

**Additional Information Requested by the OEB – EB-2019-0265**

- 1. Please identify the relevant sections of the Distribution System Code and the Standard Supply Service Code for which temporary exemption would be required because of the new system.**

Burlington Hydro (BHI) is requesting temporary exemption for the Customer Service Rule Amendments to:

- a) Section 2.6.3 of the Distribution System Code (DSC) – change the minimum payment period of 16 calendar days to 20 calendar days; and
- b) Section 2.6.2 (d) of the Standard Supply Service Code (SSSC) – residential customers registering for the equal monthly payment plan option are no longer required to agree to pre-authorized automatic monthly payment withdrawals.

BHI is requesting temporary exemption from the effective date of the amendments (March 1, 2020) until Q3 of 2020, the in-service date of its new Customer Information System (CIS).

- 2. For each section identified in your response to question 1, please describe the implications of satisfying the requirements using a temporary workaround or manual process.**

- a) Section 2.6.3 of the DSC

There is no feasible temporary work-around or manual process to implement changing the minimum payment period from 16 days to 20 calendar days. BHI's billing processes are driven by an integrated set of rules and assumptions configured within its current CIS, including the currently regulated 16 day minimum payment period. Changing this assumption has a direct impact on several automated downstream processes, including:

- Date the reminder notice is issued
- Date the mail collections notice is issued
- Start and end of the wait period
- Start and end of the disconnection period
- Effective date of the late payment charge calculation

In addition, BHI's current CIS is based on a "balance forward" A/R system and not an "open invoice" A/R system, which further complicates the implementation of the rule amendment (BHI's new CIS is an "open invoice" A/R system). BHI's current CIS only

stores two bills – “prior” bill and “current” bill – and only has the capability to choose “prior” bill or “current” bill for any collections actions or notices. Under the existing customer service rules and shorter timelines, the balance forward from the prior bill represents the amount due for collection at a certain point in time.

Under the new customer service rules, which extend the payment period and start of collection activities, the balance forward from the prior bill may include (i) past due amounts which are not yet subject to collection as well as (ii) past due amounts which are subject to collection. BHI’s current CIS will be unable to distinguish between the two when the new customer services rules come into effect, which affects the amount used for collection activities and notices. Additional programming would be required to separate these amounts for collection and disconnection activities, store them in the current CIS and trigger different actions on different dates.

Implementing a manual process is not possible. It would require managing collections and disconnections and calculating late payment charges on a bill-by-bill, customer-by-customer basis. Burlington Hydro has 68,000 customers. If it were possible, there would be significant potential to negatively affect customers through:

- reporting incorrect past due amounts;
- placing reminder calls prematurely;
- issuing erroneous reminder or collection notices with the incorrect amount; and
- issuing erroneous disconnection notices or collection notices with incorrect dates.

b) Section 2.6.2 (d) of the SSSC

BHI’s current CIS is programmed based on the existing SSSC requirement that all residential customers requesting an equal payment plan (EPP) must pay via pre-authorized automatic monthly payment withdrawals. BHI’s current CIS does not have the ability to accept any other form of payment for an EPP.

When a customer signs up for an EPP, BHI’s CIS automatically assigns rules and parameters which assume pre-authorized automatic monthly payment withdrawals. Offering another form of payment requires changes to the rules and logic governing account entry, reporting, and payment processes within BHI’s CIS. Certain set-up features such as penalty and delinquency exemptions, and payment date assumptions are automated. This change would also require testing the pre-authorized transmission to the bank to ensure that only those customers on pre-authorized automatic monthly payment were included. These changes are not configurable in BHI’s existing CIS; they require extensive custom programming and testing.

Implementing a manual process is not possible. The automated set-up process for pre-authorized payment would have to be re-programmed in the system and could not be

performed manually. Even if the set-up process could be reversed, there is no facility in the existing CIS to set up a regular payment structure for EPP customers. Burlington Hydro has over 7,500 customers on EPP – it is not possible to invoice these customers and manage all downstream processes manually.

As stated in its original submission, implementing the Customer Service Rule Amendments to Section 2.6.3 of the DSC and Section 2.6.2 (d) of the SSSC will require:

- Costly and challenging programming and configuration changes to the core of the original CIS design;
- Acquiring availability from scarce resources in the market to modify the existing CIS and its soon to be obsolete technology; and
- Significant testing due to the nature of the modifications and associated risks.

**3. Considering that Burlington Hydro currently offers an equal monthly payment option plan and preauthorized withdrawals to its customers, please confirm if it is feasible to temporarily use a manual process to support these offerings as opposed to an exemption from relevant sections of the DSC. Please provide details with your answer.**

BHI confirms it can support an equal monthly payment plan option and preauthorized withdrawals for residential and GS<50 customers. However, it is not feasible to temporarily use a manual process to be compliant with Section 2.6.2 (d) of the SSSC by March 1, 2020 as stated above (i.e. Burlington Hydro's only payment option for customers on an equal monthly payment plan is pre-authorized automatic monthly payment withdrawals).