



Office of the Hydro One Ombudsman

Annual Report
2017

Table of Contents

Opening Message from the Ombudsman.....	3
About the Office.....	5
The Complaint Process.....	5
How We Address Complaints.....	6
The Story in Numbers.....	7
Complaints by Topic.....	10
Customer Care.....	10
Collection Activities.....	11
Prices, Rates and Fees.....	12
Billing and Metering.....	13
Field Operations.....	14
Working with the Company.....	15

Opening Message from the Ombudsman



It is with pride that I assumed the role of the Hydro One Ombudsman in August 2017. I am pleased to provide this report on our activity for the fiscal period of January 1, 2017 to December 31, 2017.

In 2017, my team and I had the opportunity to meet, speak to, and correspond with over 1,000 Hydro One customers and members of the public. Each of these interactions was an invaluable opportunity for us to gather information that could be used to resolve disputes and make recommendations which might prevent a similar dispute from arising in the future. As an impartial and independent office, we are an avenue of last resort for customers who have been unable to resolve their issues directly with Hydro One and we operate as a safeguard against unfair

outcomes. Our focus continues to be on the resolution of individual and systemic issues in a way that is fair to both the customer and the company.

We operate as a safeguard against unfair outcomes.

Our Office received 1,064 complaints in 2017 — significantly fewer than the previous year. This decrease was not unexpected. Submissions were high in 2016 when my Office first opened as Hydro One was still addressing billing issues that arose with the implementation of the new billing and account management system in May 2013. As these issues were dealt with, there was a natural decrease in the volume of complaints in 2017. In addition, the Provincial government's *Fair Hydro Plan* impacted the number of complaints received by the Office on issues of affordability. Finally, Hydro One put greater effort into resolving customer issues early in the complaint process, before intervention by my Office was required. I personally review all complaints sent to my Office and am committed to bringing fair and reasonable solutions to Hydro One customers. Those who contact our Office typically receive an acknowledgement of their submission within 48 hours and complaints were closed within 30 business days of receipt in 99% of cases.

As an organizational ombudsman, I am able to work collaboratively and proactively with Hydro One to find solutions. This work is often done quietly, behind the scenes, without the need to conduct a formal systemic investigation. In many instances we were able to assist customers by connecting them with the right people within the company so that the right thing could be done. On one occasion, a family experiencing hardship as a result of caring for a sick child sought assistance from my Office. When Hydro One was notified of the challenges the customers were facing, the company immediately took steps to provide the family with relief. This was done absent any formal recommendation by my Office.

In other instances, recommendations were made which benefited either a single individual or led to larger system improvements. For example, a number of recommendations were made to the customer service team which we felt would result in an improved experience for all customers. On another occasion, the appropriate resolution was to simply apply a credit to a customer's account. All recommendations, both large and small, made by my Office in 2017 were accepted by Hydro One.

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Throughout the year, I watched as the company took steps to implement my recommendations and make positive changes on their own initiative to customer facing policies and processes. This is part of a larger change in culture and attitude that I have observed as Hydro One works towards fulfilling its promise to become a more customer focused company.

Every day my team and I have the opportunity to influence positive change. This is not a responsibility that we take lightly. While there still remains more to be done, the level of engagement and cooperation Hydro One has demonstrated to date is encouraging and I am confident that 2018 will bring about further improvements. We will continue to hold the company accountable to you, its customers, and do our part to make it easier for you to do business with Hydro One.

