



# **2024 Water and Wastewater/Stormwater Services Activity Report to the City of Hamilton**

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## 2024 in Review

Alectra Utilities Corporation ("Alectra") services over one million homes and businesses across a 1,924 square kilometre service territory, comprising seventeen communities. Billing, payment, and related customer services are provided to approximately 436,000 water and wastewater customers across four municipalities, including 162,000 customers within the City of Hamilton (City). Approximately 37,000 Hamilton customers receive a stand-alone water services bill where the customer premise is outside of Alectra's electricity distribution service territory.

The following is a summary of 2024 in review:

### Unbilled City of Hamilton water accounts

In April 2022, Hamilton City Council received a report from City staff that advised a number of significant high volume water accounts had temporarily not been billed and that the total level of unbilled water accounts was relatively high as a result of COVID-related challenges, including Alectra staffing challenges, and access restrictions to customer premises driven by COH policy / process changes, together with the inability to contact customers to establish appointments to read or repair meters. The City staff report noted that there were 1,500 unbilled accounts greater than 70 days aged, and that it would take approximately 4 months to resolve to a more sustainable level. By October 2022, the number was successfully reduced to 729.

Alectra committed to implement several corrective actions and controls to enhance its processes and address concerns with unbilled invoices and subsequent back billing as detailed below. The success of these actions has continued into 2024 and is reflected in the latest Meter Reading and Billing Statistics found on page 6 of this report. As of October 2024, the number of unbilled water accounts has decreased further from 63 in October 2023 to only 38. Based on approximately 162,000 accounts, this is a bill success rate of 99.97%.

### Process Changes

Alectra Utilities has implemented programs and controls to enhance its processes to drive continuous improvement.

### Investment in people

- There continues to be a dedicated Billing Supervisor for Hamilton Water to ensure adequate focus is placed on water billing and upcoming water billing transition back to the city.
- Continue to monitor KPI's and offer overtime to provide more capacity.
- Continue to prioritize continuous learning, upskilling, and training to increase staff's ability to deal with complex billing concerns. More Billers are trained and called upon to help with unbilled water billing and related backlog issues.
- Dedicated Billing Training Supervisor and dedicated Billing Trainer on the Training Support team.
- Hiring co-op students year-round to follow-up on estimated Hamilton water accounts

### Process Changes Completed

- Update of automated outbound high usage calls to provide clarity on the premise address as some customers may own more than one property.
- Update of website to enhance the customer experience, including more insight on their usage and bills, notifications and ability to make payment arrangements online

- Implementation of internal KPI's to monitor the level of estimated accounts to continue to support reporting of estimated accounts to the COH and implement actions as directed. Compliance activities to support obtaining actual reads has resumed in coordination with the City. The read success rate has reached 97% compared to 96% in previous years.

## Ongoing and Future Activities

- Alectra Utilities is working in conjunction with the city's project team and planning for the handover of water-billing activities to the City of Hamilton in 2025.
- Alectra staff have participated in information gathering sessions and demo of existing processes and system to inform the transition.

## City of Hamilton Water Leak Adjustment Policy

As of January 1, 2022, the COH implemented a new Leak Protection Program to cover excess costs resulting from unexpected water leaks in resident's homes. The Program offers increased coverage for qualifying leaks of up to \$3,000 once every 24 months for residential customers who may incur an unexpected expense on their water bill that water leaks can cause.

Administration of the revised Program shifted to a City third party administrator (ServLine) with account credit adjustments for approved claims continue to be completed by Alectra. As mentioned previously, the Program has seen a total of 201 approved claims this year as of September 1, 2024, and approximately \$165K in credits to assist customers with water leaks.

## Estimated Bills and Response

Alectra Utilities is committed to providing accurate water billing to Hamilton customers and recognizes that underestimated consumption is problematic. To help manage estimated consumption, Alectra Utilities has historically had in place several controls, including monthly reporting of estimated accounts to the City. Commercial accounts with more than three consecutive estimated bills were estimated based on two times historical consumption. Alectra works diligently with City staff to action stopped meters, malfunctioning touch pads and water meters. This includes compliance activities to gain access to replace water meters as required.

Alectra continues a customer-focused approach for families and businesses still facing financial challenges post-pandemic.

- Alectra continues to support customers in financial difficulty through flexible payment terms.
- 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 are encouraged to reach out to Alectra to establish a payment plan that works for them.

## 2024 Service Overview

In 2024, 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

- Supporting the City's Leak Adjustment Policy by providing billing history for customers with leak adjustment claims to the City and processing credit adjustments to accounts for customers with approved leak claims
- 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 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 TTS (Text-to-Speech) outbound call are provided as additional customer engagement communications.

Actual meter reads are the foundation of providing customers accurate bills. After the pandemic, in 2023, the meter read success rate returned to historical norms and have further improved so far in 2024 to 97%.

