



OFFICE OF THE
HYDRO ONE OMBUDSMAN

2021 Annual Report

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Message from the Ombudsman

This report presents the Office of the Hydro One Ombudsman's results for the fiscal period of January 1, 2021 – December 31, 2021, in accordance with section 48.3 of the *Electricity Act, 1998*. It also provides valuable information about how we operate and how customers and members of the public can access our free dispute resolution services.

In 2021, the Office of the Hydro One Ombudsman celebrated its fifth anniversary. When the doors opened in March 2016, the Office was guided by the principles of fairness and accountability in the administration of Hydro One's services. This has not changed. We continue to be independent from the management and operation of the company. We continue to respond to complaints from people across the province. We continue to provide guidance to Hydro One to make improvements to service. And we can only do this when members of the public share their stories, voice their concerns and trust us to help them resolve their issues.

This past year we continued to work virtually with Hydro One and complainants, as the continued effects of the COVID-19 pandemic were keenly felt and heard by us all. We listened to people from across the province talk about customer service concerns and delays with new connection requests as well as challenges with power quality and service interruptions.

All told, my Office handled 662 complaints, a slight decrease from 2020, but opened 56 individual investigations, an increase of over 33%. These types of investigations often require working with multiple lines of businesses, assessing policies and procedures, and resolving the

individual complaint, all while determining if there's a larger systemic issue at hand. While time consuming, it's time well spent. The open and honest lines of communication with Hydro One allow us to work collaboratively to further our investigations, to find resolutions that are fair to customers, and to work informally and effectively to find ways the company can improve its service.

We continued our outreach with customers, sending every one of Hydro One's 1.4 million distribution customers a bill insert highlighting our services. And at a time where delays and disruptions due to COVID-19 were the norm, my Office met or exceeded our service standards and continued to uphold our commitment to fair processes with equitable outcomes for all stakeholders.

Over the past five years we have heard from thousands of Ontarians, with each voice adding to our ability to do our job better and to demonstrate positive results for Hydro One. On our fifth anniversary, I thank the many members of the public who took the time to file complaints and to share their stories. There is still work to do, even during these extraordinary times, and I look forward to what we can accomplish in 2022.

About the Office

The Office of the Hydro One Ombudsman helps to ensure the company delivers just, fair and equitable services to the public.

We are independent from the management and operations of Hydro One and report directly to the Board of Directors through its Governance and Regulatory Committee. All services are free and confidential. The Office is made up of an Ombudsman supported by a team of investigators who manage the complaint process from intake to resolution. Our work is guided by our mandate and by our values.

Our Values

Independence

Impartiality

Confidentiality

Mandate

To facilitate resolution of complaints that remain unresolved after having been through Hydro One's complaints handling process.

(Reference: Section 1, Mandate of the Ombudsman, October 2015)

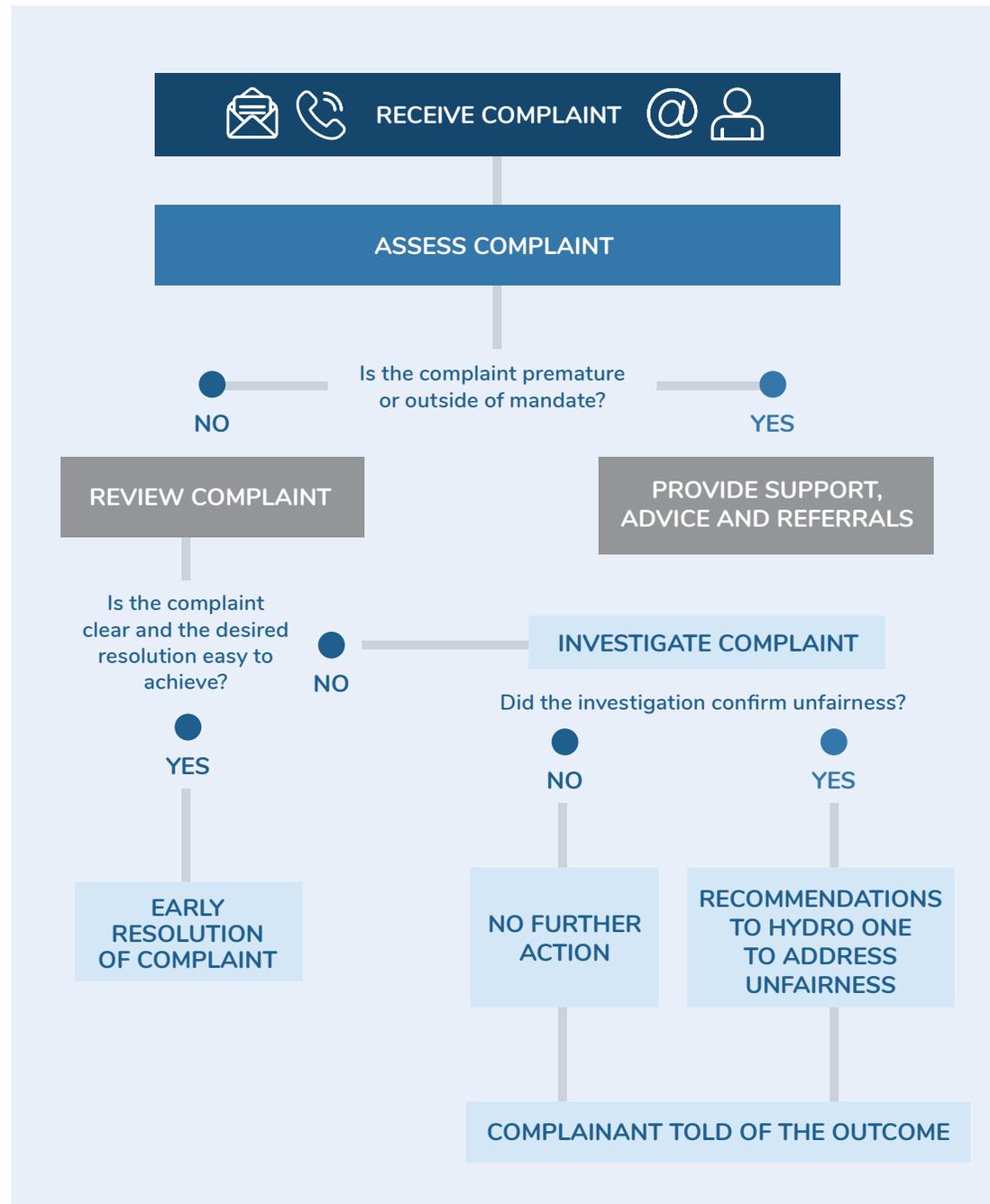
The complaint process

The Office of the Hydro One Ombudsman is an office of last resort and will intervene if an issue cannot be resolved by the company.

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.

“Our experience with the Office was excellent. We appreciate so much for the help they gave us.”

