

Toronto Hydro-Electric System Limited Telephone: 416-542-2517  
14 Carlton Street Facsimile: 416-542-3024  
Toronto, Ontario M5B 1K5 [regulatoryaffairs@torontohydro.com](mailto:regulatoryaffairs@torontohydro.com)



July 18, 2011

*via RESS – original to follow by mail*

Ms. Kirsten Walli, Board Secretary  
Ontario Energy Board  
PO Box 2319  
2300 Yonge St, 27<sup>th</sup> floor  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Request for Temporary Exemption from the Distribution System Code  
and the Retail Settlement Code  
Toronto Hydro-Electric System Limited (“THESL”)**

By way of this letter, THESL requests temporary exemptions from certain customer service provisions of the Distribution System Code and the Retail Settlement Code that were included in the Board’s Notices of Amendments to Codes issued on July 2, 2010, and March 30, 2011 (LEAP) (“Notices”) in proceeding EB-2007-0722. In view of the significant number of amendments in the Notices, the Board adopted a phased implementation approach and determined the coming into force dates to be October 1, 2010, January 1, 2011, April 1, 2011, and October 1, 2011.

Specifically, THESL requests temporary exemptions from the provisions of the DSC and the RSC as set out (with explanatory details) in Appendix A to this letter.

The size of THESL’s customer base dictates that THESL must automate virtually every customer transaction or interaction. Together with Enersource Hydro

Mississauga (EHM), THESL is implementing a new Customer Information System (CC&B CIS) which, for THESL, went into operation on July 6, 2011. However, the implementation process has been long and very demanding on THESL's finite information technology and customer care resources. Necessarily, these resources were directed to first implementing the basic functionality of the new CC&B system. The new system is expected to be stabilized by November 2011 (two residential billing cycles completed in CC&B).

THESL is committed to achieving and maintaining compliance with all Code requirements. Through manual workarounds, THESL is compliant with most of the requirements set out in the Notices and is working jointly with EHM to define all of the customer service requirements that will form a basis for development, by our vendor, of system modifications that will automate all requirements. Given the complexity of modern customer care and billing systems, it is more cost effective and manageable to develop and then test all business requirements related to both the Customer Service improvements and the LEAP requirements together. THESL will be in a position to comply fully with the requirements set out in the Notices after having received, tested, passed and promoted the required system code changes into its new CC&B CIS environment. In any instance where the manual process is untimely THESL will make best efforts to rectify the situation as soon as possible, and in all cases the existing Code will be determinative of the correct process and customer treatment.

Appendix B to this letter indicates THESL's progress in and current schedule for implementing the relevant Code changes in the Notice. Jointly with EHM, THESL has targeted a phased in approach with an end date of June 24, 2012 by which to have all of the requisite code changes in place in its new CC&B CIS. The schedule outlined in Appendix B is dependent on THESL's vendor completing their review of the functional specifications and detailed design documents, and subsequently on having those proposed modifications approved by THESL and Enersource. THESL will confirm the target date for completion once the vendor provides its detail code design and delivery schedule. In the interim, THESL is continuing to provide manual

workarounds but does not regard that approach as sustainable or as well assured as an automated approach.

Accordingly, THESL requests a temporary exemption from the Distribution System Code and the Retail Settlement Code as set out above until June 24, 2012, subject to confirmation of the feasibility of that date. THESL expects to be able to confirm that date by September 23, 2011.

Please contact me if you have questions on this matter.

Yours truly,

*[original signed by]*

Glen A. Winn  
Manager  
Regulatory Applications & Compliance

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## **APPENDIX A**

### **DISCONNECTION FOR NON PAYMENT**

#### **DSC – Disconnection and Reconnection 4.2.2.4**

- An exemption is requested from calling 100% of our residential customers 48 hours prior to the disconnection of service. Due to the large volume and the absence of an automated process at this time, we are unable to contact all our customers prior to disconnection. This process will be automated in future modifications to CC&B.

#### **DSC – Conditions of Service 2.4.26A**

- An exemption is requested from applying 100% of the security deposits prior to issuing a disconnect notice. It is very labour intensive to manually apply deposits prior to issuing the disconnection notice. Every attempt is being made to have the deposits applied; however, since manual intervention is needed, there is a risk that some may be missed. This process will be automated in future modifications to CC&B. Security deposits will continue to be applied against accounts under the Arrears Management program as per 2.7.11.

#### **DSC – Reconnection Standards 7.10.2**

- An exemption is requested from the reporting requirement regarding reconnection standards. THESL's normal operating procedure is to reconnect a service disconnected as a result of non-payment within 24-48 hours. However, the reporting structure needs to be developed to provide accurate reporting. This process will be automated in future modifications to CC&B.

## **BILL ISSUANCE AND PAYMENT**

### **DSC – Bill Issuance and Repayment 2.6.5**

- Under the former CIS, THESL made modifications to decrease our late payment charges based on backdating the date of payments according to the payment type (3 days for mail and 2 days for payments made through financial institutions or electronically). An exemption is requested for the period of time up to approximately June 24, 2012 when the same modification is expected to be made to CC&B.

## **CREDIT ADJUSTMENT LETTERS**

### **RSC – Billing Errors 7.7.1**

- An exemption is requested from the requirement to contact 100% of our customers with overbilling credit adjustments where the amount is greater than a one month average bill. The adjustments will be processed and THESL will be contacting the customers; however, since this is currently a manual process and reporting needs to be developed to identify every account that meets this criterion, some customers may not be contacted within the required timeframes. This process will be automated in future modifications to CC&B.

## APPENDIX B

### EHM/THESL OEB Customer Service Code Amendments Schedule

Process	Enersource Date Completed By	THESL Date Completed By
Define Business Requirements	January 20, 2011 through February 11, 2011	January 20, 2011 through February 11, 2011
<b>Sponsor approval of the defined business requirements</b>	<b>February 11, 2011</b>	<b>February 11, 2011</b>
Joint EHM/THESL Review	February 21, 2011 through to July 29, 2011	February 21, 2011 through to July 29, 2011
<b>Sponsor approval of the defined business requirements</b>		<b>August 05, 2011</b>
Review Sessions with Oracle	August 08 – 19, 2011	August 08 – 19, 2011
<b>Oracle's Functional Specifications Version 1.0</b>	<b>August 31, 2011</b>	<b>August 31, 2011</b>
<b>Oracle's Functional Specifications Final Version</b>	<b>September 09, 2011</b>	<b>September 09, 2011</b>
<b>Sponsor approval of the Functional Specifications</b>	<b>September 23, 2011</b>	<b>September 23, 2011</b>
<b>Oracle Code delivered to THESL and EHM's test environment</b>	<b>Phase 1 - December 16, 2011 Phase 2 – February 29, 2012</b>	<b>Phase 1 - December 16, 2011 Phase 2 – February 29, 2012</b>
Code tested and passed by CIS Team(s)	TBD	January 31, 2012 through April 30, 2012
<b>Code promoted to CCB Production environment</b>	<b>TBD</b>	<b>Phase 1 – February 11, 2012 Phase 2 – June 24, 2012</b>