Sophie Petrillo

Ombudsman

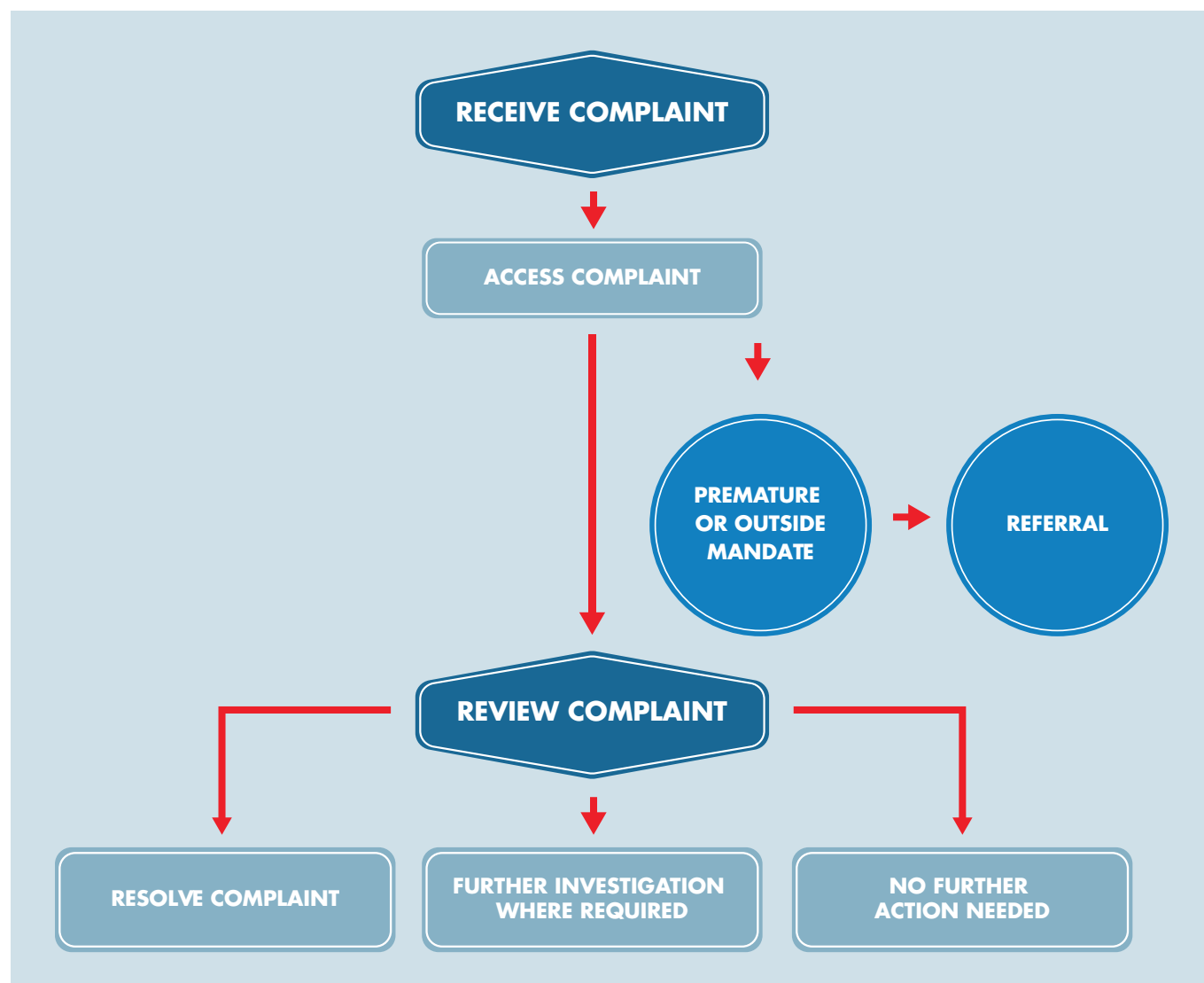
Hydro One Inc.

About the Office

The Office of the Hydro One Ombudsman was created to help the company deliver just, fair, and equitable services to the public. We are independent from the management and operations of the company and report directly to the Board of Directors. We are advocates for and champions of fairness and our services are free and confidential.

The Complaint Process

The Office of the Hydro One Ombudsman is an office of last resort within Hydro One and will intervene if an issue cannot be resolved by the company through its normal complaint process. The Office may intervene earlier in some instances, particularly if there has been excessive delay in responding to the complaint, the person or group is marginalized or vulnerable, or it is just the right thing to do.



How We Address Complaints

The Office of the Hydro One Ombudsman tries to resolve complaints through our “early resolution” stream by engaging in informal discussions and mediation with the complainant and the company. This allows us to resolve issues for customers quickly and effectively. Where an issue is more complex or involves systemic issues we conduct a formal investigation. At the conclusion of an early resolution matter or an investigation, the Office may provide the company with advice and recommendations on how to resolve an individual or systemic issue.