— HYDRO ONE CUSTOMER



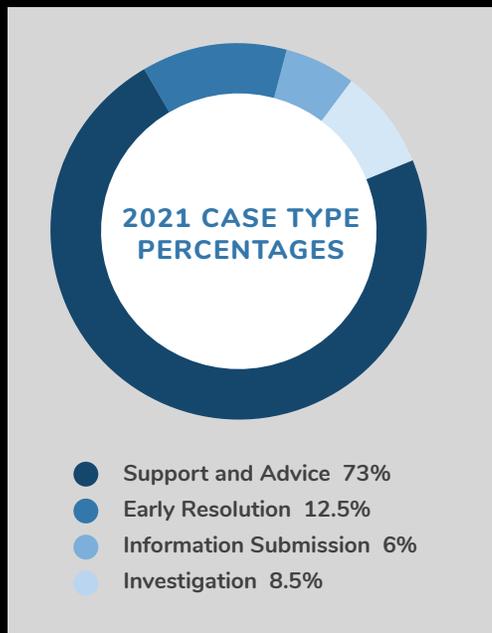
How we address complaints

The Office of the Hydro One Ombudsman takes every complaint seriously. We try to resolve complaints through our early resolution process by engaging in informal discussions and mediation with the complainant and the company. This allows us to resolve issues quickly and effectively.

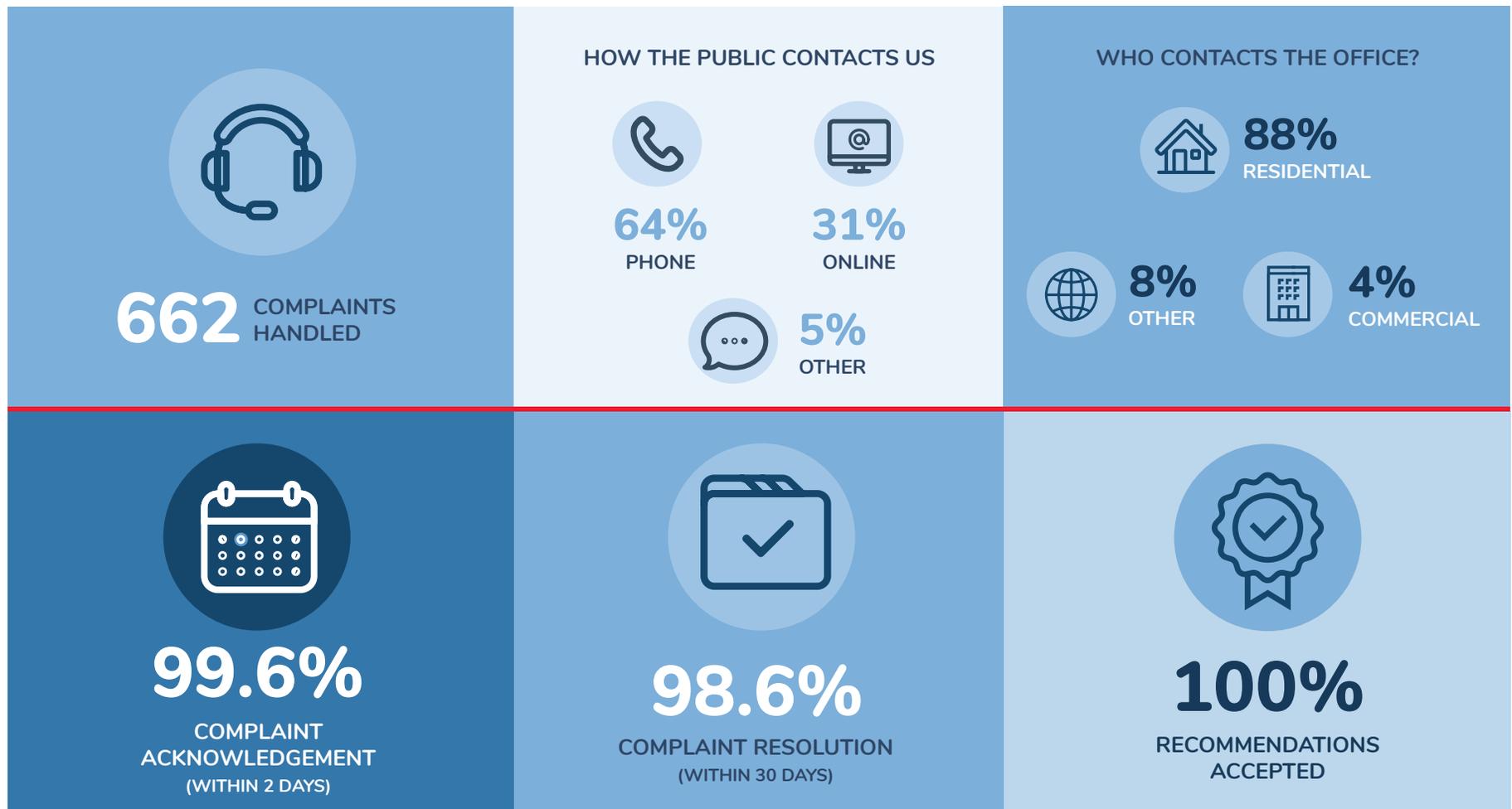
If a complaint is more complex or involves systemic issues, we conduct an investigation. At the conclusion of an early resolution matter or an investigation, the Office may provide the company with advice and recommendations on how to resolve the issue.

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, the Office receives information submissions from the public that are not attached to a specific complaint. We track these comments and, where appropriate, report on them to the Governance and Regulatory Committee of the Board of Directors.



The story in numbers



Complaints handled

The Office was contacted by 705 complainants in 2021, with complaints withdrawn in 43 instances.

The 662 complaints handled by the Office was 6% lower than in 2020, a number that aligns directly with the reduction in electricity prices complaints received in 2021.

Complaint levels were lower in the first half of 2021. However, as with past years, the delivery of the Office's bill insert to all Hydro One customers during the three-month period of September to November led to a marked rise in contacts. The increased contacts continues to demonstrate the value the insert offers in raising awareness of the Office and the free complaint resolution services available to anyone affected by Hydro One's activities.



**[The Ombudsman]
and her team are
fantastic.”**

— HYDRO ONE EMPLOYEE

662 2021 2020 **702**

FIELD OPERATIONS

230

223

BILLING & METERING

199

203

CUSTOMER CARE

108

142

PRICES, RATES & FEES

67

94

COLLECTION ACTIVITIES

25

24

OTHER

33

16

“

At every opportunity [the Ombudsman’s Office] went beyond our most stringent expectations and worked tirelessly to see that our case was represented clearly and honestly...we will be eternally grateful.

