



OFFICE OF
THE HYDRO ONE
OMBUDSMAN

2020 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, 2020 – December 31, 2020 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.

There is little doubt that 2020 was an extraordinary year. Ontarians were forced to adapt quickly to a new reality as a result of the COVID-19 pandemic. As much as possible, people worked, learned and stayed safe at home. My Office was no different. We shifted to a work from home reality, working with complainants and Hydro One virtually, with success.

Over 700 complaints were handled by my Office in 2020, a year-over-year increase of 24%. What my Office sees in these complaints is often a reflection of the sentiment in the province. Complaints regarding electricity support programs and the cost of electricity were common. As a result of staying at home, electricity use increased, and households often saw a corresponding increase to their electricity bill. At the same time, many households experienced financial challenges associated with the pandemic, even while the government held the price of electricity at a standard rate and Hydro One suspended residential disconnections and collection activities. Since electricity prices are set by the Ontario Energy Board on a province-wide basis, my Office cannot alter the prices that Hydro One customers pay. However, the feedback we received from customers in this area was shared with the Hydro One leadership team who, in turn, advocated for the rate relief that was eventually rolled out to all Ontarians.

The critical role electricity plays in our day-to-day lives was never more evident than during this past year. Since March 2020, my Office saw an increase in power outage and power quality complaints, as more people were home to experience the electricity issues and had time to contact my Office. As well, during the initial days of the pandemic, there were some delays in completing work in the field as Hydro One determined how to work safely for the protection of employees, customers and communities. The volume of complaints about delay gradually decreased as Hydro One became more adept at working under new conditions.

Throughout 2020 my Office walked a fine balance, challenging the company to be better and to do better, while understanding that during these extraordinary times resources were reallocated to ensure the safe operations of the company. As an independent office, we continue to engage, ask questions and to ensure a fair process with equitable outcomes. We continue to have a strong collaborative relationship with Hydro One and as a result are able to work informally and effectively to improve the company.

While we are unsure of how the year ahead will unfold, my team and I are unwavering in our commitment to bring positive change to the company. There is still work to do and we look forward to what we can accomplish together in 2021.

As an independent office, we continue to engage, ask questions and to ensure a fair process with equitable outcomes.

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

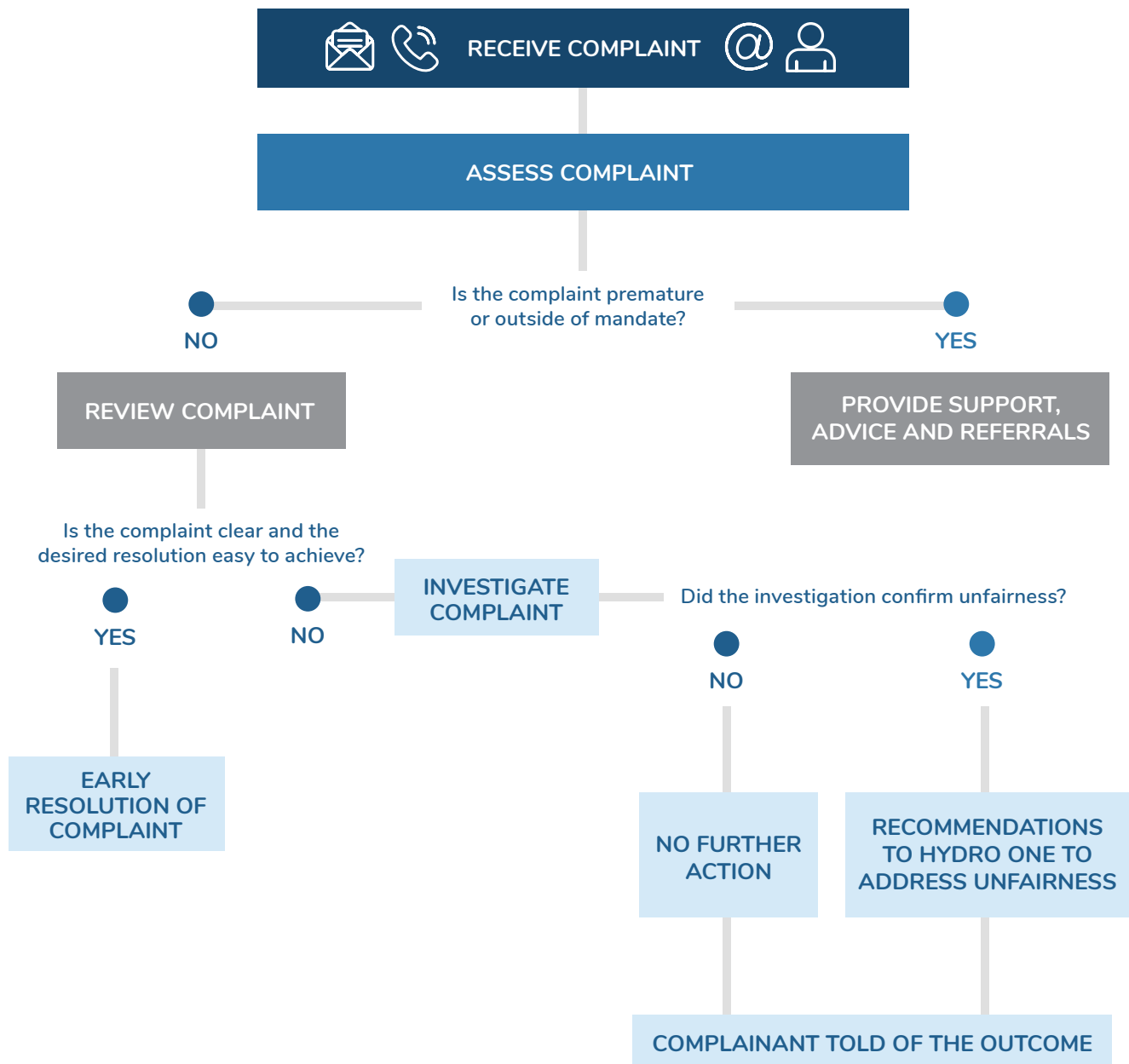
To facilitate resolution of complaints that remain unresolved after having been through Hydro One's complaints handling process.

