



2021 Water and Wastewater / Stormwater Services Activity Report to the City of Hamilton

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2021 in Review

Alectra Utilities Corporation ("Alectra") services approximately one million homes and businesses across an 1,800 square kilometers service territory comprising seventeen communities. Billing, payment, and related customer services are provided to 400,000 water and wastewater customers across four distinct municipalities, including 155,000 customers within the City of Hamilton. Approximately 32,000 City of Hamilton customers receive a stand-alone water services bill where the customer premise is outside of Alectra's electricity distribution service territory.

Improved Customer Friendly Messaging on Bills

- In Q1 – Alectra revised its bill presentment to ensure that low-income customers receiving the Ontario Electricity Support Program better understand their bills and water amounts owing
- In Q3 – Alectra enhanced its on-bill messaging to highlight where the customer was billed with an estimated water meter reading. Customers with estimated reads are encouraged to resolve any access issues and may submit their meter readings either by telephone or electronically

Improved Reporting

Alectra augmented its reports to provide additional details, support new requirements, and to address pandemic-related issues, including:

- Enhanced reporting where an account is billing with zero consumption
- Enhanced water meter reports where exceptions exist
- Provided a vacant premise reconciliation report to support the 2021 budget cycle
- Multi-year city report of water consumption by postal code for municipal energy analysis / programs
- Enhanced reporting analytics where a premise has multiple estimated readings

Revised Water Leak Adjustment Policy

Alectra is working with the City to ensure that its revised Water Leak Adjustment Policy, effective January 1, 2022, will be properly supported. This includes updated processes for the Contact Centre as well as Customer Operations to support the City's financial relief measures for customers with high bills due to a plumbing failure.

Continued and Evolving Pandemic Response

Throughout the pandemic, Alectra has worked to meet the health and safety expectations of its employees and communities, support customers facing financial challenges, and meet time-sensitive "emergency" regulatory requirements.

Alectra Utilities prepares year-round for the unexpected and is equipped to deliver reliable service to its customers across its 17 communities, even in uncertain times. Alectra initiated robust pandemic plans to ensure the health, safety and physical well-being of customers, employees, and the public. This includes restricting visitor access to our facilities, ensuring that our facilities are frequently cleaned, and that common workplace surfaces and areas are disinfected. Work-from-home policies have been put in place

for employees where possible, along with procedures to enable social distancing for employees required to report to an office or the field, which also helps protect customers. Alectra continues to closely monitor and adhere to all Public Health and government guidelines.

Alectra has implemented a customer-focused approach for families and businesses facing financial challenges due to COVID-19:

- Alectra continues to support customers in financial difficulty through flexible payment terms and has not disconnected any customers for nonpayment of account since the pandemic began
- Alectra encourages anyone having trouble paying their bills to consider a variety of the available assistance programs, including the Low-income Energy Assistance Program, and the Ontario Electricity Support Program
- Customers having trouble making payments because of the pandemic are encouraged to reach out to Alectra to establish a payment plan that works for them
- Delivering on the Government of Ontario's mandate for changes to electricity rates and support programs to provide financial relief to consumers. Alectra delivered approximately \$6MM in targeted funding to residential and small business customers through the COVID-19 Energy Assistance Programs

2021 Service Overview

In 2021, Alectra's suite of water related services for the City included:

- Meter reading
- Bill calculation, printing, mailing and electronic bill presentment options (paperless e-billing)
- Customer notifications
- Full customer Contact Centre support, responses to inquiries and liaison between the customer and the City for escalated concerns including high consumption inquiries related to seasonal usage
- 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
- Online customer tools and access to account information including account status and consumption information
- Monthly and annual statistical reporting
- Ad-hoc reporting upon request
- Completion of work orders; issuing service orders to Hamilton Water
- Transfers of water and wastewater/stormwater arrears to property tax roll
- Billing, invoicing, payment processing and management of Sewer Discharge Permits
- Billing and collection of loans related to the City's Lead Water Service Line Replacement Loan Program
- Managing Energy & Water Reporting and Benchmarking (EWRB) legislative reporting requirements for customers

Meter Reading and Billing

The foundation of customer billing services is the receipt of accurate and timely invoices. Alectra Utilities manages its meter reading schedules daily 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 of Hamilton strive to obtain actual meter readings for accurate 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 that alert customers an actual reading was not 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, or completing a water meter reading online form on the Alectra Utilities website. If three consecutive meter reading estimates occur, a separate notification letter and an automated IVR outbound call are provided as additional customer engagement communications.