— HYDRO ONE CUSTOMER

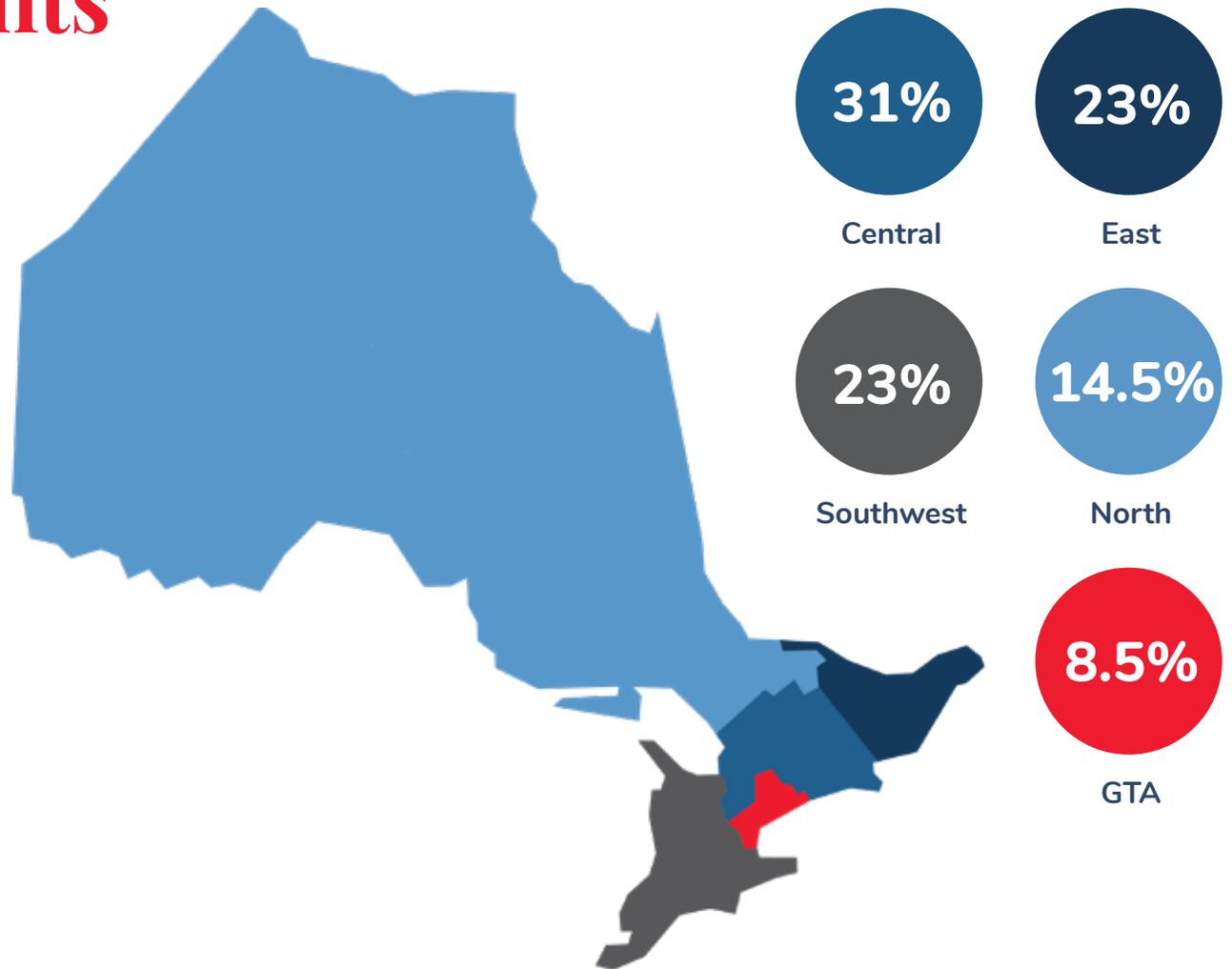
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Breakdown of complaints by region

The Office of the Hydro One Ombudsman tracks the origin of complaints by recording the postal code of the property associated with the complaint.

Postal codes were collected for 95.2% of complaints handled in 2021. Despite the fact that Hydro One does not generally provide distribution services directly to customers in the GTA, we still receive complaints from individuals in this area, primarily about the clearing of trees and other vegetation from Hydro One's transmission corridors.





“

We are very grateful and we would like to give [the Office] a huge thank you. The Office was very pleasant to deal with and that makes a big difference and made us feel so much better in these unfortunate situations. Thank you!

— HYDRO ONE CUSTOMER

”

Top five complaints outside our jurisdiction

The Office of the Hydro One Ombudsman’s jurisdiction includes Hydro One Limited and all of its subsidiaries.

In 2021, we received 87 complaints that were outside of our jurisdiction, representing 13% of the overall complaints received. In cases where complaints are found to be outside of the Office’s jurisdiction, we provide support and advice to those individuals on how to pursue their complaints further.



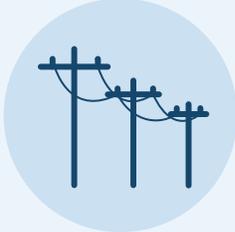
ELECTRICITY PRICES
Electricity prices are set by the Ontario Energy Board



ELIMINATION OF SEASONAL RATE CLASS
The Ontario Energy Board has ordered that Hydro One eliminate its Seasonal Rate Class



SUPPORT PROGRAMS
Electricity support programs like Ontario Electricity Support Program (OESP) are created by the Ontario Energy Board



OTHER UTILITIES
We cannot address complaints about other Distribution Companies



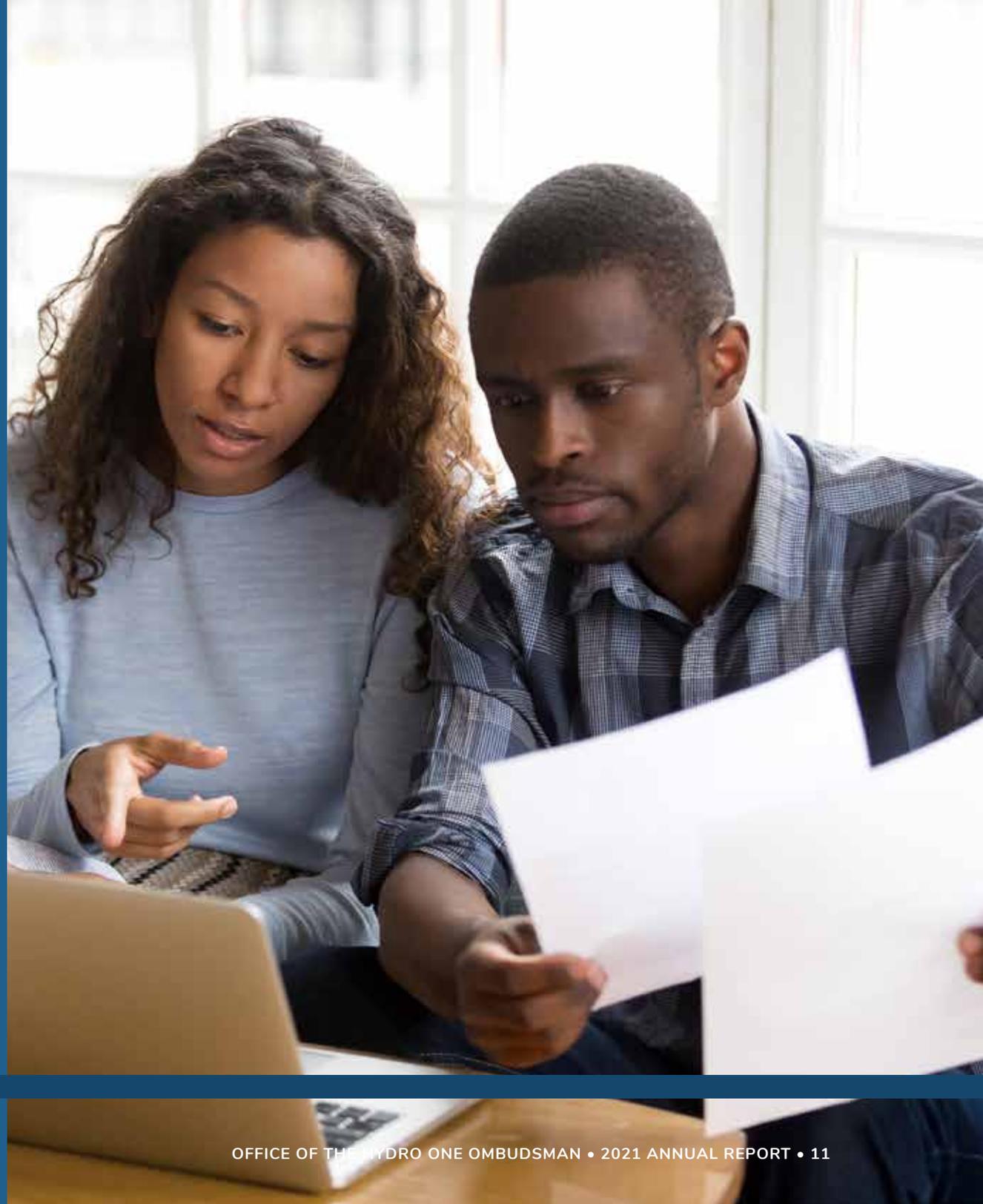
EMPLOYEE BEHAVIOUR
Complaints about specific employees are handled by Hydro One’s Ethics Office

