CIS REPLACEMENT PROJECT CHARTER

The Project Charter is a statement of the scope, objectives, and participants in a project. It provides a preliminary delineation of roles and responsibilities, outlines the project objectives, identifies the main stakeholders, and defines the authority of the project manager. It serves as a reference of authority for the future of the project.

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Version History

Ver. No.	Ver. Date	Revised By	Description	Filename
1.00	19/04/16	███████	Draft Template	CIS Replacement Project Charter
1.01	21/04/16	███████	Scope and Milestones	CIS Replacement Project Charter
1.02	4/05/16	███████	Review and feedback from ████████ incorporated	CIS Replacement Project Charter
1.03	9/05/16	███████	Feedback from kick-off meeting incorporated. Including scope, critical success factors, expectations, meetings and risks	CIS Replacement Project Charter
1.04	26/05/16	███████	Feedback incorporated from ████████	CIS Replacement Project Charter

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1. Project Background

1.1 Problem/Opportunity Description

Customer Information Systems (CIS) are a key enabler of customer services capabilities. These strategic assets collect and store customer account information. They support the integrated delivery of customer care and revenue cycle processes, including meter reading, producing our customers' bills and collecting revenues.

Burlington Hydro Inc., Utilities Kingston and Kitchener-Wilmot Hydro Inc. have identified the opportunity to work together in order to replace their aging Customer Information Systems (CIS) with a common new CIS that would enable them to realize the benefits of shared services.

The two main reasons for this change are operational necessity and strategic positioning. This rationale is outlined below.

1.2 Benefits

The following potential benefits maybe realized through a joint CIS implementation:

- Cost sharing among the three local distribution companies (LDC) allows for a CIS of greater functionality to be implemented, than each LDC could afford independently
- The risk associated with implementing a new CIS is shared amongst the three LDCs
- Shared services will be looked upon favourably by the Minister of Energy
- Increased operational efficiencies may negate forced amalgamation
- Expanded user base by inviting other LDCs to participate
- Common set of business processes based on best practices
- Opportunity to learn from each other and implement best of breed
- A common CIS provides the following benefits:
    - Shared licensing cost
    - Shared cost when adhering to regulatory requirements
    - Shared cost for system integration
    - Shared cost of end user training
    - Shared yearly maintenance fees

In addition to the joint benefits realized above, each LDC will benefit from the following:

- Ability to recruit new information technology (IT) talent who are interested in working with the latest technology and provide a succession plan for an aging IT support staff.
- Aging legacy CIS are a major roadblock to making timely, efficient and cost- effective changes and enhancements. It is challenging and difficult to:
    - Introduce new products and services (e.g. Customer Web Portal, Consumption and transaction, consolidated billing)
    - Meet changing and increasing customer and/ or business needs
    - Adhere to OEB regulations

- o Rate changes require recoding of the system

- Strategic enhancements:
  - o Consolidated billing for customers with multiple properties and or billing for multiple services on one bill
  - o Expansion of on-line consumer interaction, including limit setting and notification
  - o Accurate capture of business account and multi-party account information
  - o Enhanced paperless communications with consumers, including preferred communication type storage
  - o Separation of billing and retail settlement for further cash flow improvements
  - o Write-off and write-off recovery handling
  - o Flexible payment arrangements
  - o Enhanced integration with GIS, including the modeling of relationship between location and billing cycle
  - o Deposit calculation automation
  - o Invoice format editor and invoice messaging enhancements
  - o Ability to invoice for multiple commodities and incremental services

- A new CIS will provide members with the foundation to:
  - o Provide flexible customer-centric metering, billing, payment and service capabilities
  - o Provide tech savvy customers with self-serve customer service options
  - o Fully integrate processes and eliminate silos and workarounds
  - o Improve decision making with real time reporting and data analytics
  - o Build future capabilities such as expanded customer relationship management (CRM) including sales, marketing, segmentation, sales force automation (SFA), and risk/profitability analysis
  - o Provide the opportunity to implement additional modules, such as finance and warehouse management in order to gain the benefit of a full Enterprise Resource Planning (ERP) application

