



Water and Wastewater / Storm

2018 Service Activity Report to The City of Hamilton

October 2018

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Overview

Alectra Utilities Corporation (“Alectra Utilities”) and its predecessor Horizon Utilities Corporation (“Horizon Utilities”) has been providing water and wastewater/storm account management and billing services to the City of Hamilton (“City”) since December 2001.

More than a year ago, four like-minded utilities came together to champion positive change for our customers and the communities we serve. As Alectra Utilities, we are focused on creating long-term value for customers by finding efficiencies, reducing costs, and providing superior, reliable service in meeting customer needs

Alectra Utilities’ mission is to be the energy ally that our customers expect us to be. We are equipped to help our communities discover the possibilities that energy conservation and new technologies can have on enhancing the quality of life of nearly one million customers in the communities we serve.

Through a contractual relationship that extends to December 31, 2019, Alectra Utilities provides the City with a comprehensive package of services to support all functions related to customer information and billing operations for approximately 152,000 water and wastewater/storm customers. Just over 27,000 customers receive a stand-alone water/wastewater/storm invoice due to the customer premise being located within the City of Hamilton, but not within Alectra Utilities electric service territory.

Alectra Utilities’ suite of services:

- Meter reading
- Bill calculation, printing, mailing and electronic bill presentment options (ebilling)
- Customer notifications
- Full customer call support, responses to inquiries and liaison between the customer and the City for escalated concerns
- Oversight and administration of City procedures and programs relating to water and wastewater/storm services such as the Leak Adjustment Policy
- Payment processing
- Account collections including the administration of payment arrangements
- Customer web access to account information including account status and consumption information
- Monthly statistical reporting
- Ad-hoc reporting upon request
- Completion of work orders
- Issuing service orders to Hamilton Water
- Transfers of water and wastewater/storm arrears to property tax roll
- Billing/invoicing/collection/management of Sewer Discharge Permits

In addition to the operational functions provided by Alectra Utilities to the City, Alectra Utilities also strives to bring value-added expertise and partnership through the support and delivery of other initiatives.

In June 2018, Alectra Utilities implemented a water billing policy change approved by City Council whereby all residential accounts are enrolled and billed in the name of the registered property owner. To communicate this significant change to property owners, a notification letter was sent to all landlords, the City placed advertisements in the Spectator, information and FAQ’s were added to Alectra Utilities’ website, and Call Centre staff were trained to assist customers. Property owners will now have the opportunity to save interest and administrative costs related to tenant arrears being transferred to the tax roll as well as having the ability of identifying potential leaks at their rental property.



In 2017, the Province enacted regulation for the Energy & Water Reporting and Benchmarking (EWRB) initiative that is designed to help building owners and managers improve their building’s energy and water efficiency. The regulation outlines what building owners and utilities must do to comply with EWRB. Through this regulation, some privately owned buildings (greater than 50,000 square feet) will be required to report annual energy and water consumption and performance data. The first mandatory reporting deadline was July 1, 2018, and applied to buildings 250,000 square feet in size and larger. Alectra Utilities provided usage information to our customers to comply with the initial new mandatory reporting for large buildings. In 2018, this requirement affects some of the City’s customers such as Cadillac Fairview, Walmart, and RioCan.

In September / October 2018, Alectra Utilities assisted the City with implementing the City’s revised *Water and Wastewater Consecutive Estimated Accounts Policy*. The Policy now incorporates the option of service disconnection as a last resort, only when all other means provided for by the Policy have failed to encourage customers to provide access to their meter for the purpose of obtaining actual meter reads. As required by the Policy, reasonable notice of the planned service shut-off is to be provided to the owners and occupants of the affected premises with a notification by registered mail. If the issue causing estimates is not resolved, a notification will be posted on the premises in a conspicuous place. Alectra Utilities fulfills the City’s requirements by ensuring that registered mail and on-site notifications are provided and Alectra applies the associated charges to customers water bills. Alectra Utilities’ Customer Service staff have been provided training regarding the revised Policy.