“

Very impressed with all the guidance I received as a result of [the Office's] professional assistance.

— HYDRO ONE CUSTOMER

”



Complaints by topic

Field operations

As with past years, the Office received the largest percentage of complaints in the broad category of field operations. However, the number of complaints received in 2021 remained relatively consistent with last year. As customers continued to be house-bound for large portions of the year, it is unsurprising that power quality and outage issues were the main areas of concern for customers.

This past year also saw an increasing number of contacts to the Office relating to forestry activities. Many of these came from concerned customers wanting to alert the company to hazards that could impact the safety and reliability of the electricity distribution system. In those cases we connected them to the appropriate staff able to assess and address those concerns. However, a number of forestry complaints also involved customers disputing why they should be responsible for maintaining vegetation around their own lines or equipment, as well as others complaining about the extent of debris clean-up after forestry work was completed. The Office has worked with forestry staff to better understand the company's process and approach to this work, highlighted potential areas of procedural unfairness, and suggested an improved customer communication strategy to ensure customers are well informed of the level of service they should expect from Hydro One in this area.



FIELD OPERATIONS 2021 PERCENTAGES



26%

Power Quality/
Outages



22%

Connection



20%

Forestry



18%

Real Estate



8%

Field Work

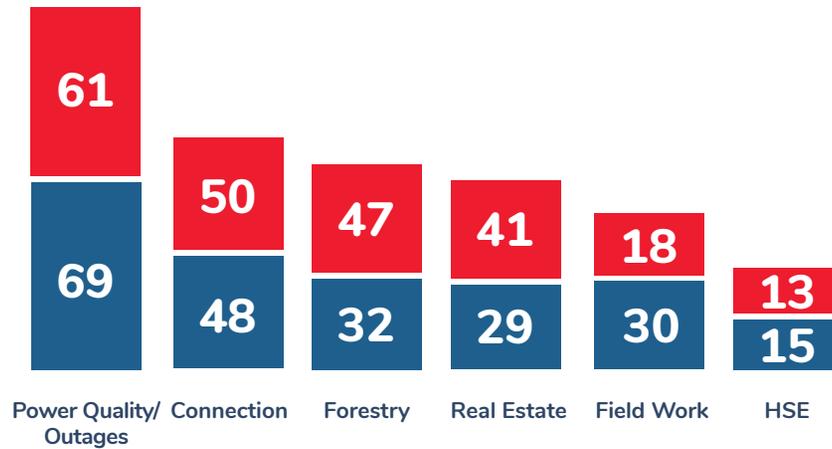


6%

Health, Safety and
Environment (HSE)

NUMBER OF FIELD OPERATIONS COMPLAINTS

● 2021 ● 2020



I appreciate the fact that [the Ombudsman] takes the time to understand the issue from all perspectives.”

— HYDRO ONE EMPLOYEE



CASE STUDY:

Easement payment delay

In June 2019, Hydro One approached Mrs. U to ask permission to install equipment (e.g., poles, anchors, etc.) on her property. Mrs. U agreed. In these situations, Hydro One has a process to obtain an “easement” which gives Hydro One the legal right to place their assets on private property permanently. In accordance with this process Mrs. U signed an Offer to Grant (OTG) prepared by the company, which is the first step in the easement process. Shortly after the OTG was signed, Hydro One installed its equipment on Mrs. U’s property despite the fact that she would not receive payment until the easement was registered on title some time later.

Mrs. U contacted the Office in July 2021, more than two years after signing the OTG, complaining that she had still not received her payment. When we investigated the matter with the company, we learned that errors on the part of Hydro One in completing the paperwork, coupled with gaps within the process itself, led to a delay in finalizing the easement so that payment could be released.

The Office found the errors and unexplained delays to be unreasonable. The Office recommended that Mrs. U’s compensation be recalculated based on updated rates and further recommended strict timelines for completing the easement process related to Mrs. U’s property. The company agreed to these recommendations, met the recommended timelines, and released the payment to Mrs. U without further delay.





Recommendations at work...

Low Voltage Easements

Over the years, the Office has investigated numerous complaints from customers regarding the installation of Hydro One distribution equipment on private property without an easement in place. In response to these complaints, in May 2019, the Office reviewed the process used by the company to obtain low voltage easements.

At the conclusion of our review, we made a number of recommendations to Hydro One aimed at reducing delays, securing fair compensation for land owners, and ensuring that Hydro One's assets are properly located and documented. All recommendations were accepted by the company.

Throughout 2020 and 2021, the company has worked to put new tools, training and oversight in place to implement the Office's recommendations. As of the end of 2021, significant progress has been made, including updating the compensation for landowners to reflect recent market changes and centralizing easement functions with specialized staff to ensure this important work is carried out with a higher level of expertise.

While the Office celebrates the accomplishments made by the company to date, we recognize there is still important work to be done. We will continue to monitor the company's progress in this regard, offer input and advice as needed, and work to ensure appropriate interim measures are taken to address the original recommendations while the ultimate solutions are implemented.

Accomplishments:

- ✓ Improved training of staff
- ✓ Digital signing of documents
- ✓ Updated Schedule of Rates

Billing and metering

While complaints about billing and metering continue to be one of our highest complaint categories, the overall numbers of billing and metering complaints decreased slightly in 2021. We continued to see a large number of contacts driven by customers following-up on payments made to their accounts, or those looking to close an account, set-up a new account, or make changes to their existing one. The Office was able to effectively manage the vast majority of these issues by connecting these customers to the right people in the company to address their specific requests or concerns.

Meter accuracy complaints rose during the second half of 2021. The Office has found that complaints about meter accuracy increase when customers are experiencing affordability issues. Complaints of this nature are typically advanced by customers who have received a high-bill that they are not able to afford. These situations often provide opportunities to discuss possible causes for the high-bill situations, conservation measures that could be explored, and educating complainants on the various COVID-19 relief programs offered by the company, as well as external supports like the *Low-income Energy Assistance Program* and the *Ontario Electricity Support Program*.



A huge “Thank you” to [the Office]. I was able to get a fair resolution.”

