1   Q.   Further to response to Request for Information PUB-NLH-081 and the Ernst &

2   Young Target Operating Model Assessment:

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4   Please list the 40 recommendations identified for Hydro by Ernst & Young in its

5   Target Operating Model Assessment and, for each recommendation, identify: (i)

6   whether Hydro has implemented the recommendation; (ii) when and how Hydro

7   implemented the recommendation, if completed; (iii) any capital or operating costs

8   associated with implementing the recommendation, if completed; and (iv) a

9   detailed explanation as to why the recommendation has not been implemented, if

10   applicable.

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13   A.   Please refer to Table 1.

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Table 1 List of Recommendations per Target Operating Model Assessment

Item	Recommendation	Implemented	When	Cost	Remarks
1	Promote e-bills and recurring payments	Existing	Ongoing	$7k[1]	Recommendation was to continue with the promotion that was already in place.
2	Promote balanced billing	Existing	Ongoing	See Item 1	This is the existing Equal Payment Plan that is promoted during interactions with the Contact Centre, and through bills inserts.
3	Provide ability for customers to pay bills online	Yes	Ongoing	N/A	Option is available to make payments through financial institutions' electronic payment mediums.
4	Prioritize collection efforts once winter season moratorium ends	Yes	Ongoing	N/A	Practice in place.
5	Promote 1.5% discount	Yes	Ongoing	See Item 1	Included with bill inserts.
6	Investigate ways to target certain customers on bill messages	In progress	2018		Functionality will be available upon installation of the new Customer Information System as part of the Business Systems Transformation Program.
7	Conduct gentle reminder calls at day 30 or 45	No			Under review
8	Develop and implement strategy for Automated Meter Reading (AMR) deployment	Yes	Ongoing		Hydro's current AMR strategy is to coordinate installations with Meter Reader retirements (attrition).
9	Provide ability for customers to pay Customer Service Representative (CSR) in real time (cheque or credit card)	Yes	2016	N/A	Credit card payment option was added.
10	Pursue credit cards acceptance possibility with Public Utilities Board (the Board)	Yes	2016	N/A	Credit card payment option is available through third party. Customers pay a user fee for this optional service.
11	Automate collections process	In progress	2018		Functionality will be available upon completion of the Business Systems Transformation program.
12	Perform feasibility study on taking deposits for all new and delinquent residential customers	No			Future opportunity that will be included in the Customer Service Plan 2018 – 2020.

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[1] Annual cost of bill inserts and payment options promotion.

Item	Recommendation	Implemented	When	Cost	Remarks
13	Perform credit checks on new customers, or at least verify social insurance numbers and/or driver's license numbers	No	Ongoing	N/A	CSRs review previous accounts for balances owing and match new applicants ID numbers with existing/past account holders of same name. A review of the credit check process will be included in the Customer Service Plan 2018 – 2020.
14	Ensure that meter standards are up to date	In progress	2018	N/A	Standards are currently being revised.
15	Automate all meter records	Yes	Ongoing	N/A	All new and existing meter installations are being entered into an electronic file.
16	Re-enforce importance for employees to document and institutionalize policies and procedures	Yes	Ongoing	N/A	Customer service procedures are documented and stored electronically. Documents are regularly updated and reviewed with employees and new employees receive training and orientation as part of their onboarding.
17	Verify accuracy of new install rates	Yes	Ongoing	N/A	This is existing practice.
18	Develop and conduct training sessions to control regional offices processes. (Common Work Bench created but not enough to resolve issues).	Yes	Ongoing	$5k[2]	The last training sessions were completed in 2015. The next session is planned in 2018 as part of Customer Service training for Transmission and Rural Operations (TRO) staff.
19	Need a measurement tool to identify when to take CSR off the phone to work on backlog of work orders	Yes	2016	$40k[3]	The Interactive Voice Response (IVR) upgrade provides this ability.
20	Create and implement issues template for CSRs to forward to Treasury Department to research electronic payment issues	Yes	2016	N/A	Template not necessary. CSRs have access to download electronic payment records daily.
21	Add goals to all Key Performance Indicators (KPIs)	Yes	2015	N/A	Balanced scorecard identifies targets.
22	Add month-over-month and year-over-year trending on all KPIs	Yes	2015	N/A	All KPIs are tracked.

[2] Cost would be for travel and in the range of $1,500 to $5,000 annually.
[3] Cost is for the complete IVR upgrade.

Item	Recommendation	Implemented	When	Cost	Remarks
23	Implement a balanced scorecard and dashboard	Yes	2015	N/A	Implemented.
24	Consider creating dedicated account management positions for large Commercial and Industrial (C and I) accounts	Yes	2016	N/A	Key Account Management position created from an existing vacancy.
25	Consider outsourcing some or all billing & payment efforts	No	2008		Prior to 2008 bill printing and mailing was outsourced but was brought back in house because it was more cost effective. A review will be conducted as part of the Customer Service Plan 2018 – 2020.
26	Develop and roll out refresher training	Yes	2016	N/A	All Customer Service processes were last reviewed with CSRs in 2016. Future refresher training will be scheduled at biannual intervals.
27	Add meter shop personnel to address backlogs and improve audit results	In progress	2017		Staff resourcing currently under review.
28	Add a Business Process Analyst position	Yes	2016	N/A	Created from an existing vacancy
29	Work with the field to ensure better communications in the case of planned outages	Yes	Ongoing	N/A	Hydro Communications Department coordinates outage communications protocol with Customer Service and TRO annually.
30	Work with line crews, when they update work orders in the field to ensure paperwork is being sent in to be added to system	Yes	Ongoing	N/A	Customer Service regularly communicates with TRO regarding work order completion.
31	Create/rollout Customer Service "Awareness" training to other organizations	Yes	Planned		Refer to response to Item 18.
32	Ensure that IVR is supported (phone system is Avaya: IVR will no longer be supported by 7/15, but a workaround may exist?	Yes	2016	$40k	New IVR system was implemented.
33	Purchase and install a robust Customer Relationship Management (CRM) to capture call details, history, etc.	Yes	2016	N/A	Customer Information System is being used until completion of Business Systems Transformation program in 2018.
34	Enhance IVR functionality	Yes	2016		See response to Item 32.

Item	Recommendation	Implemented	When	Cost	Remarks
35	Investigate and rollout mobile apps and texting functionality	Yes	2016	$276k	Part of the *myNLhydro* application.
36	Enhance website functionality	Yes	2016		See response to Item 35.
37	Utilize existing functionality to access Treasury's imaging database on CSR desktops ("Inquire" icon), was not being used but has been recently implemented	Yes	2015	N/A	Access implemented and CSRs trained
38	Enhance customer portal (in 2015, the customer portal is scheduled to be upgraded with more history, more user-friendly). Portal enhancements to consider are: include more FAQs, payment options, recurring payments, e-bill enrollment, turn-ons and turn-offs, more usage and account history, letter history, bill image, report a payment capability, etc.	Yes	2016		See response to Item 35. All suggested enhancements have been implemented except letter history, which was not available on the platform.
39	Utilize existing functionality to access bill images on CSR desktops ("Inquire" icon was not being used but was recently implemented)	Yes	2016	N/A	CSRs now view bill images through an application called Web Utilities.
40	IS has ticketing system called Footprints that researches how to modify it to use for CSRs	Yes	2016	N/A	Customer Assistance database is being used because it was more cost effective than Footprints.
41	Modify IVR to inform Newfoundland Power (NP) customers of NP phone number so calls will not go to CSRs to handle	No			Not a daily concern, but can be implemented if events drive high call volumes.