(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.



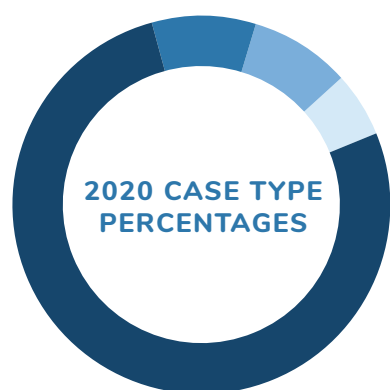
How we address complaints

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 Committee of the Board of Directors.



- Support and Advice 77%
- Early Resolution 9%
- Information Submission 8.5%
- Investigation 5.5%



The story in numbers

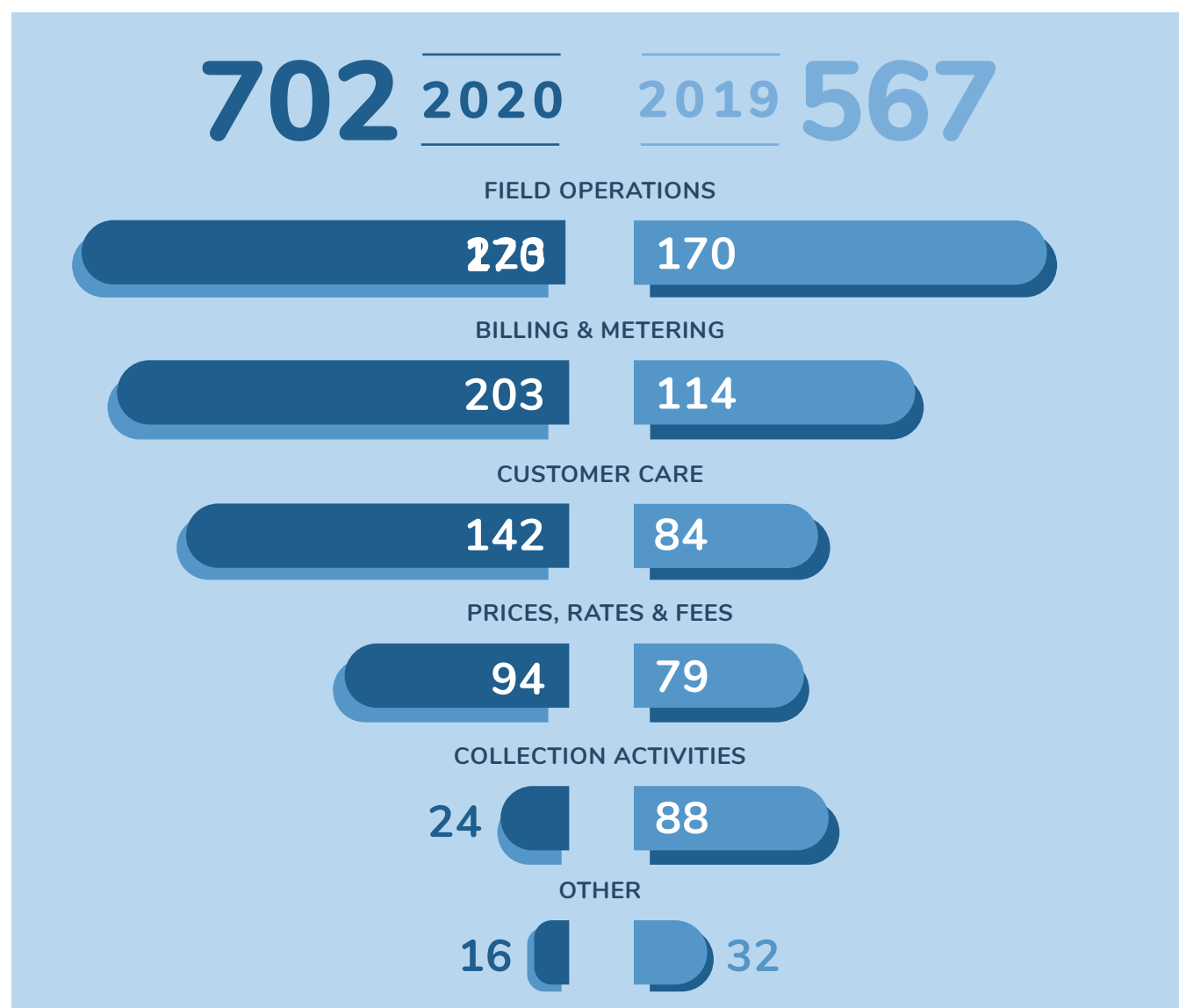


Complaints handled

The Office of the Hydro One Ombudsman was contacted by 759 complainants in 2020, with complaints withdrawn in 57 instances. The 702 complaints handled by the Office was 24% higher than 2019.

The increase in complaints can be attributed to a number of factors: ongoing concerns about the general affordability of electricity, more time and opportunity to raise unresolved or ongoing issues with Hydro One to the Office, and the greater impact that Hydro One's actions had on people's lives as they were forced to stay at home because of the COVID-19 pandemic. In addition, the Office continued its efforts to raise awareness of the services we offer.

