for funds transfer will be AR Stat code in standard stats
- Bill period will default to 1
- SIC code will default to electric SIC code.
- All exemption flags will default to N
- Number of units will default to 1
- Start date of service will be posting date
- Last bill date will be posting date
- Due date will default to the due date on the electric service
- Last interest applied needs to default from electric service
- All notice flags and notice levels (all information from service details additional) should be copied from electric service.
- Post will automatically update service details with current and overdue amounts in the proper buckets

➤ **Post - to payment arrangement - process**

- Post will automatically create a new active payment arrangement/arrears management program with a start date of post date, for either 5 or 10 months according to load, payment type M, frequency I if using billing or A if using Invoicing method.
- Due dates will default to 10 years from start date for I type arrangements, the same as the current Invoice arrangement functionality.
- Due dates will default to start date + one month + 10 years for A type arrangements.

## 2 MODIFICATIONS TO EXISTING NORTHSTAR PROCESSES

➤ **Billing Journal process**

- Calc needs to be changed to pick up payment arrangement type M, using same method as arrangement type I (invoice arrangements)
  - Field in control table has default arrears payment arrangement processing method ie: Invoice for Billing calc or A for Invoicing
  - Will require a new key value to locate the arrangement statcode ie: see ARRANGEMENT STATCODE key value.
- Post needs to recognize new M arrangement type and update pu\_pay\_arrangh, pu\_pay\_arrange, pu\_arrange\_hist in the same manner as invoiced arrangements.
- Calc must transfer the funds from M service to Electric service when an account is being finalled.

➤ **Modifications to Credit & Collections processes**

- Change the credit control load to automatically exclude Arrears Management service ie: program key value driven

➤ **Modifications to Cashiering process**

- Cash application – will set M service as priority to apply under service type setup  
Need control table to allow user to specify to apply here first before deposit required or deposit type arrangements
- If cash application is proportional we will change code to apply to management program first, then proportional.

➤ **Modifications to the Payment Arrangement Report**

- This report needs to be set to EXCLUDE the new Arrears Management program.

## 3 DEVELOPMENT OF INVOICING MODULE

➤ **Load Functionality**

- Goes out and grabs all accounts matching filters, for the next available payment arrangement for specific date range (+10 Years), arrangement method A and loads in.
- Calculates OI on the service
- Inserts values into the Entry Tab
- **Load Filters:**
  - Account Number
  - Occupant Code
  - Service
  - Class Code
  - Debtor/Customer Number
  - Arrangement Due Date range

➤ **Manual Entry Functionality**

- **Header:**
  - Account Number

Occupant Code  
Debtor Number  
Name  
Service Address  
Arrangement amount  
Overdue Interest amount

➤ **Letter Print**

- Letter print selection box required.
- New tokens to be created.

➤ **Verification / Journal Print**

➤ **Post process**

- Updates service details accordingly, M service due date = payment arrangement due date
- Payment arrangement due date becomes current due date less 10 years.
- OI will be posted to stat as dictated in standard stats which must be electric or admin. (IE: need new journal type AM) posts to pu\_account\_pay, pu\_balance\_hist, pu\_account\_pay for interest up to that date too
- Need to ensure that Interest is not calc'd on interest in subsequent billing

## 4 DEVELOPMENT OF CANCELLATION JOURNAL

➤ **Load Functionality**

- Load will mimic the current Payment Arrangement Report.  
Make sure that the Cancel in Default is NOT included and not an option.  
Do not want Create Letter here either.
- Load must identify that there are **more than one** default installments
- Load will insert into an Entry screen.
- Calculates OI from last date applied up to post date

➤ **Manual Entry Functionality**

- **Header:**  
Account Number  
Occupant Code  
Name  
Service Address  
Missing Arrangement amount  
Missing Arrangement date  
Arrangement ID

➤ **Letter Print**

- Letter print selection box required.
- New tokens to be created.

➤ **Reassess**

- Program reruns load, will remove anyone who has paid since the load. \*need to run 10 days after letters are sent.

➤ **Post Process**

- Sets the arrangement to 'defaulted'
- Posts overdue interest from last date applied up to post date
- Transfers the dollars back to electric
- Puts an end date on the service.

**Approach:**

After the development of all components has been completed the new functionality will go through the NS quality assurance process. Any identified rework will be completed and regression testing will occur prior to entering a beta program with identified customers prior to general release and market deployment.

**Effort Breakdown:**

Description	Estimated Effort (Hrs)
Development of Arrears Management Program	225
Modifications to Northstar Processes	75
Development of Invoicing Journal	200
Development of Cancellation Journal	200
Quality Assurance	110
Rework	110
Beta Release	40
Deployment	210
	1170



**Schedule**

[illegible]