— HYDRO ONE CUSTOMER

BILLING AND METERING 2021 PERCENTAGES



39%

Account



38%

Billing



19%

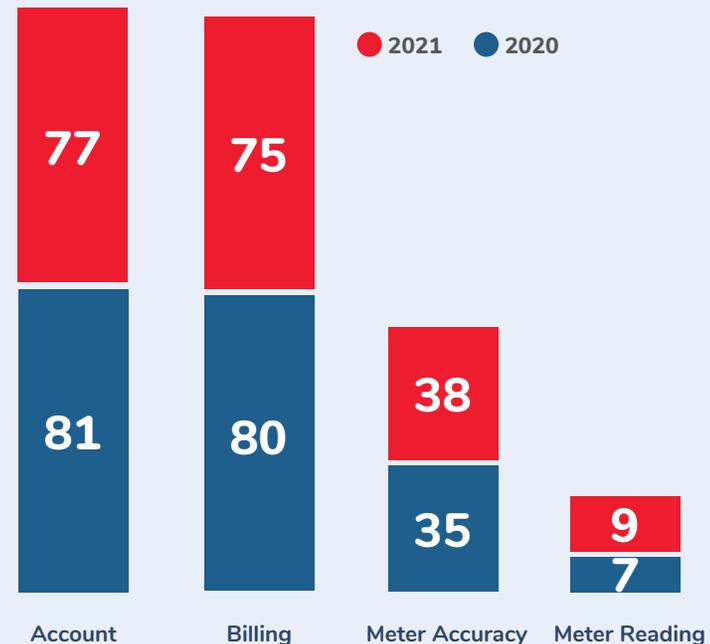
Meter Accuracy



4%

Meter Reading

NUMBER OF BILLING AND METERING COMPLAINTS





CASE STUDY:

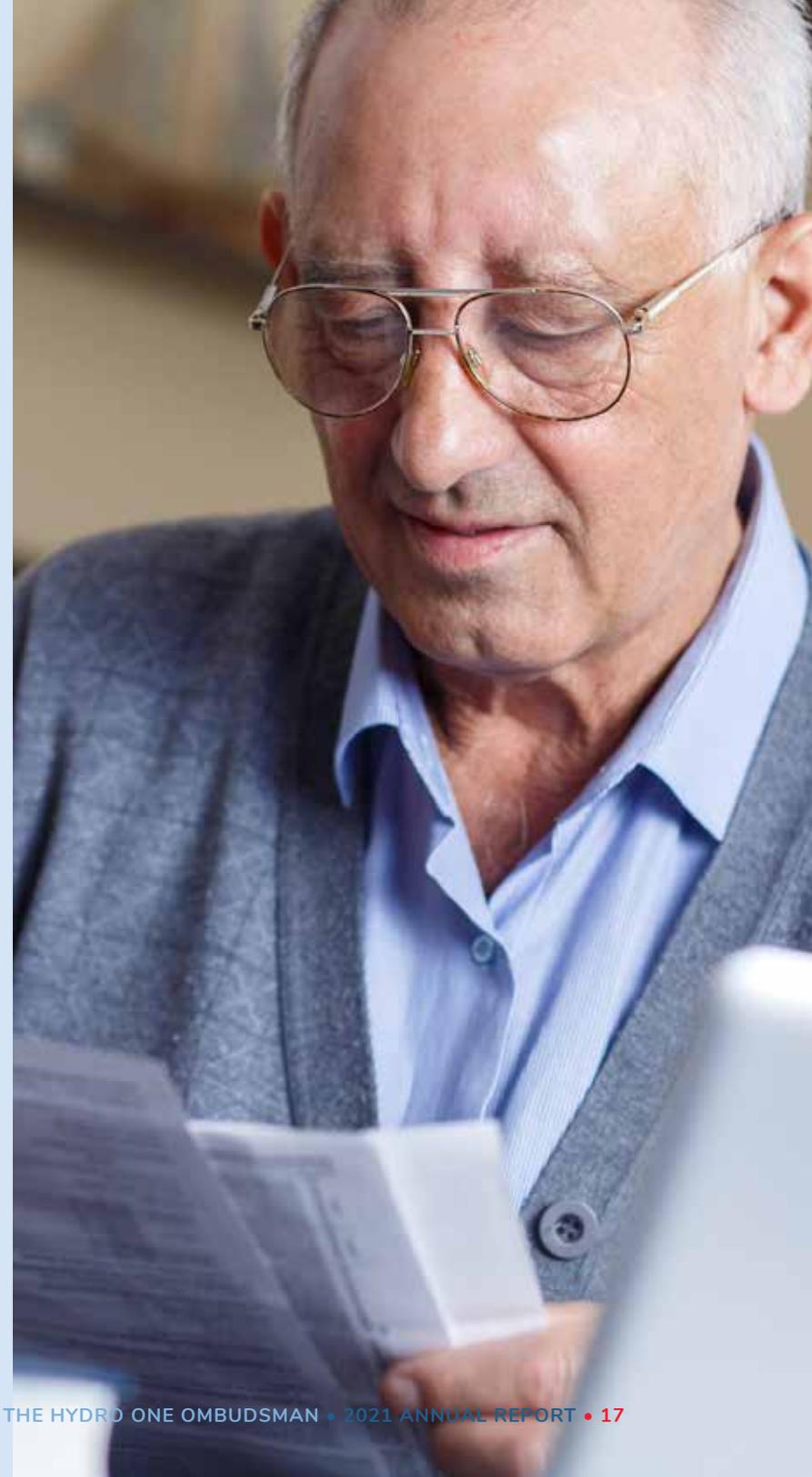
Budget billing miscommunication

Mr. V was struggling to pay his monthly winter heating bills. He contacted Hydro One and was introduced to Budget Billing which would spread his electricity costs evenly throughout the year using the average of his past year's consumption to calculate a regular monthly payment. This monthly amount would be reviewed and adjusted at specific points in the year to reflect any changes in consumption patterns, and a final adjustment would occur at month 12 to ensure he didn't pay more (or less) than his actual consumption.

When Mr. V enrolled in Budget Billing during a subsequent call he was incorrectly told (1) that the Budget Billing amount could be whatever he wanted, and (2) it would appear on his next monthly bill. Mr. V enrolled in Budget Billing and agreed to an amount far lower than his monthly averages.

When the Budget Billing amount did not appear on his next bill, Mr. V reached out to the company. At that time, it was determined that the Budget Billing amount was not based on his past consumption and he had been incorrectly told it would appear on his next bill. The company apologized for these errors, provided a generous credit to Mr. V, and confirmed coaching had been provided to ensure the error was not repeated. Despite this, Mr. V felt he should be entitled to the lower Budget Billing amount he was promised and contacted the Office requesting an investigation.

We confirmed that in Mr. V's situation, the Ontario Energy Board's rules required his Budget Billing to be based on his previous consumption. Therefore, Hydro One's refusal to set the Budget Billing monthly payment at the lower amount was not unreasonable. Overall, while the level of service Mr. V received fell below the standard that customers should expect from Hydro One, the company had taken reasonable steps to address its errors and shortcomings before the Office was contacted, so no further recommendations were made.



Customer care

While customer care complaints decreased by 24% this year, the Office continued to receive a fair number of complaints from individuals who believed Hydro One unfairly denied their claims for damages to personal property. Where a claim is denied, the claims department advises individuals that they can have that denial reviewed by the Office. Accordingly the volume of complaints we receive in this area is not unexpected. Our review of these complaints has not identified any processes in need of improvement. Rather, complainants are utilizing the final level of review the Office provides.