Complaints to the Office were highest early in 2020 and gradually leveled off as the year progressed. This pattern likely reflects the efforts the government and Hydro One made to alleviate some of the financial pressures accompanying the onset of the pandemic, as well as a general return to "business as usual" as Hydro One adapted its processes to allow it to get work done while keeping employees and the public safe.





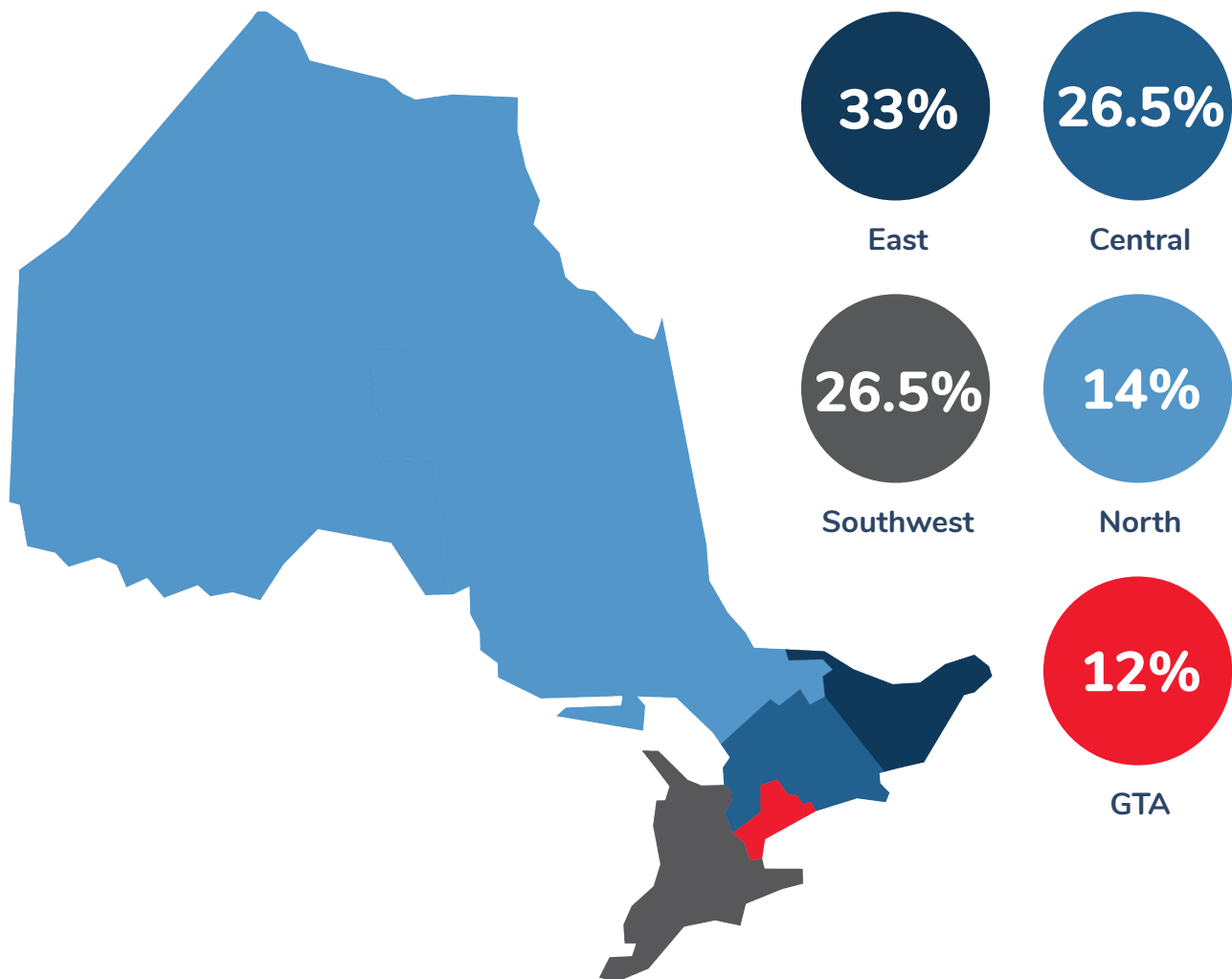
“I applaud Hydro for listening to my concern and fixing the problem. I also applaud the appointment of an Ombudsman so customers have access to the type of complaint resolution response it took me so long to get in the past. These are welcome positive developments and shouldn’t be overlooked in evaluating Hydro’s customer service record.”