As the pandemic continued through 2021, many schools and businesses were closed or allowed limited access, rendering the meter inaccessible. As a result, approximately 40,000 bills have had estimated meter reads. Alectra will re-bill customers if the estimated meter read varies significantly from the actual meter read. A new "estimated bill" message was displayed more prominently on bills to encourage customers to submit their meter readings and avoid unnecessary true-ups.

Electronic "smart" water meters have been installed in hard-to-reach locations and are read through Alectra's wireless telecommunications. Currently more than 600 electronically read water meters have been installed.

In 2021, Alectra managed some aspects of the City's Lead Water Service Line Replacement Loan Program. This includes the billing and collection of loans provided to residential property owners who qualify for the program. Previously, these loans were collected via the property owner's taxes.

Alectra's Customer Information System ("CIS") supports billing for 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 through custom configuration 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 managed by Alectra's billing application.

The City of Hamilton's meter replacement and meter maintenance programs were put on hold due to COVID-19 protocol during Q1 and Q2 of 2021. Alectra's Billing team is now working diligently to finalize any outstanding work orders.

In accordance with Council-approved water billing policy changes effective June 2018, Alectra Utilities continues to transfer residential accounts into the registered property owner's name as tenants vacate properties. Property owners benefit through opportunities to save interest and administrative costs related to tenant arrears being transferred to the tax roll as well as having the ability of identifying and responding

to potential leaks at their rental property. Alectra has transitioned 1500 accounts in 2021 to property owners, while approximately 5,000 tenant-billed water accounts remain active.

In 2020 Alectra began piloting new Robotic Process Automation technology that use “bots” to review and manage certain meter read exceptions. If a premise is experiencing higher or lower water consumption than historical norms, the “bots” are capable of issuing field activities and triggering customer notifications. This technology manages the exceptions in a customer-friendly, accurate and efficient manner.

Meter Reading and Billing Statistics

	2021	2020	2019	2018	2017
	Forecasted	Actual	Actual	Actual	Actual
Number of Invoices	1,865,000	1,864,004	1,865,340	1,794,337	1,503,629
Revenue	\$235 MM	\$229 MM	\$223 MM	\$206 MM	\$200 MM
Meter Reads	1,736,889	1,736,440	1,662,759	1,624,330	1,453,956
Meter Read Success Rate	96%	96%	95%	95%	96%
New Accounts Created	1,380	1,389	2,941	2,818	1,645
Touchpad “not working” Service Orders	502	565	879	2,554	2,735
Service Orders to relocate remote touchpad	90	120	278	625	446

Customer Care and Communications

Alectra’s mission is to be an ally that our customers can rely on. For our Contact Centre, it is to listen to every customer with feedback from every channel and uncover insights to improve the customer journey. Alectra puts the customer at the heart of its decision-making across the organization.

In 2021, The Contact Centre’s goal to meet or exceed its target of answering 75% of all in-bound calls within 30 seconds has been challenged by pandemic related resourcing challenges. Service levels have also been impacted by higher overall Contact Centre activity which has increased by 5% this year. This increase is primarily a result of a 70% increase in online transactions, including customer move requests. Alectra’s agents also respond to requests received through email, its website, social media, self-service portals and the Alectra after-hours voice mailbox.

Alectra’s Contact Centre’s Quality Assurance Program supports its commitment to consistently provide exceptional customer service to its customers. Through this process, telephone interactions are assessed, and constructive feedback is provided to our agents during monthly coaching sessions.