With many Ontarians still experiencing financial hardship brought on by the pandemic, customers continued to contact the Office with concerns about support programs. As most support programs are external to Hydro One, our focus is on providing customers with up-to-date information and ensuring that Hydro One is properly administering the programs.

This year also saw an increase in customer service complaints, most of which were dealing with general issues of delay or poor communication. The Office identified a number of common causes for these complaints. We are working closely with the company as it develops solutions to address these challenges through improved processes and technologies.

“ [I] always have professional interactions with the Office, with customer focused outcomes in mind.”

— HYDRO ONE EMPLOYEE

CUSTOMER CARE 2021 PERCENTAGES



27%

Damage Claims



23%

Customer Service



19%

Support Programs



15%

Communications



10%

Employee Behaviour



4%

Conservation

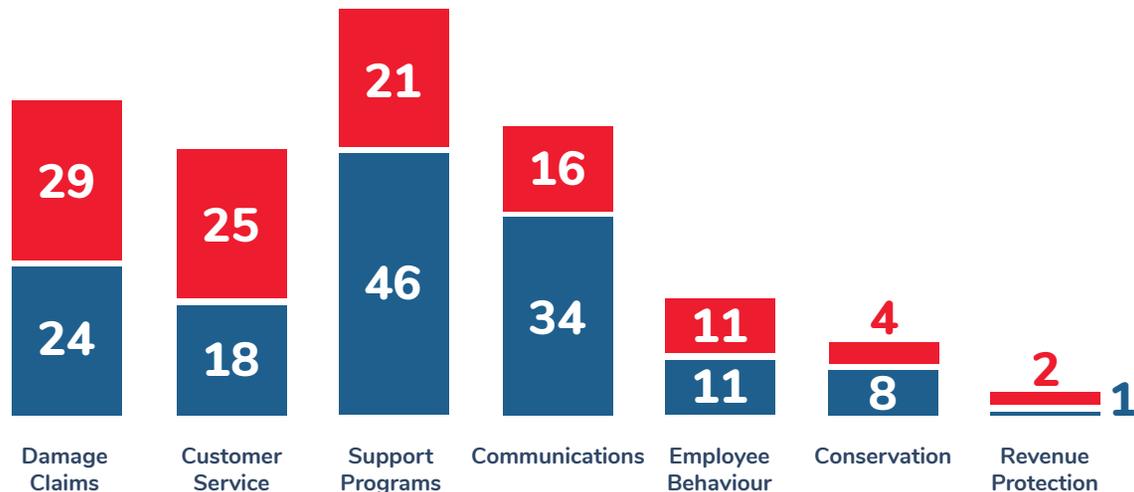


2%

Revenue Protection

NUMBER OF CUSTOMER CARE COMPLAINTS

● 2021 ● 2020

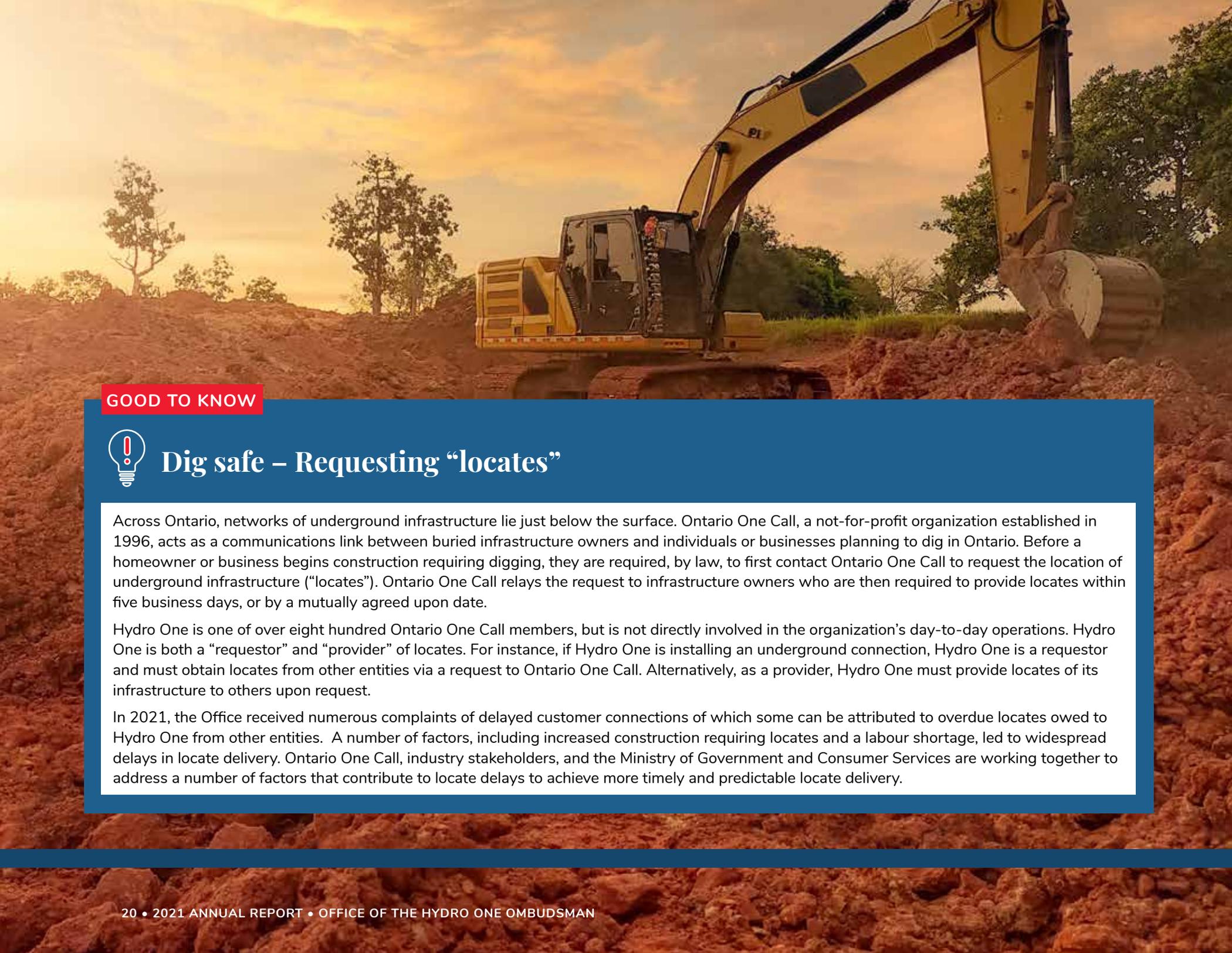


*Complaints previously categorized in a “Customer Care” sub-category are now included in “Communications”, with 2020 complaint numbers adjusted accordingly.



The Ombudsman’s office referred me to the right contact in Hydro One and together we solved the problem...thank you to the Ombudsman’s Office for being courteous and helpful throughout the process!”

— HYDRO ONE CUSTOMER

A yellow excavator is shown in profile, working on a construction site. The excavator's arm is extended, and it appears to be digging or moving earth. The background features a sunset sky with warm orange and yellow tones, and several trees are visible in the distance. The overall scene is a construction site during the golden hour.