— HYDRO ONE CUSTOMER

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 95.5% of complaints handled in 2020. 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.



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 2020, we received 149 complaints that were outside of our jurisdiction, representing 21% 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



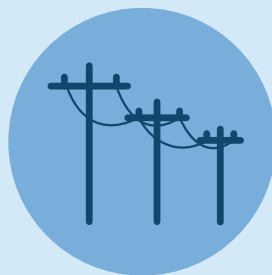
DELIVERY CHARGES

These charges go through a regulatory approval process at the Ontario Energy Board, and cannot be changed once set



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

Complaints by topic

Field operations

Complaints about field operations continue to be the largest single category of complaints we receive, although the high numbers speak more to the breadth of the category than to any emerging systemic trends. The increases this year were primarily driven by a higher number of power quality & outages and connection complaints.

While the Office continues to monitor Hydro One's efforts to improve its response to unplanned outages, as well as efforts to modernize its distribution system to improve reliability, the Office did not observe any new, common trends in these complaints. Instead, with many Ontarians facing restrictions on where they could go and who they could see, complaints may reflect the fact that power outages were felt more acutely by a customer base with limited options to minimize the impacts.

While we continue to receive a significant number of complaints about new connections, Hydro One is currently moving forward with the implementation of recommendations made by the Office which, once fully implemented, will result in a more streamlined process for customers, greater transparency, and improved consistency in the design and pricing of new connections.

FIELD OPERATIONS 2020 PERCENTAGES



31%

Power Quality/
Outages



21%

Connection



15%

Forestry



14%

Field Work



13%

Real Estate



6%

Health, Safety and
Environment (HSE)

“The Ombudsman and her team conduct themselves in a fair and respectful manner. I think they are driving value for both customers and the company..”

— HYDRO ONE EMPLOYEE



CASE STUDY

Right of way maintenance

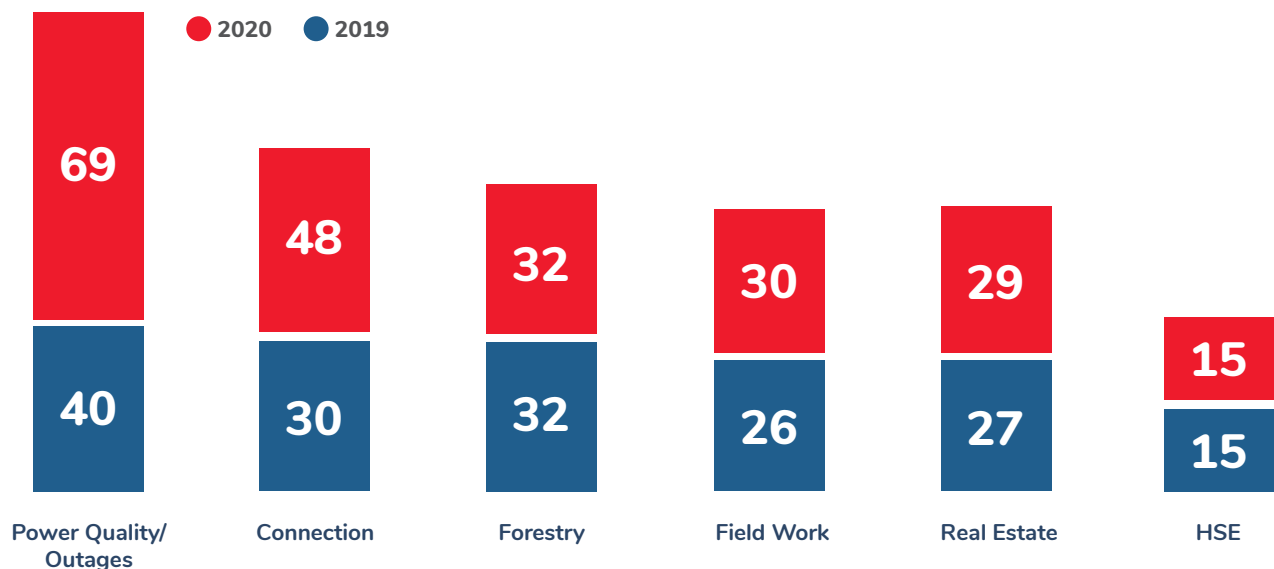
Mrs. J lives beside to a Hydro One right of way (ROW) that has a series of high voltage transmission lines and towers running through it, along with various trees and brush. Noticing an increase in garbage in the area, Mrs. J contacted Hydro One requesting they clear vegetation so she could better remove garbage from the area.