To further its commitment to the customer, Alectra introduced a new “Voice of the Customer Council” program in 2021 which is comprised of both our Contact Centre agents and Management representatives. The purpose of the program is to provide a vehicle for front-line Customer Service Representatives to share customer feedback and elements of the customer experience. The program helps generate opportunities and strategies to enhance service and improve customer satisfaction. The team also promotes customer-friendly electronic payment methods and paperless ebilling solutions with every customer interaction.

In collaboration with The City of Hamilton, Alectra improved the online navigation related to the water services section of www.alectrautilities.com.

Alectra's 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 Water Account Privacy Statement
- Information regarding various billing policies including the City's Arrears Policy, Backbilling Policy, Payment Arrangement Policy and 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's MyAccount which is a secure portal to view their bills, understand historical water consumption and utilize account management features such as the paperless billing option. Alectra has initiated focused campaigns in 2021 to promote the features and benefits of registering for MyAccount, particularly with customers who are establishing new accounts.

The Customer Care team is knowledgeable about the billing and payment services that Alectra provides, including all components of water and wastewater/storm account management. The Contact Centre's training team has also developed and implemented water and wastewater training for additional resources to augment the Hamilton Water queue.

The Contact Centre responds to queries such as:

- Notification of a change of address
- Requests to discuss payment options
 - Pre-authorized payments
 - Equal payment plans
- 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
- Agents also respond to voice messages regarding water reads

Timely customer communications support 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 calls answered within 30 seconds:

	2021 Forecast	2020 Actual	2019 Actual	2018 Actual	2017 Actual
Incoming Calls	70%	67%	76%	79%	77%

Customer calls continue to become more complex. Alectra's Customer Service Representatives ("CSR's") are having detailed conversations with customers to understand their needs, while ensuring the customer is receiving the best possible information during their first interaction. Year-to-date, over 80% of customers surveyed indicated that their request was satisfied in a single call to the Contact Centre.

Payment Options and Collection Services

Alectra 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
- 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 to assist property owners who direct water and wastewater/storm billings to a tenant, Alectra 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 manages the process of electronically transferring the outstanding fees and charges related to active and final billed accounts to the property tax roll.

Payment Options and Arrears Support

	2021 Forecasted	2020 Actual	2019 Actual	2018 Actual	2017 Actual
Percentage of customers on Pre-Authorized Payment	27%	26%	26%	26%	26%
Water/Wastewater on Equal Payment Plan	8,000	8,113	8,524	8,911	9,049
30 day / 60 day Arrears Notification Letters sent	48,000	53,115	54,415	56,583	56,006
Number of Accounts Transferred to Tax Roll	23,000	21,135	20,151	15,875	11,681
Arrears Value	\$4.4 MM	\$4.1 MM	\$3.0 MM	\$3.0 MM	\$2.3 MM

Administration and Management of City 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.

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 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.

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's 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 bills sewer discharge permits with the City's annual budget for these revenues of almost \$9.4MM. Monthly reporting of unpaid accounts is forwarded to the City for tracking purposes.

Program Management Information

	2021 Forecast	2020 Actual	2019 Actual	2018 Actual	2017 Actual
Service Orders Completed	22,000	25,107	21,877	13,559	12,389
High Water Notification Letters	16,000	22,086	34,642	12,340	9,844
Leak Adjustment Request Forms Received	55	55	53	41	90
Leak Adjustment Credits applied to accounts	\$17,000	\$25,949	\$26,768	\$66,930	\$55,700

Reporting

Alectra has 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

Energy & Water Reporting and Benchmarking ("EWRB") legislative regulations require property owners that have facilities greater than 100,000 square feet to report annual energy and water consumption and performance data to the Ontario Ministry of Energy. Alectra provides both electric and water consumption information to our customers for them to comply with the mandatory reporting for these large buildings. In 2021, Alectra provided EWRB information to approximately 96 large customers and condominium corporations.