If a complaint is premature or falls outside our mandate, we do our best to give the complainant the support and advice they need to move forward with their complaint and refer them to the appropriate department within Hydro One or to the right external organization.

Occasionally, our Office receives information submissions from the public that are not attached to a specific complaint. We track these comments and where appropriate, refer to them when addressing systemic issues.

Case Study – Support and Advice

A customer came to our Office in the summer after Hydro One workers cut down two of her trees in error. Although her complaint was serious, it was also premature for our office to handle because the customer had not yet approached the company about the problem. Our Office discussed the situation with the customer, offered her some initial advice, and then put her in touch with the right people in the Forestry group. A member of the Forestry team visited the customer soon after to listen to her story and suggest a resolution, which the customer agreed to and the company implemented. The customer reported back that: “The Forestry Division is fortunate to have employees like Mr. X. He turned an unfortunate situation into excellent representation of Hydro One.”

As an office of last resort, we almost always provide the company with the first opportunity to resolve a customer complaint. While the complaint sometimes comes back to our office, in the majority of instances once the complainant is connected to the appropriate person or department at Hydro One, the company is able to resolve the issue.

The Story in Numbers



Who contacts our office?



95%

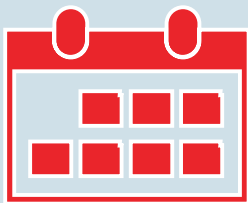
Residential



5%

Commercial

Complaint Resolution



99%

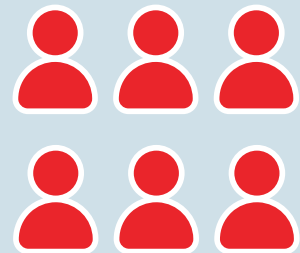
of all cases are closed
within 30 days

Recommendations Accepted



100%

Our Team



Six people, \$1.6 Million budget.

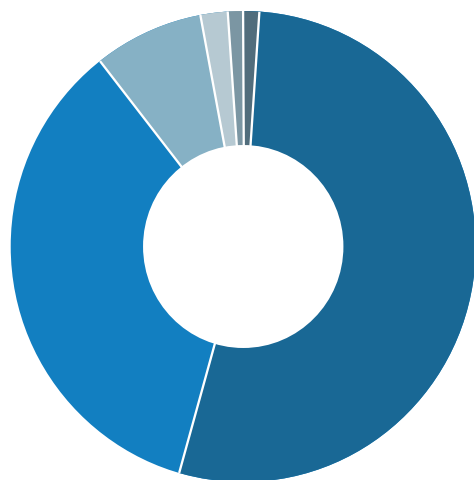
"I want to thank you profusely. It was you who made the difference and was heard."

– Customer with a forestry issue

"I thank you for your response. Keep up the good work!"

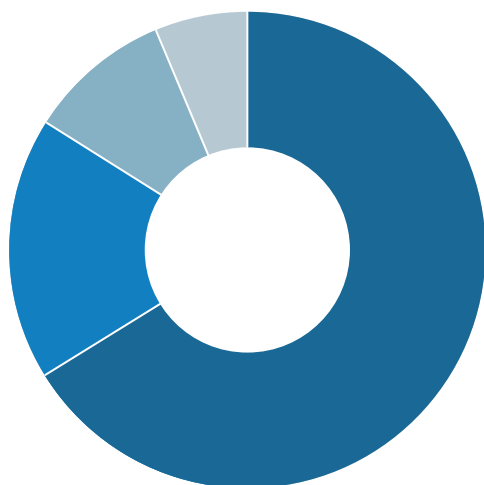
– Customer requesting information on a complex topic

How The Public Contacts Us



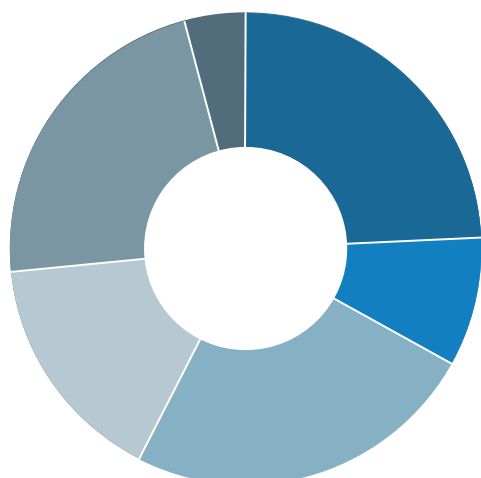
Phone	53%
Email	36%
Online Form	7%
Postal Mail	2%
Fax	1%
Other	1%