Access to this particular ROW is restricted to Hydro One staff and contractors. Members of the public are not permitted to undertake garbage cleaning activities on the ROW and “No Trespassing” signs are posted around the perimeter.

Since having people on the ROW could pose a potential safety risk, Hydro One committed to increasing garbage collection in the area by its hired contractors. Mrs. J was also provided with a direct contact at Hydro One to request garbage pick-up, if necessary. Mrs. J disagreed with Hydro One’s decision and sought assistance from our Office.

No matter how well-intentioned the request, our Office could not make a recommendation that the vegetation be cleared so that Mrs. J could collect garbage on the ROW because of the safety concerns this would pose. Hydro One had committed to increasing garbage clearing activities to twice a month, made specific efforts to remove the garbage in hard to reach areas and installed four new “No Dumping” signs to deter future dumping activities. Hydro One’s response to Mrs. J’s concerns appeared to be reasonable.

NUMBER OF FIELD OPERATIONS COMPLAINTS



Billing and metering

Billing and metering complaints saw the greatest increase of any complaint category in 2020, with an overall increase of 7 % over 2019. Most billing complaints were specific to customer requests and inquiries and we saw no trends pointing towards larger systemic issues. Meter accuracy complaints were largely from customers experiencing high-bill situations related more to general affordability than with any meter problems. As customers began to see the financial benefit of COVID-19 relief measures, complaints in this area decreased as the year progressed.

The area with the most significant increase in complaints was the opening and closing of accounts. Upon seeing this increase, we found commonalities in the correspondence we received and identified that most were received after Hydro One had discontinued its fax channel, leaving customers with limited avenues to contact the company in writing. In response, Hydro One accepted recommendations made by the Office to develop an alternative method for the public to contact Hydro One in writing and to ensure that this process was properly communicated.

**BILLING AND METERING
2020 PERCENTAGES**



40%

Account



40%

Billing



17%

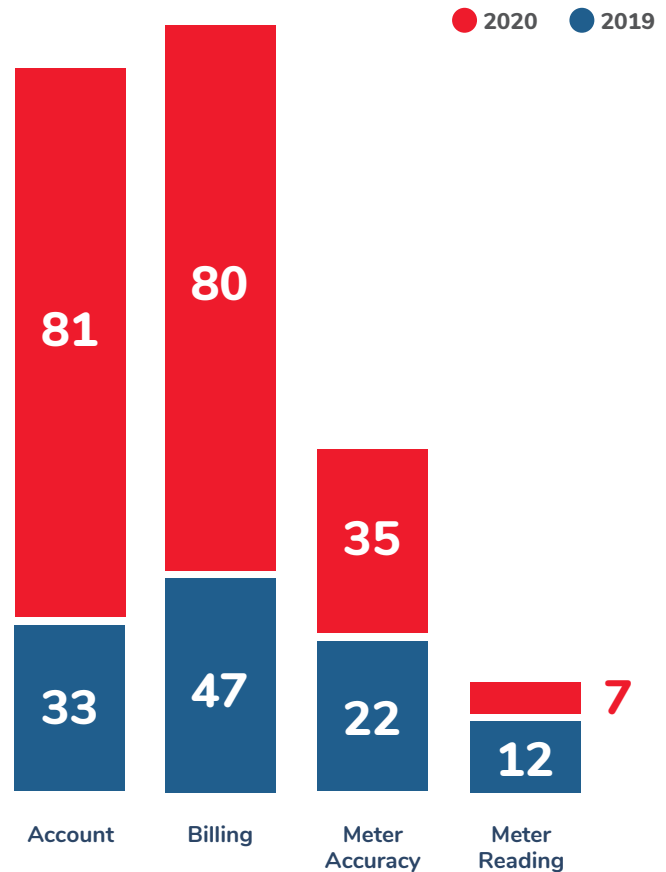
Meter Accuracy



3%

Meter Reading

NUMBER OF BILLING AND METERING COMPLAINTS






CASE STUDY

Account set-up error

Mr. A purchased a new property in 2013. Due to an error by the company in setting up the new account, the main meter at the property was not linked to Mr. A's account. This error was not discovered for six years and during this time the customer was not billed for the power that was actually being used. When Hydro One realized the error, Mr. A was told that he needed to set up the new account. Mr. A did not do this for another year.