In October 2018, information regarding the Province’s new Home Dialysis Utility Grant was posted to Alectra Utilities’ website to increase customer awareness. The Grant offsets the costs for the increased water and electricity usage associated with home hemodialysis treatments.

The City’s fifth annual newsletter was provided to residential customers as a bill insert accompanying their fall water bills. The insert highlights the availability of the Service Line Warranties of Canada (SLWC) program, lead pipes, frozen pipes, and provided an update regarding the Woodward Wastewater Upgrades and New Wastewater Wet Well Pumping Station Project.

Meter Reading and Billing

The customer experience is enhanced by the customer’s receipt of accurate and timely invoices. Alectra Utilities manages meter read schedules on a daily basis to ensure that water meter reads are available to support monthly water and wastewater/storm billing for all customer types.

Alectra Utilities and the City strive to obtain actual meter readings for billing. Where an actual reading cannot be obtained, the account is billed to an estimated reading based on the account’s historical usage. Meter read request cards to alert customers that an actual reading cannot be obtained are left at the property. Estimated reads are clearly identified on the customer’s bill. Meter reads may be provided by calling Alectra Utilities Customer Service department, utilizing our automated Interactive Voice Response (“IVR”) telephone system, sending a digital picture of their meter read via an email, or completing a form on the Alectra Utilities website. If three consecutive meter reading estimates occur, a separate notification letter and IVR outbound call are provided as additional customer communications. Currently there are less than 900 accounts that have been consecutively estimated more than twice. Resolving estimated accounts and access issues is a daily priority.

Electronic “smart” water meters have been installed in hard-to-reach locations and are read through Alectra Utilities wireless telecommunications. Currently 188 electronically read water meters have been installed to date and an additional 331 water meters have a remote radio head installed for electronic reading.



Alectra Utilities Customer Information System (“CIS”) supports a range of fees and charges required by the City including: metered rates, various non-metered rates and fixed charges based on meter size. Complex billing scenarios such as water haulers, master/satellites, seasonal meters, compound meters and electronic read water meters are all also managed within the CIS. Invoicing of the City’s Wastewater Abatement Program, Private Fire Line user fees, Sewer Discharge Permit fees, back-billings and various Hamilton Water service charges are also applied through the CIS.

Meter Reading and Billing Information

	2018	2017	2016	2015	2014
	Forecasted	Actual	Actual	Actual	Actual
Number of Invoices Issued	1,817,881	1,503,629	963,699	982,208	951,062
Revenue	\$205.9MM	\$199.5MM	\$195.4MM	\$182.3MM	\$169.2MM
Meter Reads	1,673,072	1,453,956	945,125	920,415	912,405
Meter Read Success Rate	95%	96%	95%	94%	95%
New Accounts Created	2,544	1,645	2,235	1,661	1,827
“Estimated Account” Letters	12,825	15,380	10,842	12,112	15,080
Touchpad “not working” Service Orders	2,579	2,735	1,553	1,817	1,766
Service Orders to relocate remote touchpad	620	446	302	243	175
Transition to monthly billing started May/June 2017					

Reporting and controls are in place and monitored as part of our daily operations. For example, reporting is in place to monitor compound meters that are not registering consumption on either high or low flows.

The implementation of monthly billing in mid-2017 continues to be well received by City customers.

Customer Management

Alectra Utilities mission is to be the energy ally that our customers can rely on. For our Call Centre, this is further defined by being easy to do business with, solutions oriented, and appreciative of our customers. Our Call Centre is forecasted to answer more than 220,000 telephone inquiries regarding electric and water accounts from Hamilton and St. Catharines customers in 2018 and aims to meet or exceed its target of answering 75% of in-bound calls within 30 seconds. Additional customer transaction requests from Hamilton and St. Catharines are received and responded to annually through self-serve options, electronic channels including email and the Alectra Utilities after-hours voice mailbox.

All interactions with our customers promote electronic payment methods and ebilling solutions as one of our value added services.