Electronic "smart" water meters have been installed in hard-to-reach locations and are read through Alectra's wireless telecommunications. More than 600 electronically read water meters were installed. As the City looks to alternate billing and meter reading solutions, these meters will be converted to current technology used by the City.

In 2024, Alectra continued to manage 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. Prior to 2019, 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's meter replacement and meter maintenance programs have fully resumed post pandemic. Alectra's Billing team continued to work cooperatively with the City to finalize any outstanding work orders and is current in processing 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. There are currently only 5,072 residential accounts remaining in the tenant's name.

## Meter Reading and Billing Statistics

	2024	2023	2022	2021	2020
	Forecast	Actual	Actual	Actual	Actual
Number of Invoices	1,945,000	1,883,391	1,889,017	1,867,483	1,864,004
Revenue	\$299 MM	\$270 MM	\$252 MM	\$233 MM	\$229 MM
Meter Reads	1,884,533	1,864,832	1,713,283	1,813,146	1,736,440
Meter Read Success Rate	97%	96 %	92%	96%	96%
New Accounts Created	993	2151	1,971	1,660	1,389
*Touchpad", not working" Service Orders	774	730	827	989	565
Service Orders to relocate remote touchpad	134	229	204	212	120

*\*Alectra reviews read errors - "Touchpad", not working", reported by our third-party meter reader. A "double check" verification is completed by a lead hand. This Alectra initiative significantly reduces the number of service orders sent to the COH.*

### Unbilled Accounts as of Sept 30, 2024:

Unbilled Accounts by Meter Size	Number of Accounts
0015 MM	1
0016 MM	28
0020 MM	3
0021 MM	3
0025 MM	1
0050 MM	1
(blank)	1
<b>Total</b>	<b>38</b>

Unbilled Accounts by Aging Bucket	Number of Accounts
70-100 Days	32
100-200 Days	6
>200 Days	0
<b>Total</b>	<b>38</b>

Unbilled Accounts by Customer Type	Number of Accounts
Commercial	6
Residential	32
<b>Total</b>	<b>38</b>

## **Customer Care and Communications**

### **2024 Customer Care and Communications**

The Customer Care team at Alectra remains dedicated to enhancing the customer service experience. By refining all communication touchpoints, we aim to balance assisted support with self-serve options, build a team with a human touch, and foster a celebrated customer-first culture.

### **2024 Achievements and Goals**

In 2024, our Contact Centre focused on recognizing and rewarding agents who deliver quality customer experiences. We emphasized process improvements, resulting in increased Average Handle Time to ensure exceptional customer service, which boosted our First Call Resolution (FCR) statistics. Our FCR average in Q1 was 83%, 75% in Q2, and 73% in Q3.

Understanding the financial challenges some customers face, our team is committed to providing support and connecting them with social agencies. As community partners, we handled 13,381 calls relating to payment arrangements year-to-date, assisting customers with payment difficulties or account issues.

### **Strategic Shifts and Self-Service Enhancements**

To better handle complex customer inquiries, we are shifting away from transactional, repetitive calls. Our 2024-2025 strategy focuses on expanding self-service options, thereby improving the customer experience and offering more rewarding work for our employees. As of August, our web self-serve rate stands at 45.1%. We aim to increase the use of Smart Forms, autopay enrollments, and digital channel transactions. Alectra is transitioning from transactional to solution-oriented interactions for live, complex calls, and will launch new self-service channels and technologies in 2024.

### **Investments in People, Operations, and Technology**

In 2024, we invested in people, operations, and technology to enhance our customer care strategy. We set a vision for excellence, conducted a thorough assessment of our operations, and identified opportunities for large-scale transformation. We launched a transformational Quality Assurance program and leveraged advanced technologies and analytical approaches. This includes the introduction of online chat in 2024-2025 and exploring AI capabilities to assist frontline operations and resolve simpler queries.

### **Timely Customer Communications**

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 Call Response Times**

Alectra's Contact Centre is committed to providing timely, effective, and efficient service. We value our customers' time and aim to respond to inquiries and provide First Call Resolution whenever possible. Year-to-date, 77% of customers surveyed indicated that their request was resolved in one call to the Contact Centre.

In 2024, due to unprecedented high call volumes associated with implementation of Alectra's new online portal and collections activity, service levels in the contact center decreased from 60% in 2023 to 33%

YTD in 2024. To mitigate lower service levels, additional third-party agents have been hired, as well as ongoing investments made into training and knowledge management to increase first call resolution and reduce average handle time. Alectra is also investing in IVR and chat technology to improve the effectiveness of IVR call routing and to improving the efficiency and accuracy of the contact center.