Although Hydro One did not charge Mr. A for any of the electricity consumed between 2013 and when the billing issue was identified in 2019, the company did bill him for power used thereafter. Mr. A felt it was unfair that he should have to pay for any of the charges between 2013 to 2020, as it was Hydro One's error which led to the billing issues. He called our Office to appeal the company's decision.

The evidence did not support a finding that the customer had been treated unfairly. Under the *Retail Settlement Code*, the Ontario Energy Board allows electricity distributors to correct billing mistakes for a period of up to two years. In this case, Hydro One was only charging Mr. A for the one-year period after he was notified of the error and told it had to be corrected. In addition, Hydro One had provided reasonable repayment terms, allowing the customer to repay the amount owing over a three-year period.



“My interactions with the Ombudsman’s office have been professional, friendly and customer focused to a person. Always a pleasure.”

— HYDRO ONE EMPLOYEE

Customer care

Complaints about customer care increased by 69% in 2020, almost three times the rate of complaints overall. Increases in the categories of customer care, customer centres and support programs, together accounted for the net total increases observed in this category.

Many of the customer service based complaints we received were situational and the result of a small number of incidents impacting customers' ability to contact Hydro One – all of which were promptly identified and corrected without the need of any recommendations from the Office. With so many customers experiencing financial hardship, the Office continued to receive a fair number of complaints and inquiries about support programs, including the Ontario Electricity Support Program (OESP) and the Low-income Energy Assistance Program (LEAP). Since these programs were created by agencies not related to Hydro One, the Office does not have the ability to make recommendations to change the criteria that must be met to be eligible for financial support. Rather, we focused our attention on ensuring that Hydro One had not erred in its administration of these third party programs.

CUSTOMER CARE 2020 PERCENTAGES



32%

Support Programs



17%

Damage Claims



14%

Customer Care



13%

Customer Service



10%

Communications



7%

Employee Behaviour



6%

Conservation



1%

Revenue Protection



CASE STUDY

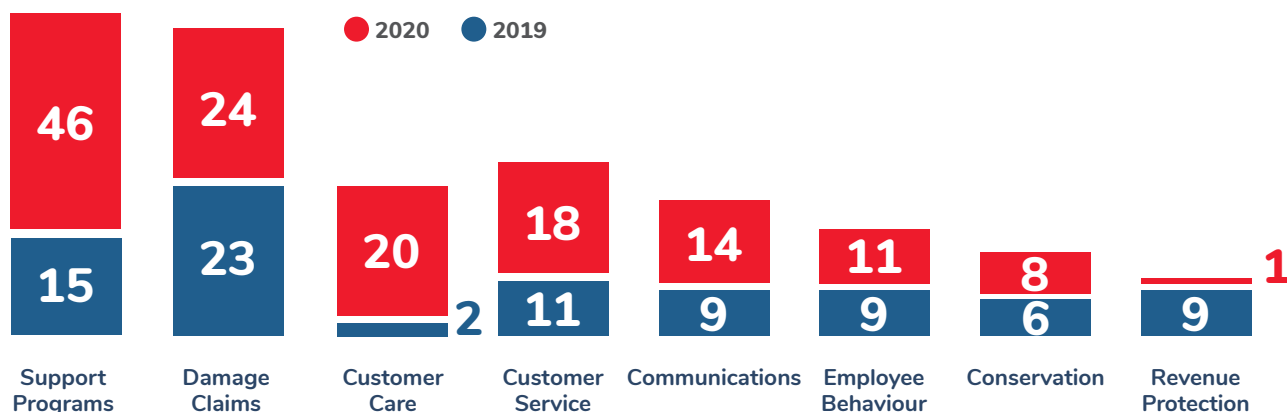
Notification to customers

Ms. O, a French-speaking customer, asked Hydro One to send her notices about upcoming planned outages in French. Despite being told by the company that it would do so, Ms. O continued to only receive notifications in English and contacted our Office seeking help.

During our investigation, we found the Company's current auto-dialer was only able to deliver planned outage notifications in English. While a new auto-dialer with French capabilities was being developed, a manual process was being used to deliver the planned outage notifications in French. Our investigation identified gaps in the manual process, and we found that human error had resulted in the failure of the French planned outages notices being delivered. When we inquired about how these human errors were being addressed, we were not provided with a reasonable audit process that would catch these errors and prevent them from being repeated.