Alectra Utilities’ website has a section dedicated to water and wastewater/storm services and customer education including:

- Water and wastewater/storm billing explanations
- Understanding your water bill
- Water and wastewater/storm rates
- How to read a water meter
- Things you need to know before buying a home or going away
- Information regarding the City’s Arrears Policy
- Information about the City’s Water Leak Adjustment Policy



- Information detailing who is responsible for water and wastewater/storm charges
- Information regarding Private Fire Line Charges and Sewer Discharge Permit Charges
- Water and wastewater/storm service user fees
- Frequently asked questions
- Water saving tips

Customers can access Alectra Utilities’ My Account which is a secure portal to view their bills, understand historical water consumption and utilize account management features such as the paperless billing option.

The Customer Care team are knowledgeable about the billing and payment services that Alectra Utilities provides, including particulars regarding water and wastewater/storm account management. The Call Centre responds to queries such as:

- Notification of a change of address
- Requests to discuss payment options
 - Pre-authorized payments
 - Equal payment plans
- Queries about how rates and charges are calculated
- Payment arrangement options
- The City’s Water Leak Adjustment Policy and related procedure
- Transfer of water/wastewater/storm arrears to the property tax roll
- Meter reading access issues
- Inquiries about high usage (including the provision of leak identification education) and meter accuracy inquiries

The CIS provides variance reporting to ensure that bills are within a normal tolerance that supports the administration of the High Water Read Notification Program.

Residential customers are contacted by telephone before receiving a higher than normal bill to be advised that their bill has been calculated to be more than 175% greater than their norm (this notification trigger is lowered to 150% during the months of November to April). This timely notification allows customers to identify abnormally high water use, which assists with the identification of leaks and allows for corrective actions.

Timely customer communication supports positive customer relations. City bill inserts are included with invoices to advise customers of rate schedule changes or policy modifications. Additionally, special mail-outs are coordinated for the City as requested.

Customer Management Information

	2018 Forecast	2017 Actual	2016 Actual	2015 Actual	2014 Actual
Incoming Calls	79%	77%	82%	80%	81%



As previously mentioned, our Call Centre aims to meet or exceed its target of answering 75% of in-bound calls within 30 seconds and has successfully met this objective as reflected above. The complexity of customer calls has increased. Our Customer Service Representatives (“CSR’s”) are having fulsome conversations with our customers to understand their inquiry while ensuring the customer is receiving the information they need during the first interaction. Tracking of First Call Resolution metrics remain over 90%.

Payment Options and Collections

Alectra Utilities offers a variety of payment options tailored to each customer’s unique needs. Customer payment options include:

- Automatic pre-authorized payment plans
- Equal monthly payment plans (for pre-authorized payment plan customers)
- Cheque, money order, or bank withdrawal from most financial institutions
- Telephone banking
- Internet banking
- Credit Card Payment (with a Convenience Fee)

The *Municipal Act, 2001*, allows unpaid water and wastewater fees and charges to be placed on the City of Hamilton tax roll for the property to which the public utility was supplied, irrespective of who the consumer or account holder may be or have been.

In accordance with the City's Water / Wastewater Arrears Policy and in order to assist property owners who direct water and wastewater/storm billings to a tenant, Alectra Utilities endeavors to notify property owners of tenant/account holder arrears at 30 calendar days beyond the due date. If the account remains unpaid, the water/wastewater/storm arrears will be added to the property’s tax roll when the account is 60 calendar days beyond the due date. Alectra Utilities manages the process of electronically transferring the outstanding fees and charges related to active and final billed accounts to the property tax roll.