2. Project Phases

The project phases are described below. While this section provides a high level overview of all project phases, this documents focus is on Phase 1: Requirements, the overview of the other phases is for information purposes only. Completion of each project phase will have a check point with the Executive Sponsors to ensure each parties needs are being met and to determine if they will participate in subsequent phases. Upon completion of the Requirements phase a second document outline the remaining phases will be written.

a. Phase 1: Requirements

This phase provides initial planning and preparation for the project. The CIS Replacement project has its own unique objectives, scope, and priorities. The deliverables in this phase included a complete set of system requirements required to author the RFP. Once completed, the RFP will be sent, responses evaluated and a system selected.

b. Phase 2: Blueprint

The purpose of this phase is to achieve a common understanding of how the companies intend to run their businesses. The business blueprint phase helps extract pertinent information about the companies that is necessary for implementation and validate the requirements. The result is the Business Blueprint, a detailed documentation that outlines your future business processes and business requirements. This documentation serves as the foundation for the development phase.

c. Phase 3: Development

The purpose of this phase is to implement all the business process requirements based on the Business Blueprint. The system configuration is completed, during this phase the solution is also tested.

d. Phase 4: Final Preparation

The purpose of this phase is to complete the final preparation (including technical testing, end user training, system management and cutover activities) to finalize your readiness to go live. The Final Preparation phase also serves to resolve all critical open issues. On successful completion of this phase, the business is ready to run on the new system.

e. Phase 5: Go-Live and Support

The purpose of this phase is to move from a project-oriented, pre-production environment to live production operation and provide sustained support to business users to aid their transition into the new environment.

f. Phase 6: Fine Tune

The purpose of this phase is to fine-tune the system with the processes and procedures established during the project and align them with operation needs.

3. Scope

The high level project scope below outlines what areas requirements will be defined for in order to implement a new Customer Information System, and the interfaces required to legacy systems. The CIS replacement project will focus on the areas listed below:

- Customer Information/
- Account Information/Maintenance
- Customer Correspondence
- Account Balance
- Account Adjustments
- Accounts Payable
- Moves / Transfers
- Accounting
- Taxes, Rebates
- Financial Balancing
- Consumption Review/Display
- Customer Consumption Analytics
- Meter Reading
- Bill Management and Scheduling
- Contracts and Rates
- Billing Periods
- Calculating Charges
- Programs and Billing Options
- Billing Adjustments
- Bill controls and Reporting
- Bill Production
- Retail Settlement
- Retail Electronic Business Transaction (EBT)
- Credit History
- Security Deposits
- Payment Functions
- Payment Extensions
- Collections Functions
- Disconnection Functions
- Write-off Functions
- Premise Related Functions

- Device Testing
- Field Work Orders
- Meter Inventory
- Equipment Inventory
- Master Data Synchronization
- Reporting – including OEB regulatory requirements
- Retailers EBT Spoke
- Conservation and Demand Management
- Work force management
- MV90 and MVRS - Interface
- AMI - Interface
- MDM/R (integration or replacement)
- Finance Interface
- GIS Interface
- OMS Interface
- My Account (integration or replacement)
- Bill Presentment
- Billing for multiple business lines
- OESP Interface
- CRM for CDM functions
- IVR and Phone system Interfaces
- Banking Interfaces
- Asset Management Interface
- Purchasing (Not in scope for KWH or UK)

4. Project Goals and Strategy

a. Critical Success Factors

This project will be considered successful if:

- It is delivered on time and on budget
- Billing accuracy as good or better than current system
- No extended delays in billing customers
- End users adoption
- Improve the customer experience
- No front page news
- Full integration with other systems is achieved
- No change in customer complaints
- Adhere to and meet all OEB requirements
- Receive positive press
- Successful joint venture, including cooperation and collaboration among the LDCs
- Successful transform our business to best practices

The goal of this project is to:

- Meet or exceed our customers growing expectations
- Reduce departmental dependency on excel
- Reduce the risk of an aging IT infrastructure
- Adhere to and share the responsibility of meeting regulatory requirements

As a result of this project, we hope to:

- Improve business efficiencies
- Increase and improve system functionality
- Provide our staff with better information
- Develop our staffs skills, and empower them, by arming them with information

As a result of this project we hope the following will not happen:

- Billing errors or delays in billing
- A complex and non-user friendly system
- End up with a system that does not fit our business
- Exceed the budget
- Lose customer confidence
- Lose employee confidence and engagement

Organizational success looks like:

- A successful cut over to the new system
- Little to no impact to the customer and billing
- A positive initiative for Gridsmart City and may create an alternative to mergers in the OEB's view

b. Project Execution Milestone List

Table 3.2 below provides a list of key milestones in order to complete the requirements for the CIS replacement project, and generate an RFP for release. An estimated timeline has been provided.

Table 4.1 Project Milestones

Milestone Name	Milestone Description	Start Date	Finish Date
Requirements	Determine requirements for all in scope areas of the CIS replacement project	9/05/2016	6/09/2016
Partner Review	Review and provide feedback on initial requirements	18/05/2016	5/09/2016
RFP	Create, review and incorporate CIS requirements for software and SI vendors	11/07/2016	5/10/2016
RFP Release	Date the RFP will be released to the vendors for response	5/10/2016 Software 7/10/2016 SI	28/12/2016 Software 30/12/2016 SI

5. Resources

a. Project Organization Structure

The organizational structure depicted below, illustrates the relationship between those involved in the CIS replacement project and do not necessarily reflect full-time roles. In fact, several of the roles may be performed by the same individual or multiple individuals. The Project Manager will draw upon other resources, as necessary, to meet the requirements of the CIS replacement project.
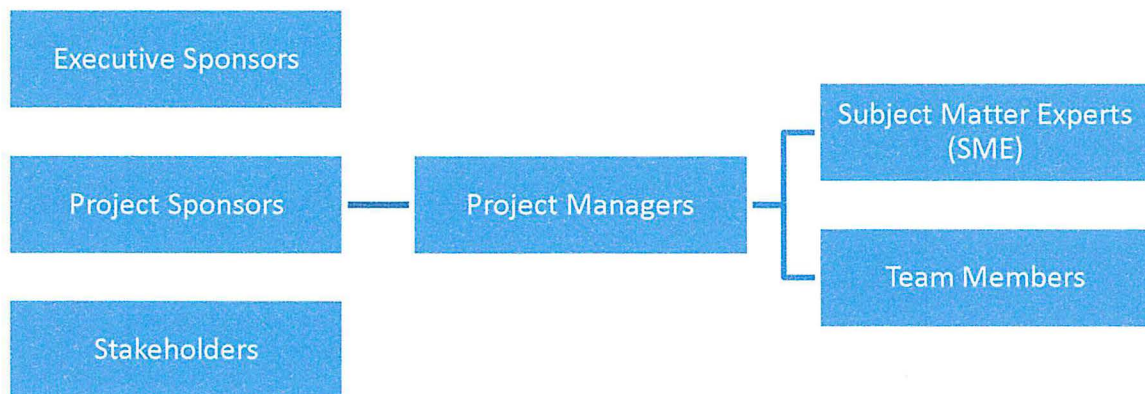
b. Roles & Responsibilities

Each role and the associated responsibilities are described below.

Executive/Project Sponsor: Provides overall direction to the project. Responsibilities include: approve the project charter and plan; secure resources for the project; confirm the project's goals and objectives; keep abreast of major project activities; make decisions on escalated issues; and assist in the resolution of roadblocks.

Stakeholder: Is a person, or group that may be affected, or have any kind of interest in the project or in project's outcome either directly or indirectly. All stakeholders are not equal, every stakeholder has their own expectations, and requirements.