Based on recommendations made by our Office, a quality control audit process was put in place to prevent similar errors from occurring in the future. Further, the company fast-tracked the implementation of its new auto-dialer capable of delivering automated notifications to customers in both French and English.

NUMBER OF CUSTOMER CARE COMPLAINTS

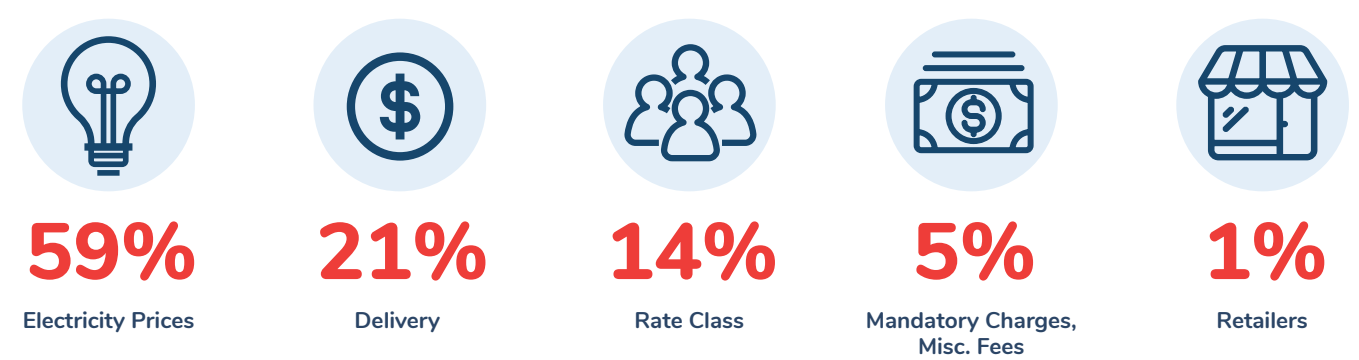


Prices, rates and fees

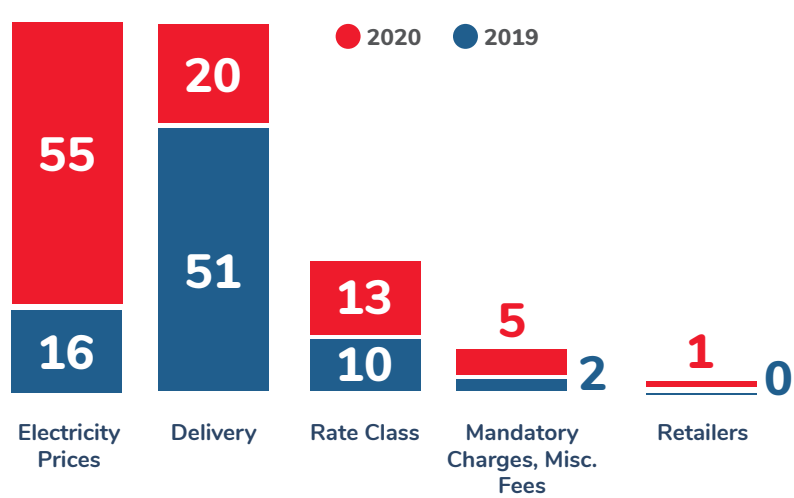
omplaints about prices, rates and fees increased by 19% in 2020, with most received in the first half of the year. The majority of complainants were requesting rate relief due to COVID-19 and its impact on household finances and electricity consumption. The flow of these complaints eased significantly after the introduction of supports for Ontarians, including the implementation of a temporary flat rate fee for all TOU pricing at the lowest, off-peak amount.

The remaining complaints largely dealt with residential customers concerned with their delivery costs as compared to their usage, or those who believed they should not be charged as seasonal customers. As Hydro One works to implement the Ontario Energy Board’s seasonal rate class order, we expect that complaint volumes about both rate class and delivery charges will continue into 2021.

PRICES, RATES AND FEES 2020 PERCENTAGES



NUMBER OF PRICES, RATES AND FEES COMPLAINTS



“The time spent on this was very much appreciated and very helpful. Thank you!”
 — HYDRO ONE CUSTOMER



CASE STUDY

Delivery charges

Mr. M owns a seasonal property in Hydro One's service territory and felt that the monthly delivery fee he was being charged by Hydro One was unfair, particularly during months when little to no power was used at his property. He contacted our Office wanting to know if this fee could be eliminated or reduced.

Delivery fees are approved by the Ontario Energy Board (OEB) and reflect the cost for Hydro One to transmit and distribute electricity to customers' homes, including maintenance of lines and equipment, clearing of trees and other vegetation, and administrative costs. The delivery portion of the bill includes a fixed amount and every customer will be charged this amount every month, even if no power is used, while the remainder of the delivery fee increases or decreases depending on the amount of electricity used.