Payment Information Options

	2018 Forecasted	2017 Actual	2016 Actual	2015 Actual	2014 Actual
Water/Wastewater accounts on Pre-Authorized Payment **	40,044	39,215	38,020	51,676	57,860
	26%	26%	26%	35%	40%
Water/Wastewater on Equal Payment Plan	8,911	9,049	9,124	8,390	8,107
30 day/60 day Notification Letters sent	58,437	56,006	40,402	36,023	34,482
Number of Accounts Transferred to Tax Roll	13,992	11,681	6,221	5,796	5,747
Arrears Value	\$2,760,170	\$2,266,225	\$1,480,000	\$2,100,000	\$1,440,272

**2016 and 2017 numbers are based on active accounts only. Previous years included closed accounts.

Administration and Management of City of Hamilton Programs and Special Requests

Arrears Certificates: Upon request from a solicitor, water and wastewater/storm arrears certificates are sent advising of any outstanding charges that remain at the time of closing for real estate transactions. Arrears certificate queries are answered daily; 100% are completed within 10 business days by the Alectra Utilities Customer Service department.

Service Orders: Alectra Utilities processes a variety of service orders from Hamilton Water’s Customer Service and Community Outreach section related to activities such as new meter installations, meter replacements and account transfers.



High Water Read Notification Program: On behalf of the City, Alectra Utilities provides notification to account holders who experience higher than average historical water consumption. This timely notification provides customers the opportunity to identify and repair any leaks or identify usage that would affect the amount of water consumed. The notification, which includes leak detection information, is mailed out to customers if usage increases by 175% over the previous year (150% during November to April).

Water Leak Adjustment Policy: The City of Hamilton’s Water Leak Adjustment Policy provides residential, not-for-profits and institutional customers who utilize City of Hamilton water services with financial assistance under certain circumstances. The Policy provides a one-time opportunity for customers to request adjustments to water/wastewater/storm charges where repair(s) of water leaks within private property occurs, excluding any water leaks in the water service pipe.

Customers may request adjustments to water and wastewater/storm charges by completing a Water Leak Adjustment Request form (available on the Alectra Utilities website) and submitting it to the Alectra Utilities Customer Service department. Any adjustments greater than \$500 require City review and approval.

Billing of Seasonal Accounts: Reads and their related work orders completed by the City are forwarded to Alectra Utilities twice per year and the information is used to reconcile seasonal accounts.

Billing of Sewer Discharge Permits: On a quarterly basis, Alectra Utilities bills sewer discharge permits with the City’s annual budget for these revenues of almost \$7.0 M. Monthly reporting of unpaid accounts is forwarded to the City for tracking purposes.

Program Management Information

	2018 Forecasted	2017 Actual	2016 Actual	2015 Actual	2014 Actual
Water/Wastewater Arrears Certificates	3,298	4,685	4,488	6,172	4,977
Service Orders Completed	13,149	12,389	13,259	8,146	5,231
High Water Notification Letters	12,459	9,844	10,403	18,843	9,102
Leak Adjustment Request Forms Received	55	90	106	150	211
Leak Adjustment Credits applied to accounts	\$40,100	\$55,700	\$49,700	\$55,196	\$72,882

Reporting

Alectra Utilities has robust reporting to manage the water and wastewater/storm billing activities including exception handling. A variety of statistical and summary reports are sent to the City each month to enable analysis and program oversight, including:

- Monthly billing detail report
- Adjustments detail report
- Leak Adjustments summary
- Wastewater Abatement summary
- Non-metered account listing
- Large water user billing report
- Meter read accuracy report
- Rate types and meter size



- Sewer Discharge Permit billing report
- Fire Line Services
- Summary of aging arrears and current account receivables
- Revenue report by rate class
- Trial balance for all account receivable transactions
- Adjustments by type

Looking Ahead to 2019

Alectra Utilities continues to deliver upon its convergence strategy to align its systems, services and customer experience across its service territories. This includes the transition to a new CIS system and ancillary systems planned for Q1 of 2019.

The integration of new systems will result in a number of changes for City customers including:

- New account numbers
- Paper bills will have a fresh look and feel
- Ebills will have additional information including built-in inserts
- Changes to the My Account portal

We have already started to implement our customer change management strategy which will inform and support customers through these changes. Additional communications including bill inserts will be added as we get closer to the time line(s) when these changes will take effect.