Project Manager: Leads in the planning and development of the project; manages the project to scope. Responsibilities include: develop the project plan; identify project deliverables; identify risks and develop risk management plan; direct the project resources (team members); scope control and change management; oversee quality assurance of the project management process; maintain all documentation including the project plan; report and forecast project status; resolve conflicts within the project or between cross-functional teams; ensure that the project's product meets the business objectives; and communicate project status to stakeholders.

Team Member: Works toward the deliverables of the project. Responsibilities include: understand the work to be completed; complete research, data gathering, analysis, and documentation as outlined in the project plan; inform the project manager of issues, scope changes, and risk and quality concerns; proactively communicate status; and manage expectations.

Subject Matter Expert: Provides expertise on a specific subject. Responsibilities include: maintain up-to-date experience and knowledge on the subject matter; and provide advice on what is critical to the performance of a project task and what is nice-to-know.

Table 5.1 Roles & Responsibilities

Role	Kitchener-Wilmot Hydro Inc.	Burlington Hydro Inc.	Utilities Kingston
Executive Sponsor			
Project Sponsor			
Stakeholder			
Project Manager			
SME/Team Members			

6. Communication

a. Status Meetings

Table 6.1 Status Meetings

Meeting Type	Participants	Frequency
Steering Committee	Executive Sponsor, Project Sponsor, Project Manager	Bi-Monthly
Stakeholders	Project Sponsors, Project Manager, Stakeholders	Joint LDC every 3 months As required internally
Team Status Update	Project Manager, Project team members	Weekly

Frequency of status meetings may change based on the project requirements.

b. Status Reporting

Table 6.2 Status Reporting

Report Type	Content	Media	Author	Recipients	Frequency
Project Schedule	WBS, Issue Log, Road	Project		Project Team	Weekly

Report Type	Content	Media	Author	Recipients	Frequency
	Blocks				
Status Report	WBS, Issue Log	PowerPoint		Stakeholders	Monthly
Steering Committee	WBS, Issue Log	PowerPoint		Steering committee	Bi-Monthly

7. Project Risks

    a.   **Risk Identification, Assessment and Risk Mitigation**

Table 7.1 Project Risk Overview

Risk Title	Description of Risk Impact	Risk Category	Mitigation
Readiness	Readiness of BH, KWH, KH to take on a CIS project	Organizational	Conduct a readiness assessment to identify potential roadblocks
Resources	Availability of resources to prioritize project tasks as assigned will impacted project timelines	Project Schedule	Use of a projectized environment as outlined in the project charter
Issues	Project issues will impact time lines if not resolved in a timely manor	Project Schedule	Project issues will adhere to the escalation and resolution process outline in the project charter
Scope Change	Changes to the project scope will impact project cost and timelines	Scope	All project changes will be subject to a change control and approval process
Retirement	Retirement of IT leads at Burlington Hydro and Kitchener-Wilmot Hydro	Organizational	Recruit a replacement prior to leads retirement
Geography	Physical location of the partnering LDC's staff, make working together challenging	Project Tasks	Utilize webex and conference calls. Planned onsite meetings, travel required
Timelines	The project timelines do not allow for any slack	Project Schedule	Executive support to apply resources to complete tasks
Vacation	Project occurring over the summer, during peak vacation period	Project Schedule	Shuffle project tasks as required
Executive Support	Lack of support, means roadblocks to acquire the resources and SME time required	Organizational	Commitment from Executive team Signed project charter
Technology	Changes to the technology stack	IT	Ensure the operating system and related support programs are updated prior to go live

Risk Title	Description of Risk Impact	Risk Category	Mitigation
Roadblocks	Encounter a requirement the partner LDCs cannot agree on	Scope	Leverage the Steering committee for resolution
SME Retirements	Retire prior to project completion: CS supervisor - KWH Meter Reading Supervisor - BH	Project Schedule	Ensure knowledge transfer occurs/option to come back as a consultant
Burnout	Intense project schedule can lead to employee burnout	Project Schedule	Define project shut down periods

b. Readiness Assessment

Conduct a formal "readiness" assessment. This formal assessment identifies the strengths and weaknesses of the organization to carry out this project. Here is a checklist of questions to be answer:

