

Additional Information Request
Burlington Hydro Inc. - Application for Temporary Exemption from Amendments to SSSC
EB-2020-0215

- 1. Please confirm that Burlington Hydro currently has RPP customers that are charged on a tiered basis. If yes, please explain why the same programming and/or system capability cannot be used to facilitate a customer's election to be charged tiered prices?**

BHI confirms it currently has RPP customers that are charged on a tiered basis. However part of this billing process is manual and is not programmed in BHI's current CIS. BHI can currently perform the manual part of the process with existing resources to accommodate the few RPP customers currently on tiered pricing. It will not be able to perform the manual part of this process with existing resources, for the hundreds or thousands of customers that are expected to switch from TOU to Tiered pricing. More details on the manual part of the process are provided below.

When an RPP account is changed from TOU to tiered, BHI's current CIS is not programmed to use the billing quantities (BQs) from the Meter Data Management Repository (MDM/R) for billing. In order to bill these customers, BHI must:

- Manually look up the register read for the account once it is available in the MDM/R.
- Manually enter the register read in its CIS.

This process must occur every month for every RPP customer on tiered pricing and takes approximately 15 minutes to complete. Currently, changes are only required for a small number of customers. For this reason, BHI has not invested in establishing a more automated process. Once the billing quantities are entered into the CIS and the customer's account is flagged to bill on a Tiered basis, the remainder of the process is automated.

In summary, BHI cannot use programming and/or system capability to facilitate a customer's election to be charged tiered prices because neither exist. The process is manual. To continue with the current manual process with the expected increase in customers electing to switch between TOU and Tiered pricing is not achievable with existing resources and in the timeframe required.

BHI confirms its new CIS will be capable of using the BQs from the MDM/R to bill tiered customers, eliminating these two manual steps.

- 2. For Burlington Hydro's existing customers that are reassigned, pursuant to section 2.5 of the Distribution System Code, to another rate class, please explain how Burlington Hydro implements such changes? Could a similar approach be used for customers who make an election to be charged tiered prices? If not, why not?**

The process of reassigning customers to another rate class does not typically involve a change from TOU to tiered prices. However in the event that it does, the same manual steps as described in Question 1. above are performed. In addition, the customer must also be reassigned from one rate class to another. If a customer is reclassified from GS>50kW to GS<50kW as an example, which also requires a switch from Tiered to TOU pricing, the process is more involved than that described in Question 1. The process is still manual; and BHI must ensure the customer's meter is synced with the MDM/R (which is not required for Tiered pricing). This could require significant correspondence between BHI's IT department and the MDM/R to confirm the receipt of BQs for TOU billing.

BHI does use the same process to move customers from TOU to Tiered pricing as it does for a rate reclassification, however the process is manual and time consuming and is currently manageable because it involves less than 100 customers per year.

- 3. Given the responses to questions 1 and 2, please explain the changes Burlington Hydro would have to make to its billing system to allow all residential consumers or general service < 50kW RPP consumers to be tiered billed as opposed to time of use billed? Please outline and explain the issues this creates for your current billing system.**

BHI anticipates it would have to make the following changes, at a minimum, to its billing system to accommodate an increased volume of residential consumers or general service < 50kW RPP consumers to switch from TOU billed to tiered billed on a monthly basis:

- Develop, test and install programming that would allow BQs from the MDM/R to be used for RPP customers on tiered billing. BHI's current CIS is not programmed to use the BQs from the MDM/R for billing.
- Program rules into the CIS to determine which billing period the change should become effective, and to hold/queue elections received within 10 business days of the next billing cycle.

- Develop, test and install programming to notify customers within 10 business days of the status of their election, a new requirement under the amended SSSC that BHI's existing CIS is not programmed to do.
- Program changes to allow for TOU or tiered pricing during new account setup, to ensure accounts are not automatically defaulted to TOU as they are now.

All of these investments would be made to a legacy CIS, which will be obsolete within two to three months when the new CIS goes live.

4. In Burlington Hydro's exemption request dated August 27, 2020, it was stated "A manual workaround is impracticable – the method by which customers are billed (RPP TOU or Tiered) must be programmed into the CIS in order to calculate, produce and issue bills."

- **Please provide further details as to how a manual workaround is impractical including the resources that would be required to allow for specific customers to be manually switched from TOU to Tiered pricing.**
- **Please provide the estimate of the costs that Burlington Hydro would incur to ensure the legacy customer information system is able to deliver the requirements of the amended SSS Code.**

Manual Workaround

BHI's manual workaround would leverage its existing processes for moving customers from TOU to tiered billing for meter changes where meter data is missing. Per BHI's response to question # 1, BHI's current process is manual, and billing one tiered customer incurs an incremental 15 minutes of manual effort per month. Significant incremental resources would be required to offer TOU optionality to all of BHI's RPP customers.