GOOD TO KNOW



Dig safe – Requesting “locates”

Across Ontario, networks of underground infrastructure lie just below the surface. Ontario One Call, a not-for-profit organization established in 1996, acts as a communications link between buried infrastructure owners and individuals or businesses planning to dig in Ontario. Before a homeowner or business begins construction requiring digging, they are required, by law, to first contact Ontario One Call to request the location of underground infrastructure (“locates”). Ontario One Call relays the request to infrastructure owners who are then required to provide locates within five business days, or by a mutually agreed upon date.

Hydro One is one of over eight hundred Ontario One Call members, but is not directly involved in the organization’s day-to-day operations. Hydro One is both a “requestor” and “provider” of locates. For instance, if Hydro One is installing an underground connection, Hydro One is a requestor and must obtain locates from other entities via a request to Ontario One Call. Alternatively, as a provider, Hydro One must provide locates of its infrastructure to others upon request.

In 2021, the Office received numerous complaints of delayed customer connections of which some can be attributed to overdue locates owed to Hydro One from other entities. A number of factors, including increased construction requiring locates and a labour shortage, led to widespread delays in locate delivery. Ontario One Call, industry stakeholders, and the Ministry of Government and Consumer Services are working together to address a number of factors that contribute to locate delays to achieve more timely and predictable locate delivery.



CASE STUDY:

Connection delays

Ms. T contacted Hydro One in the summer of 2021 requesting a new electricity connection to a new home she was building.

About three months after first contacting Hydro One, Ms. T complained to the Office that her request was still not complete. By the time the Office became involved, a connection date was imminent. We nonetheless investigated the underlying causes for the three-month delay.

Through the course of our investigation, we found that there was unreasonable internal delay by Hydro One in completing the layout and design for the new connection. However, the company had already offered Ms. T compensation for the delay in the form of certain service credits and a waiver of the account setup charge. We found that this was a reasonable response by Hydro One to address the situation and did not recommend any further compensation.

We found that further delay had been caused by the failure of buried infrastructure owners to attend the property to mark the location of their buried cables, pipes and wires in a timely manner, a “locate” process required by law before the connection work could proceed. As Hydro One could not proceed with its work to connect the customer until this information was received, no recommendations for further compensation were made.



Prices, rates and fees

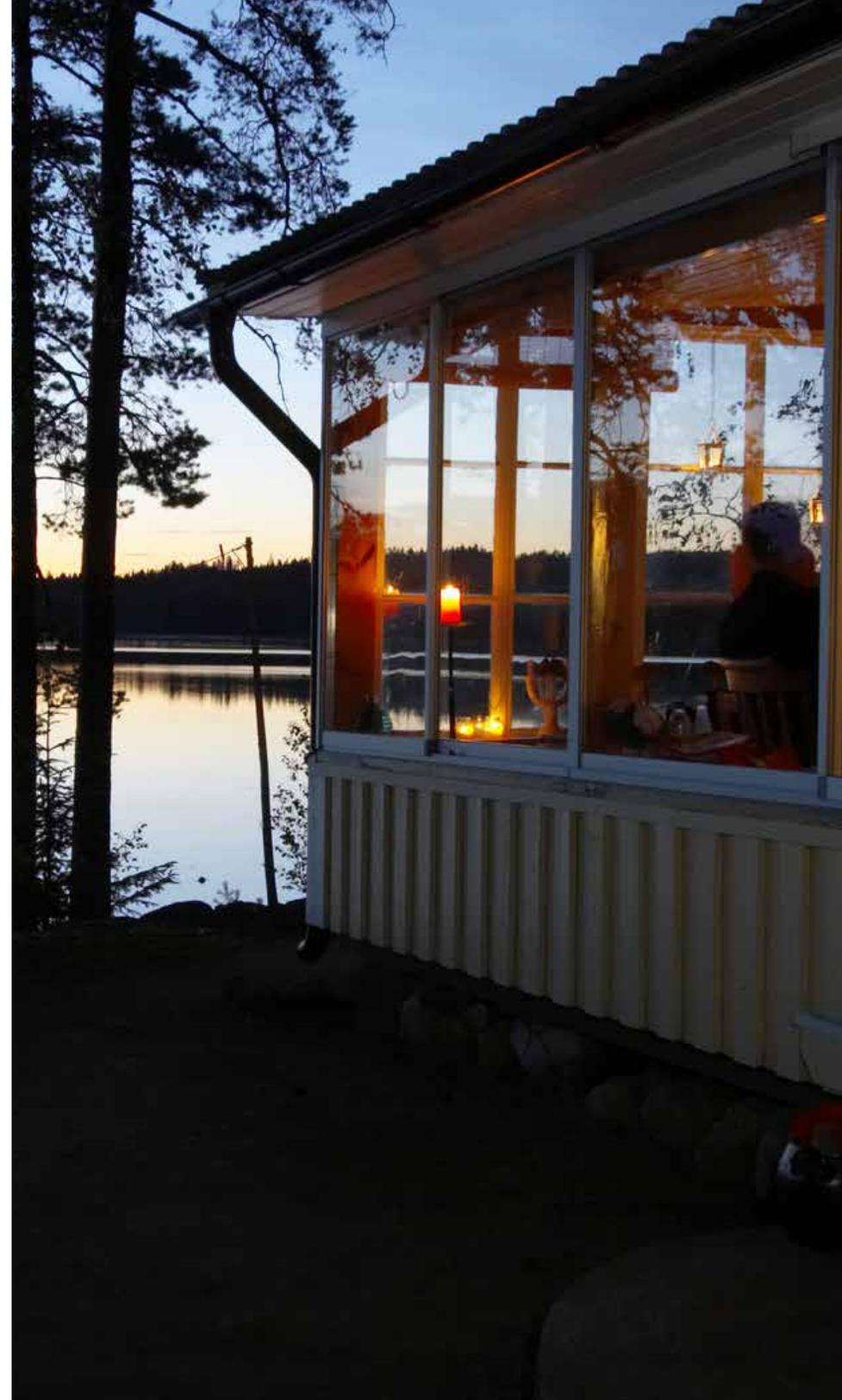
Complaints about electricity prices dropped by 85% this year, a stark difference from 2020 when the Office was flooded with calls from customers seeking rate-relief at the onset of the pandemic. While the Ontario Energy Board (OEB) applied COVID-19 rate-relief in the early part of 2021, for the majority of 2021 standard Time-of-Use and Tiered pricing models were in effect.

Unlike electricity prices, customer concerns about delivery charges increased in 2021, with complaint numbers rising most significantly towards the end of the year. As has been the trend in past years, the majority of these were from Hydro One's seasonal customers. Some contacted us believing they should only be charged delivery fees for the portions of the year their cottage was in use, while others were upset about the OEB's decision to eliminate Hydro One's seasonal rate class. While the Office does not have the ability to alter decisions made by the OEB, we catalogue all feedback received from customers and provide this information to Hydro One with the expectation that this feedback will be considered during the roll out of the OEB's decision throughout 2022.