How We Address Complaints



Support + Advice	66%
Early Resolution	17%
Information Submission	10%
Investigation	7%

Breakdown of Complaints by Topic



Billing and Metering	24%
Collection Activities	11%
Field Operations	23%
Prices, Rates and Fees	15%
Customer Care	19%
Other	8%

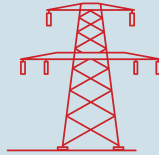
Top Five Complaints Outside Our Jurisdiction

The Office of the Hydro One Ombudsman can investigate complaints made about the delivery of services by Hydro One and any of its subsidiaries. This is referred to as the Office's "jurisdiction". From time to time, we receive inquiries and complaints that we are not able to investigate.



Electricity Prices

Prices are set by the Ontario Energy Board



Other Distributors

We cannot address complaints about other Local Distribution Companies



Support Programs

Electricity support programmes like OESP are administered by the Ontario Energy Board



Hydro One Employees

Complaints about specific **employees** are handled by Hydro One's Ethics Office



Retailers

Retailers are regulated exclusively by the Ontario Energy Board

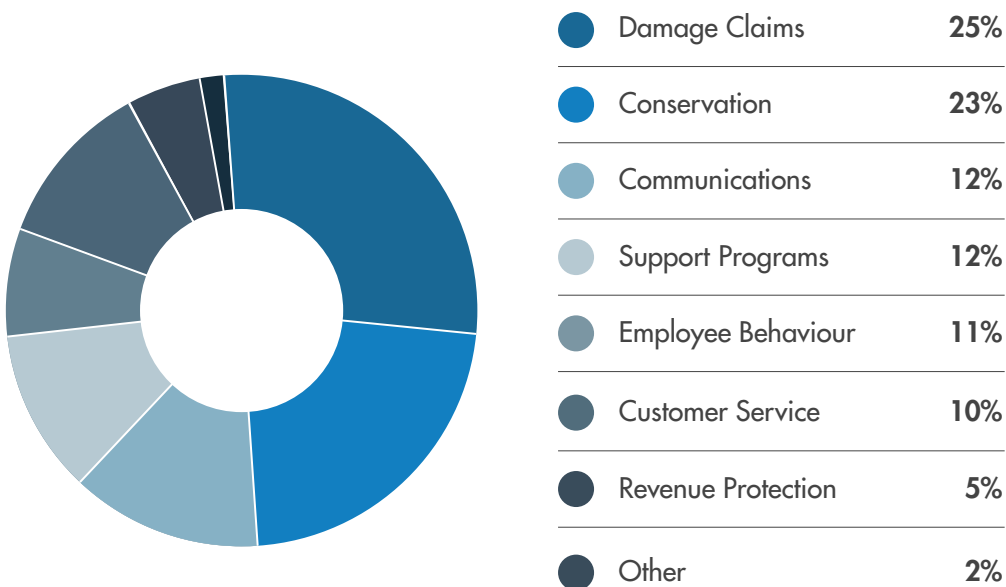
"I find it helps to have an independent office to review our interactions with customers, there is always something to learn and improve upon."

– Hydro One employee

Complaints by Topic

Customer Care

Nineteen percent of all cases opened in 2017 were about customer care issues. Among other things, complaints in this category include those about insurance claims submitted by customers who believe Hydro One damaged their property, conservation programs, communications from the company including its website, and customer service complaints. Complaints about employee behaviour fall outside our mandate and are referred to Hydro One’s Ethics Office for further investigation.