- Is the top leadership of the company aligned and supportive of the project?
- Do you have the necessary funding in place for this project?
- Do you have the IT staff and IT skills that will be necessary?
- Do you have the hardware and network in place that you will need?
- Are your functional offices fully staffed?
- Are your functional offices ready to commit their best staff to the project?
- Do the various working groups across the organization get along well, or have they historically worked in "silos"?
- Has your company historically done a good job of communicating with company stakeholders?
- Are there good leadership skills at the level of functional and technical department heads?
- Are the various stakeholders, including department managers aware of what is about to happen, how long it will take, and how much effort it will take?

The answers to these questions will help you determine how prepared your organization is to undertake a CIS replacement project. Organizations should be prepared to deal with the deficiencies or gaps that need to be closed before beginning the implementation.

8. Project Processes

a. Change Control Process

Table 8.1 Process Summary

Process Step	Our Approach
1. Change Identified Who can submit change requests?	Change request maybe submitted by any project team member whom identifies a need for a change
2. Change Request Form How should they be submitted? (e-mail; phone; conversation)	All change requests will be submitted on the project SharePoint site using the change request form
3. Change Log Who will document and track requests using what method?	All change requests will be log in the change request log and tracked by the PM
4. Change Review Who will decide if the change should be investigated or not?	Change requests will be reviewed by the PM and change request initiator to determine if further investigation is required
5. Change Approval/Rejection Who will decide if the change should be implemented or not?	Change requests will be reviewed by the PMs and Project sponsors and a decision will be made whether or not to implement the change
6. Change Review Timing How often will changes be reviewed?	Changes will be reviewed on a weekly basis by the PMs and Project Sponsors, unless it causes a roadblock in which case it will be reviewed within 24 hours of submittal
7. Change Status Communication Who will communicate decisions back to requester and team, using what means?	The PM will communicate the status of change requests back to the requestor and impacted team members as soon as a decision on the change has been made
8. Appeal Is there an escalation process if the requester doesn't like the answer?	In the event the requestor is not in agreement with the decision, an appeal meeting will be held with the PM and Project Sponsor

b. Issue Management and Escalation Process

Step	Responsibility	Description
1. Identify Issue	Issue Creator	Issue identification is an ongoing process, which is monitored and updated regularly. The Issue Creator will inform the Project Manager that there is a new project issue.
2. Document Issue	Issue Creator	Identified issues will be documented in the Issue Log (in SharePoint). Projects will document issues through the lifecycle of the project.
3. Validate Issue	Project Manager	All "Open" issues are validated by the Project Manager to ensure issue validity, priority assignment, and correct due date. If the issue requires additional information or clarification, then the Project Manager will request clarification from the Issue Creator. Valid issues will be assigned to an Issue Owner and a Target Resolution date.
4. Issue or Risk?	Project Manager	Project Manager reviews "Open" submissions and assesses their validity. Submissions assessed as risks rather than issues are set to "Closed" status and deferred to the Risk Management process. The Project Manager documents the rationale.
5. Reject Issue?	Project Manager	If the issue is not valid, then the Project Manager will set its status to "Rejected" and document the rationale.
6. Analyze and Resolve Issue	Issue Owner	The Issue Owner analyzes the issue, determines level of impact, researches resolution alternatives, and modifies the Due Date as needed. During this stage, the issue status remains "Open". After the issue has been analyzed, the Issue Owner will determine a feasible solution and update the issue log. The Issue Owner communicates the issue progress to the Project Manager. The implementation of the solution is planned accordingly.
7. Monitor Issue	Project Manager	Project Manager regularly assesses the status of the issue resolution progress and manages communication, notification, and, if necessary, escalation. The Project Manager reviews and agrees on an Action Plan, as well as monitors the resolution progress and determines the necessary escalation with all affected parties. The status will remain in "Open" until the issue is resolved.
8. Issue Resolved?	Project Manager	Once a solution has been implemented, the Project Manager monitors progress to determine the success of the implementation. If the issue cannot be resolved or implementation was not successful, the issue is escalated up the program governance and deferred to the Escalation Management process.