While our Office takes these complaints seriously, we do not have the ability to investigate decisions made by regulatory bodies such as the OEB. When addressing complaints such as that raised by Mr. M, we investigate whether the customer is in the proper rate category, is being billed for the charges as approved by the OEB, and that the consumption based portion of the delivery fee is based on actual meter readings.

Mr. M was advised that the only way to eliminate the fee would be to request Hydro One remove his meter from the property when his cottage was not in use. This is not a recommended solution as it could trigger additional new account set-up fees and a possible inspection by the Electrical Safety Authority (ESA) before Hydro One would be permitted to reconnect his meter.



Collection activities

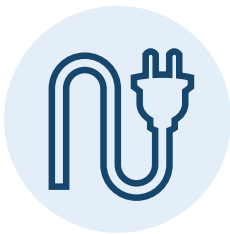
Acknowledging that exceptional times necessitate exceptional responses, the provincial government, the Ontario Energy Board, and Hydro One unrolled a suite of programs and supports aimed at alleviating some of the financial pressures faced by many households after the arrival of COVID-19. Hydro One also made the decision to pause almost all collection activities. Complaints received in this category decreased by 73% in 2020, with the focus instead being on helping customers get through these unprecedented times.

COLLECTION ACTIVITIES 2020 PERCENTAGES



92%

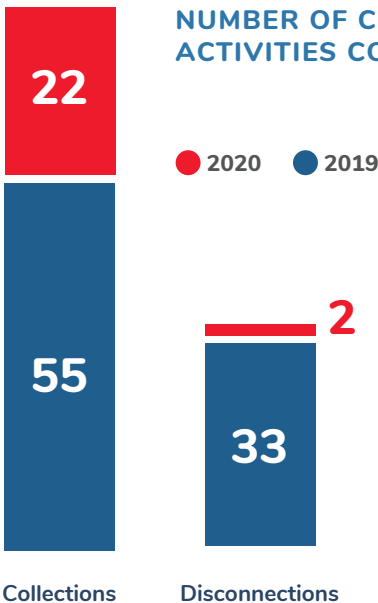
Collections



8%

Disconnections

NUMBER OF COLLECTION ACTIVITIES COMPLAINTS



“[The Ombudsman staff I worked with] was just fantastic. She went out of her way to contact me many many times. She explained in simple language which was much appreciated from our end. Although she couldn’t change what we are going through she certainly had empathy for what we are experiencing as a couple.”

— HYDRO ONE CUSTOMER



CASE STUDY

Inability to pay

Mr. B had trouble paying his monthly bills and had gotten significantly behind in his payments. With previous assistance from our Office, Mr. B was able to work out a repayment plan with Hydro One. Mr. B had been making his scheduled payments until March 2020, when his place of employment was shut down because of COVID-19 restrictions. Mr. B missed one of his payments but was then able to resume making scheduled payments for several more months. Because of the ongoing COVID-19 related financial difficulties Mr. B was experiencing, he later contacted Hydro One to advise that he would be unable to make his next scheduled payment. His request for a one month payment deferral was denied because he had already missed one payment a few months prior. Mr. B was advised that if he missed this second payment, the repayment plan would be cancelled and he would need to pay back the full arrears immediately.

In light of the financial hardships faced by many of its customers, Hydro One had already made the decision to put a temporary hold on collection activities. We found that Mr. B was being treated more harshly than other customers with newly acquired arrears. Based on our recommendations, the company allowed Mr. B to pay part of his next scheduled payment, and set up a new repayment plan going forward.



“I feel like the person I spoke with clearly understood my circumstances and was very reasonable in helping me to resolve my issue.”

— HYDRO ONE CUSTOMER

Working with the company

Since its opening, the Office of the Hydro One Ombudsman 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 2020, the Office made recommendations in 17 cases, resulting in a total of 27 recommendations made and accepted by the company. Examples of these recommendations include:

- Review of the criteria used by the company to proactively enroll customers in its e-billing program
- Establish a process to allow the public to continue communicating with Hydro One in writing, after its fax channel was discontinued, and ensuring this information was available on the company website
- Improve the usefulness and transparency of Hydro One's Online Fuel Switching Calculator, ensuring the electricity rates are continually up-to-date and consider additional functionality for customers
- Implement a permanent process to ensure that French-speaking customers receive notification of planned outages in their preferred language, as is already the case with English-speaking customers
- Prioritization of tree clearing and other vegetation management on lines where customers were experiencing an unreasonably high number of power outages
- Ensure customers were properly invoiced for labour and material costs arising out of customer-requested work such as new power connections, upgrades, and line expansions

“Thanks so much...I believe we reached a fair and mutually favourable conclusion...I thank you for your involvement...”

— HYDRO ONE CUSTOMER



How can we help?



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Delivering fairness.**

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