If BHI receives a high volume of applications around the October 13th "coming into force" date, or any subsequent month until its new CIS is implemented, it will not have the resources to meet the requirements under the amendments to the SSSC. BHI has more than 65,000 residential and general service < 50kW RPP customers. Assuming only 5% of these eligible customers elect to switch, BHI will have to process more than 3,000 changes, which includes receiving and assessing election forms; and notifying customers. In addition, register reads need to be manually looked up and entered into the billing system each month, which currently takes approximately 15 minutes. Ignoring initial setup time and assuming 15 minutes per tiered bill, it will take 750 hours per month to bill all of these tiered customers every month. BHI's Billing department has limited resources and would require up to 5 incremental full-time resources (assuming 160 working hours per month per FTE), plus potential overtime premiums, to bill these

customers. This translates into approximately \$32K per month for incremental billing department staff. Existing resources are assigned to ongoing daily billing and maintenance, irrespective of which CIS is used; and have no capacity to take on this work.

Program Legacy CIS

BHI is still working with its CIS vendor to scope out and price the required changes to its legacy CIS. BHI estimates to incur \$35K to ensure the legacy customer information system is able to deliver the requirements of the amended SSSC. In delivering the requirements of the amended SSSC, BHI will incur additional costs if the implementation of its new CIS is interrupted or put at risk. A one month delay in the new CIS implementation is \$20K. Resources currently allocated to the new CIS implementation will be reassigned to program and test TOU optionality in the legacy CIS. BHI will incur incremental costs to make changes to its new CIS, which would be in addition to any costs incurred to change its existing CIS.

5. **In the event that Burlington Hydro does not receive the temporary exemption as requested, please identify which of the requirements of section 3.5 “RPP Consumer Opt-out of Time-of-Use Pricing”, Burlington Hydro has the capability (system or manual process) to meet. In responding please address each of the following requirements in the amendments: posting notice forms on its website, accepting the notices and assessing completeness of the requests, account changes, records retention as well as meeting the required timelines for implementation of the elected tiered prices billing. For each of the provisions in section 3.5 “RPP Consumer Opt-out of Time-of-Use Pricing” that it is unable to comply with explain why it cannot meet the requirement.**

- i. Posting notice forms on its website:***

BHI confirms it can meet this requirement but is concerned it may result in a backlog of requests to be processed if it can't meet all other requirements of the amended SSSC. BHI is concerned about processing this backlog, but also that a customer's election (TOU or Tiered pricing) may change between the date of their original election and the date BHI is able to implement the change. BHI is concerned this will lead to customer confusion and dissatisfaction as well as increased call volumes into BHI's call centre, which could impact service quality metrics.

- ii. Accepting the notices and assessing completeness of the requests:***

BHI confirms it can meet this requirement but has the same resourcing issues as identified above.

iii. Account changes:

BHI can currently meet this requirement using a manual process. However, BHI cannot confirm its ability to make account changes subject to the required timelines, which is a critical factor in a customer's election decision.

If BHI cannot make account changes in accordance with the required timelines, which is the basis upon which customers are making their election, this could lead to customer confusion and dissatisfaction as well as increased call volumes into BHI's call centre, which could impact service quality metrics.

iv. Records retention:

BHI confirms it can meet this requirement.

v. Meeting the required timelines for implementation of the elected tiered prices billing:

BHI cannot confirm its ability to make account changes subject to the required timelines at this time.

6. Please explain why an exemption is required until March 31, 2020. Is it possible to have the new Customer Information System operational or at least partially operational to allow for customer switching from TOU to tiered pricing before that date?

The exemption is required until March 31, 2021 to ensure that BHI can implement this new functionality by no later than that date. If the new CIS is operational before that date e.g. at the end of 2020, BHI will be able to allow for customer switching from TOU to tiered pricing at that time and before March 31, 2021. The TOU optionality functionality will be embedded into BHI's new CIS.

No it is not possible to have the new CIS partially operational to allow for customer switching from TOU to tiered pricing prior to the Go-Live date. BHI cannot house customer information on two systems nor can it have some customers (e.g. non-RPP) on the old CIS and other customers (e.g. RPP) on the new CIS. Data and information required to produce invoices and reports; and settle with the IESO must be in one CIS.