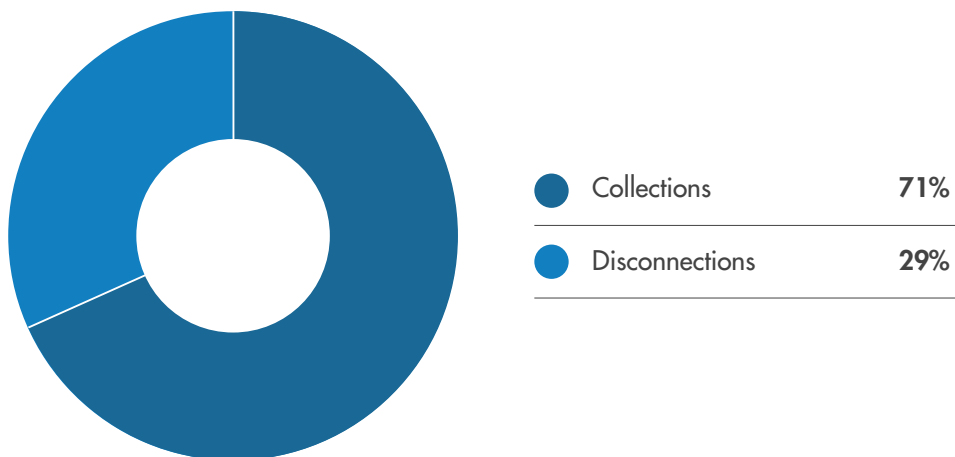


Case Study – Insurance Claim for Damages

Our Office received a complaint from a customer who had submitted a claim for damages to Hydro One’s third party insurance adjuster that was denied. We reviewed the adjuster’s decision and spoke with Hydro One personnel. Our review indicated that the adjuster’s investigation did not give the customer a fair opportunity to prove her damages, in part because the adjuster had not followed certain of its processes. We recommended that the claim be reconsidered. This recommendation was accepted by the company and upon reconsideration, the claim was approved. We are currently working with the company to improve the damage claims process.

Collection Activities

Eleven percent of all cases opened in 2017 were about collection activities, down from 21% of total complaints in 2016. This decrease is attributable in part to new company policies for customers with arrears, and in part to the Province's *Fair Hydro Plan* which lowered the price of electricity for consumers across the province.



Starting with the Winter Relief Program in November 2016, when the company voluntarily reconnected hundreds of residential customers who had been disconnected for non-payment, the Office has observed a significant shift in the way Hydro One handles collections. Previous collection policies were not flexible and sometimes led customers to agree to unrealistic repayment plans to avoid disconnection. This is no longer the case. In 2017, the company focused on helping residential customers who had fallen behind on their bills by eliminating security deposits and proactively reaching out to customers to offer repayment solutions tailored to their circumstances.

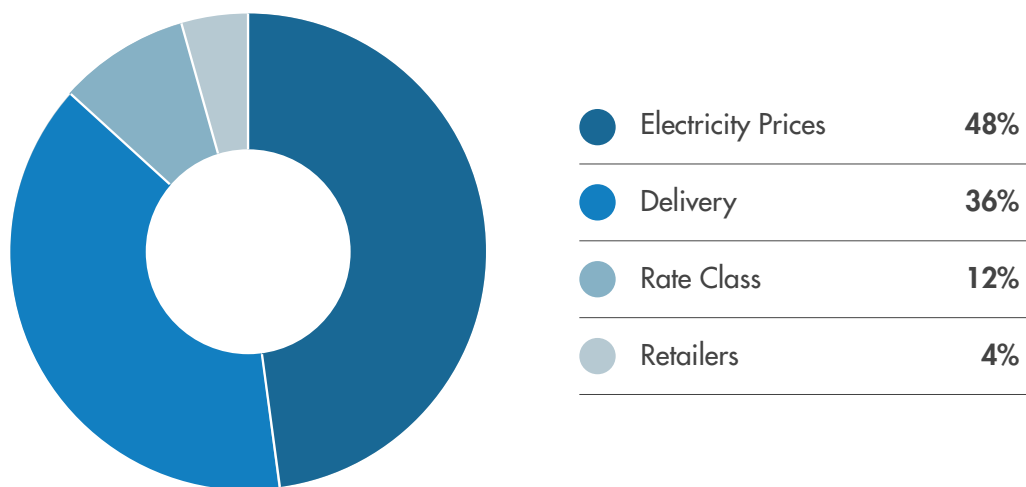
Newly empowered front-line staff and program administrators now have the discretion to work with customers on an individual basis and address each situation in a timely and effective way. In many instances, our Office referred customers to program administrators or worked with the company to create a workable solution for the customer within the framework of the new programs.