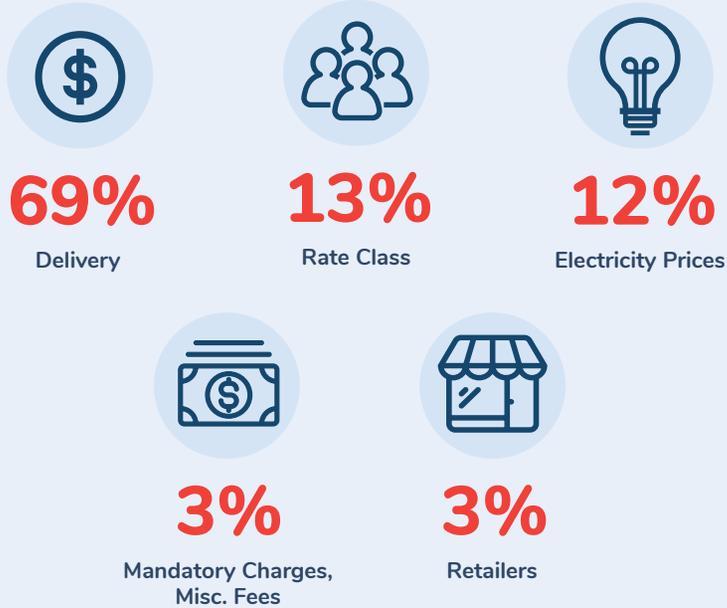


I am happy with the response and with the fact that they [Hydro One] realize what has to be done to make sure this is not repeated.”

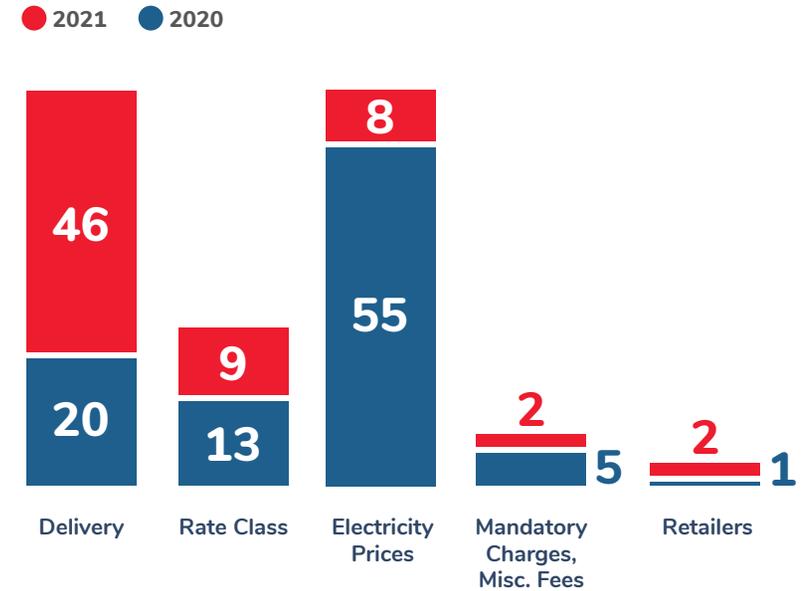
— HYDRO ONE CUSTOMER



PRICES, RATES AND FEES 2021 PERCENTAGES



NUMBER OF PRICES, RATES AND FEES COMPLAINTS



Nice to see fairness managed in this fast-paced environment and customer service is now recognized.”

— HYDRO ONE EMPLOYEE



CASE STUDY: Residential rate class

Mr. R owned a property with two buildings, his house and a shed. There was a separate meter for each building so Mr. R received two separate bills every month. The house was billed as a Residential account, whereas the shed was billed as a General Service account.

Mr. R contacted Hydro One regarding the rate classification of the shed. He felt that because the shed was being used for storage, not business purposes, it should also be billed as a Residential account. Further, he did not feel it was fair that he was paying separate delivery charges on both accounts. After confirming that the rate classifications were correct, Hydro One explained that the only way to have the house and shed on a single bill under the Residential classification would be to sub-feed his shed from the house, or to reconfigure the service so both buildings were serviced by a single central meter. Mr. R came to the Office not being satisfied with Hydro One's response and requested his shed be re-billed as a Residential account.

Our investigation confirmed that the information Hydro One provided to Mr. R was correct. According to Hydro One's *Conditions of Service*, a customer can only have one account fall into the Residential rate category and that account is for the meter servicing a customer's primary residence. Given that the service to the shed was not using the same meter as that serving the house, it did not meet the criteria for a Residential account. The available options, including the suggestion he consider installing a central meter, were reasonable in the circumstances and no recommendations were made by the Office.

“

Thank you for the call and the time you actually took to ask questions and to listen. This means a lot to me.

— HYDRO ONE CUSTOMER

”



“

I appreciate the resolution on this and again want to thank you for all the help and support you've provided in ensuring things were taken care of in a fair and professional manner. Your office is truly an asset and I hope you're able to provide peace to many others.

— HYDRO ONE CUSTOMER

”

Collection activities

In 2020, Hydro One made the decision to pause almost all collection activities in an effort to assist customers experiencing financial difficulties arising from the COVID-19 pandemic. While customer disconnections resumed for parts of 2021, the company used a measured approach, focused primarily on overdue accounts that pre-dated the pandemic. While complaints about disconnections were higher in 2021 than in the previous year, our review of specific complaints found that the company showed a commitment to working with customers to provide support and find solutions.

With the continued uncertainty brought on by COVID-19, the manner in which Hydro One deals with collections and disconnections will need to continue to be customer-focused with repayment plans tailored to the individual's unique circumstances. We will continue to pay close attention to this area and provide the company with immediate feedback if necessary.

“Recent inquiry was handled positively and recognizing the complexity of the issue, examined all angles.”

— HYDRO ONE EMPLOYEE

COLLECTION ACTIVITIES 2021 PERCENTAGES



60%

Collections

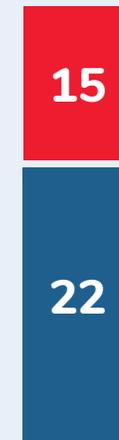


40%

Disconnections

NUMBER OF COLLECTION ACTIVITIES COMPLAINTS

● 2021 ● 2020



Collections



Disconnections

Working with the company

Since opening five years ago, the Office has established a collaborative working relationship with Hydro One. From field operations to the executive team, our ability to have candid conversations about what we hear from complainants and what we discover during our investigations allows us to provide reasonable, practical and actionable recommendations for improvements to benefit Hydro One's customers and the public. Recommendations can stem from individual complaints, or from broader trends observed.

In 2021, the Office made recommendations in 18 cases, resulting in a total of 27 recommendations made and accepted by the company. Examples of these recommendations include:

- Improving how customer service requests received by the Customer Contact Centre are transferred to and actioned by field staff;
- Providing bill credits for specific customers who experienced poor service falling below Hydro One's own customer service guarantees;
- Reconsidering denied damage claims where Hydro One's claims investigations were found to have material errors impacting the fairness of the original decisions;
- Removal of unnecessary Hydro One equipment installed on private property in the absence of a valid easement;
- Stopping vegetation maintenance on a privately owned line running on another customer's private property;
- Facilitating a meeting between the company's insurer and customer to settle an outstanding environmental claim; and
- Reassessing a support program application that had been improperly denied because of incorrect information being used in the first instance.



The Ombudsman's staff have been very professional, polite and willing to discuss questions to ensure that they understand the information provided. I've been very happy to work with them."

— HYDRO ONE EMPLOYEE



How can we help?



1-844-608-8756 or 416-345-1505



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**Ensuring equity.
Delivering fairness.**

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