9. Close Issue	Project Manager	Once the issue has been addressed and the resolution has been implemented, then the Project Manager will document the resolution and set the status to "Closed".

9. Requirements Process

A requirement is a condition or capability needed by a stakeholder to solve a problem or achieve an objective.
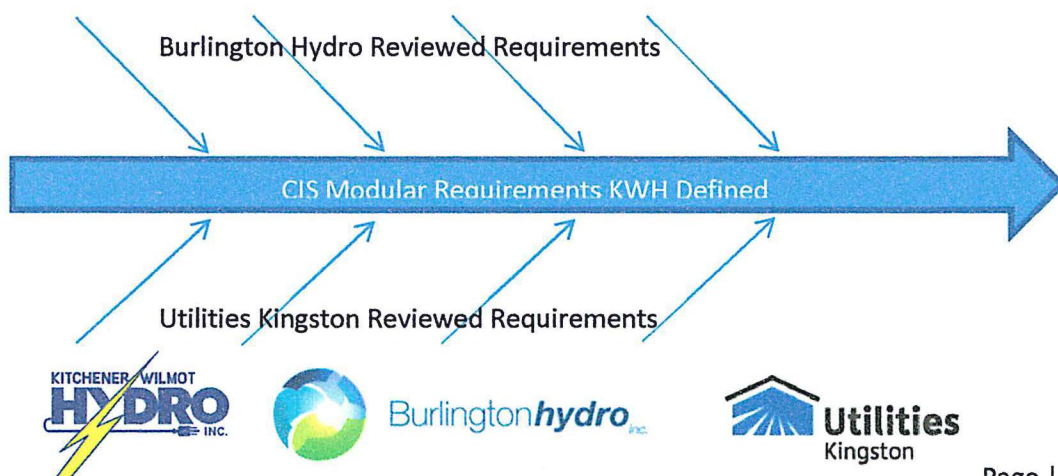
Requirements for a new Customer Information System (CIS) will be gathered through a series of workshops involving all levels of the organization. As the requirements for a project of this scale are large, requirement gathering will be broken down into modules, and accelerators leveraged to speed up the process.

Each requirement will be scored by all partners using the criteria in the chart below:

CIS Requirements Scorecard		
Weight	**Category**	**Description**
15	Key Business Drivers	Functionality that is mandatory for future strategic business requirements and cause for replacement.
10	Mandatory Current	Current System provides required functionality, but understands new system may provide different options. (Improvement over current system)
5	Potential Requirement	Functionality that may be utilized in the future to address industry changes. Accommodated in a future system release.
1	Non-Essential	Functionality that is not currently needed, but if offered could be used.

By categorizing each requirement, it enables the consortium to review software fit in each of the four categories.

Upon completion of each module, KWH will share the module requirements with the partners, whom will review for completeness and fit with their business units. Any significant changes will be reviewed by the consortium in order to reach a consensus.

Burlington Hydro Reviewed Requirements

CIS Modular Requirements KWH Defined

Utilities Kingston Reviewed Requirements

KITCHENER WILMOT HYDRO INC.

Burlington**hydro** inc.

Utilities Kingston

All modules will then be consolidated into a master requirements definition document that will become the basis for the Request for Proposal (RFP). Due diligence is required by all those involved in defining the requirements as they will be used throughout the project, as part of the statement of work and for testing.

10. Authorization

This section contains the signatures of each LDC's executive sponsor, indicating they agree with the scope, roles, responsibilities, processes and the description of the project as it appears in the project charter.

This project charter formally authorizes the existence of the Customer Information System (CIS) Replacement project, and provides the project manager with the authority to apply organizational resources to the project activities described herein.

Date

Executive Sponsor, Kitchener-Wilmot Hydro Inc.

Date

Executive Sponsor, Burlington Hydro Inc.

Date

Executive Sponsor, Utilities Kingston