Case Study – Collections and Disconnections

This year, a senior couple reached out to our office for assistance. They had accrued a significant balance in 2015 when they did not receive a bill for a number of months. Our Office connected with Hydro One's Winter Relief group to discuss a reasonable solution for the couple who were on a fixed income. The company recognized that the couple had made consistent payments and could pay down their balance with some assistance. They helped the couple apply for electricity support programs, forgave their interest charges and offered them a reasonable installment plan which allowed them to successfully pay down their balance.

Prices, Rates and Fees

Fifteen percent of all cases opened in 2017 were about prices, rates and fees. Monthly complaints decreased by 80% after the introduction of the Province's *Fair Hydro Plan* on June 1, 2017, which reduced the costs of electricity across the province.



"Thank you very much for your quick response and resolution to my complaint... I felt as if I were Alice falling in a rabbit hole; at each intersection I was asked to fill out another form... In one day you resolved the problem. The office of the ombudsman within Hydro One is a credit to the organization."

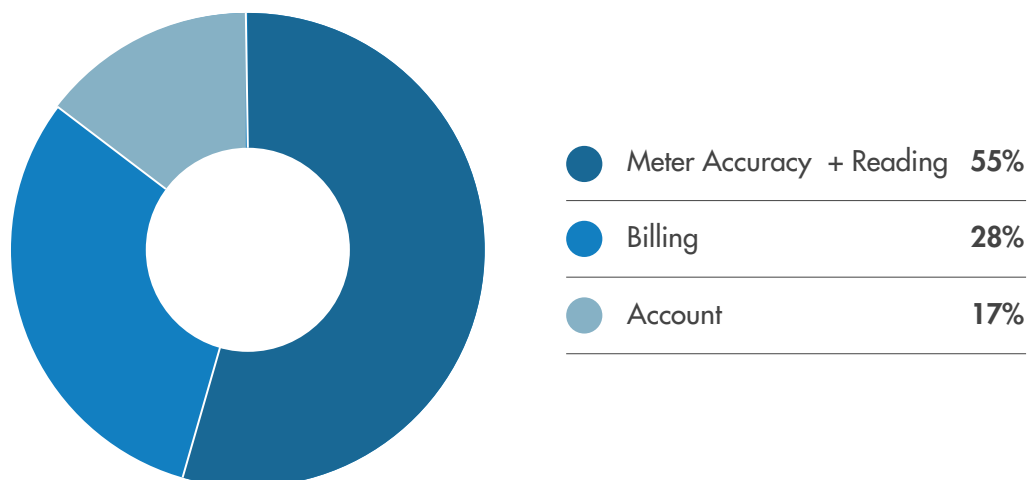
– Customer navigating a complex process

"Thank you! You made a difference in our lives."

– Customer in arrears

Billing and Metering

Twenty four percent of all cases opened in 2017 were about billing and metering concerns. We work with customers who have issues with their bills, meters or accounts to identify the issue, review bill or meter records for anomalies, and either rectify an identified error or provide the customer with a meaningful explanation about their concern. Our office noticed that monthly complaints about meter issues decreased by 77% after the introduction of the Province's *Fair Hydro Plan* on June 1, 2017 indicating that some customers may correlate a higher bill with a meter error rather than increased electricity prices.