**Customer calls answered within 30 seconds:**

**Table**

<b>Year</b>	<b>Incoming Calls</b>
2024	33% YTD Sep
2023	60%
2022	70%
2021	70%
2020	67%
2019	76%

**Customer Education and Support**

Alectra’s website offers a comprehensive section on water and wastewater/storm services, including:

- Billing explanations
- Understanding your water bill
- Rates and charges
- How to read a water meter
- Important information for homeowners and travelers
- Privacy and billing policies
- Responsibilities for charges
- Private Fire Line and Sewer Discharge Permit Charges
- Service user fees
- FAQs
- Water conservation tips

Customers can use the MyAccount portal to securely view bills, track water consumption, and manage their accounts, including opting for paperless billing. Alectra’s new online portal was implemented in April 2024, and further features will be added later this year, such as automated payment arrangement functionality and smart forms in 2025.



## Comprehensive Customer Support

Our Customer Care team supports billing, payment services, and collection activities for water and wastewater/storm accounts. The Contact Centre's training team has implemented specialized training to support our Hamilton Water queue. We handle queries related to:

- Change of address
- Payment options
- Pre-authorized payments
- Equal payment plans
- Rate calculations
- Payment arrangements and collections
- Conservation information
- Transfer of arrears to property tax roll
- Meter reading access issues
- High usage/bill inquiries and leak detection education
- Meter accuracy inquiries

Customers can also leave a voicemail for water meter readings.

In conclusion, Alectra's Customer Care team is committed to continuous improvement and innovation in customer service. By investing in our people, processes, and technology, we strive to provide exceptional support and enhance the overall customer experience. We look forward to further advancements in 2025 and beyond, ensuring that our customers receive the best possible care and service.

## 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.

In 2024 Alectra took a more aggressive approach to in managing electricity accounts in arrears. This activity would also have been reflected on the water accounts hence the increase in the number of accounts being transferred to tax roll.

## Payment Options and Arrears Support

	2024 Forecast	2023 Actual	2022 Actual	2021 Actual	2020 Actual
Percentage of customers on Pre-Authorized Payment	31%	30%	33%	27%	26%
Water/Wastewater on Equal Payment Plan	7,104	7,129	7,345	7,691	8,113
30 day / 60 day Arrears Notification Letters sent	51,246	43,101	38,128	48,466	53,115
Number of Accounts Transferred to Tax Roll	27,840	22,976	20,224	23,762	21,135
Arrears Value	\$6.4MM	\$5.4 MM	\$4.4MM	\$4.7 MM	\$4.1 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 customers who utilize City of Hamilton water services with financial assistance under certain circumstances. The Policy provides an 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 City’s website). Information on the Policy guidelines, qualifications and application form is available at [www.hamilton.ca/leaks](http://www.hamilton.ca/leaks).

**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 \$10.5MM. Monthly reporting of unpaid accounts is forwarded to the City for tracking purposes.

## Program Management Information

	2024 Forecast	2023 Actual	2022 Actual	2021 Actual	2020 Actual
Service Orders Completed	17,000	18,871	20,673	25,762	25,107
High Water Notification Letters	18,186	21,104	24,913	17,657	22,086
Leak Adjustment Request Forms Received	N/A	N/A	N/A	69	55
Leak Adjustment Credits applied to accounts	\$248,000	\$255,118	\$123,779	\$25,258	\$25,949

## 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
- Private Fire Line charges
- 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. So far in 2024, Alectra provided EWRB information to approximately 250 large industrial and institutional customers and condominium corporations.

## Community Engagement

Alectra’s Customer Assistance Programs team was set up in 2023, with a mandate to work with vulnerable customers at risk of being disconnected to develop personalized payment arrangement plans and work with outside agencies to source additional funds to pay off customer arrears. Last year, Alectra distributed over \$1.3 million in Low-income Electricity Assistance Program (LEAP). funding to customers and sourced over \$86,000 in funds from other government sources and social agencies to assist customers. The team has also contacted more than 1,500 individuals to provide one-on-one affordability education and to help increase the number of customers subscribed to provincial affordability programs, like the Ontario Electricity Support Program (OESP) and the Low-income Electricity Assistance Program (LEAP).

Alectra continues to grow its Customer Affordability Programs through continued community participation with school boards, faith-based organizations, and community relations events such as the “Walk a Mile”

in Hamilton. Alectra also recently held a lunch and learn with attendees from 13 social and community-based agencies to provide education on available resources.

The Power to Save booklet was recently released with a focus on low-income customers. The booklet contains easy to understand information on Electricity 101, the online portal My Alectra, Rates and Ways to Reduce Your Bill. With lots of energy savings tips and a usage guide for many everyday appliances and electronics, the booklet is an excellent tool for our low income and vulnerable customers.

With this combination of approaches, Alectra can make an impact in their service territory and support their most vulnerable customers. Our focus on supporting our Low-Income and vulnerable customers continues with additional tools and planned for 2025.