



Ontario  
Energy  
Board

Commission  
de l'énergie  
de l'Ontario

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# **DECISION AND ORDER**

## **EB-2021-0141**

### **KITCHENER-WILMOT HYDRO INC.**

**Application for Electricity Distribution Licence Amendment**

**BY DELEGATION, BEFORE: Brian Hewson**

Vice President,

Consumer Protection & Industry Performance

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**May 20, 2021**

## DECISION AND ORDER

Kitchener-Wilmot Hydro Inc. (KWHI) applied on April 14, 2021, under section 74 of the *Ontario Energy Board Act, 1998* (OEB Act) for an amendment to its electricity distribution licence, ED-2002-0573. On May 17, 2021, KWHI file additional information to complete its application. KWHI is seeking the Ontario Energy Board's (OEB) approval to extend its current exemptions from section 4.2.4A of the Distribution System Code (DSC) and section 2.6.2 of the Standard Supply Service Code (SSSC)<sup>1</sup> to September 30, 2021.

This Decision and Order is being issued by the Delegated Authority, without holding a hearing pursuant to section 6(4) of the OEB Act.

This application follows two prior amendments to KWHI's licence related to the temporary exemption from section 4.2.4A of the DSC and section 2.6.2 of the SSSC (discussed below), that were approved by the OEB.

## BACKGROUND

On February 11, 2020, in proceeding EB-2019-0217, the OEB issued a Decision and Order amending KWHI's licence, to exempt it from having to comply with the identified sections of the DSC and SSSC until December 31, 2020. The OEB authorized the exemptions based on the understanding that KWHI was in the process of implementing a new Oracle Customer Care and Billing (CC&B) system, which would meet all the requirements of the amended customer service rules under the DSC and SSSC, with an estimated in-service date on December 31, 2020. The OEB found that it would not be prudent for KWHI to incur significant costs to customize its existing COBOL-based in-house Customer Information System (CIS), which was in the process of being replaced.

On October 30, 2020, KWHI filed a second application with the OEB for an extension of the period for which the utility would be exempt from compliance with section 4.2.4A of the DSC and section 2.6.2 of the SSSC. KWHI requested that the exemption period be extended to June 30, 2021. KWHI's rationale for the extension request was that due to challenges related to the COVID-19 pandemic and the unplanned changes to legacy

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<sup>1</sup> Both of these sections are amendments to the respective codes, which came into force on March 1, 2020, as per the Ontario Energy Board's March 14, 2019 notice of amendments to the DSC, the SSSC, and the Unit Sub-Metering Code and Gas Distribution Access Rule (GDAR) – EB-2017-0183.

CIS in order to process billing for customers opting out of Time of Use (TOU) price effective November 1, 2020, it has been forced to delay the implementation of the new CC&B system until April 2021. On December 17, 2020, the OEB granted the application and approved an amendment to KWHI's licence which exempted the utility from compliance with the identified sections of the DSC and SSSC until April 30, 2021 (EB-2020-0259).

## **APPLICATION**

In its latest application, KWHI submits that it is not able to meet the April 30, 2021 deadline. KWHI states that the implementation of its new CC&B system has been a challenging project for KWHI. Although a significant portion of the project has been substantially completed, due to many unplanned policy and pricing changes and the introduction of new customer support programs stemming from the COVID-19 pandemic that were extremely time and resource consuming, the implementation of the new CC&B system has been further delayed to September 2021.

KWHI states that it will continue to take appropriate steps to address customer concerns in relation to non-payment of accounts and disconnection notices as part of its regular customer services. KWHI also states that it continues to work with its customers and will only resort to disconnection when all other solutions have been exhausted (i.e., LEAP, CEAP or arrears payments agreements).

## **FINDINGS**

The OEB accepts that unplanned additional changes to KWHI's legacy CIS have required resources to be taken away from the implementation of the new CC&B system and that, together with ongoing challenges related to the COVID-19 pandemic, has resulted in a further delay to the implementation of KWHI's new CC&B system. The OEB finds this delay reasonable in the circumstances. Therefore, in accordance with its earlier findings that it would not be prudent to require KWHI to incur the costs of adjusting its current CIS to meet the requirements of section 4.2.4A of the DSC and section 2.6.2 of the SSSC, the OEB will extend the period of the licence exemption to September 30, 2021.

The OEB does, however, expect that in the next four months, KWHI will mobilize all its resources and efforts to conclude implementation of its new CC&B system so that it is in operation on September 30, 2021.

**IT IS ORDERED THAT:**

1. Kitchener-Wilmot Hydro Inc.'s Electricity Distribution Licence ED-2002-0573, specifically Schedule 3 "List of Code Exemptions", is amended to include an exemption from section 4.2.4A of the Distribution System Code. This exemption expires on September 30, 2021.
2. Kitchener-Wilmot Hydro Inc.'s Electricity Distribution Licence ED-2002-0573, specifically Schedule 3 "List of Code Exemptions", is amended to include an exemption from section 2.6.2 of the Standard Supply Service Code. This exemption expires on September 30, 2021.

**DATED** at Toronto, May 20, 2021

**ONTARIO ENERGY BOARD**

Original Signed By

Brian Hewson

Vice President, Consumer Protection & Industry Performance