Case Study – Meter Accuracy

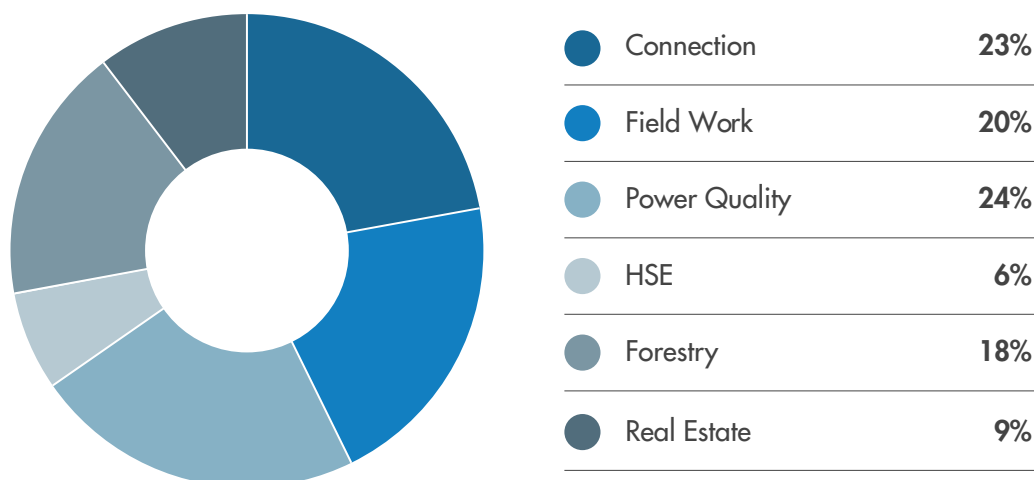
Mr. F contacted our Office seeking a refund for amounts he felt he had been overbilled. Despite implementing conservation measures and having his meter tested, Mr. F's bill amount had increased and he believed his smart meter was not accurately recording his consumption.

Our Office takes complaints like this seriously, but rarely finds errors in smart meter recording. In this instance, we requested Mr. F's meter tests, reviewed his consumption pattern for anomalies, confirmed that the smart meter was communicating reliably, and reviewed his invoices to confirm he was being billed based on actual meter readings.

Our Office shared its findings with Mr. F and explained that they indicated his smart meter was accurately recording his consumption. We provided Mr. F with information about smart meters and the impact of increasing electricity prices on his bill despite his lowered consumption. Finally, we arranged for Mr. F to receive a home energy audit and an in-home display that would allow him to observe his consumption in real time. Although this was not the response Mr. F was hoping for, our Office is committed to giving Mr. F and customers like him information and tools that will allow them to independently assess the reliability of their smart meters.

Field Operations

Twenty three percent of all cases opened in 2017 were with respect to work carried out in Hydro One's service areas. Complaints in this category were, among other things, about forestry and field work, new connection and service upgrade requests, power quality issues, and vegetation management. We work with three key groups to resolve issues in this category: Forestry, Provincial Lines and the Real Estate group. While each group is cooperative when dealing with the Office, the Forestry group, in particular, responds quickly and effectively when complaints are referred to it by the Ombudsman.



Case Study – Connection and Upgrade Work

Mr. W came to us in April complaining that the company had refused to provide him with a detailed breakdown of costs for work completed by Hydro One to upgrade his residential service. The contract contained minimal detail describing costs and the work to be done. Believing the contract price was high, Mr. W requested a further breakdown of costs but the company refused on the grounds that the underlying rates were confidential.

The Office reviewed the matter and found that the customer's request for a more detailed breakdown was reasonable and the underlying rates were not confidential. We recommended that the company provide customers with cost breakdowns upon request and that it modify its practice of charging customers using fixed price contracts based on estimates. Hydro One accepted the Ombudsman's recommendations and is in the process of implementing them.

Working with the Company

The Office has built collaborative working relationships with Hydro One personnel from the executive level to the field. This allows us to have frank conversations about what does and does not work and to consider reasonable solutions and improvements that will benefit Hydro One customers. This approach allows us to make effective suggestions and recommendations that can be implemented in a practical way. Some of the process improvements suggested by the Office and accepted by the company in 2017 were as follows:

- Improvements to the tracking and reporting of complaints, including implementing a centralized system to better capture issues arising from the field
- Improvements to the way the company charges residential customers for new connections and service upgrades, including improving the accuracy of charges and providing greater detail on service contracts
- Improvements to the process for entering private property to access Hydro One assets by giving proper and timely notice of entry
- Improvements to the process by which customers submit insurance claims for damages they believe Hydro One should be responsible for, with a view to making the process faster, more fair, and transparent
- Honouring old but valid agreements allowing certain vegetation on Hydro One rights of way (unless to do so would give rise to safety or reliability concerns)
- Expediting the implementation of a simpler process for the transfer of microFIT contracts

“I was impressed with both the thoroughness of the review and the considerate way in which it was managed. Both aspects enhance the credibility of the Ombudsman’s office and ensure cooperation from the company in improving its processes.”

– Hydro One employee



**Ensuring equity.
Delivering fairness.**

Office of the Hydro One Ombudsman



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