

Hydro One Inc.
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Carmine Marcello
President & CEO

May 11, 2015

André Marin
Ombudsman Ontario
483 Bay Street, South Tower
10th Floor
Toronto, Ontario
M5G 2C9

Delivered by Hand

Dear Mr. Marin,

I am writing in response to your preliminary report entitled: *Investigation into the transparency of Hydro One's billing practices and the timeliness and effectiveness of the process for responding to customer concerns.*

Hydro One appreciates the opportunity to review and comment on your preliminary report and accepts its associated recommendations. We are committed to becoming the company our customers expect us to be and I believe we are making real progress towards that achievement.

Hydro One's move to a new Customer Information System (CIS) in 2013 was a major initiative intended to improve Hydro One's efficiency, productivity and ultimately, its customer service offerings. The goal was the right one but I agree with your observation in the report that the experience of our customers in the months following the implementation of our billing system was unacceptable. In response to these issues, Hydro One has initiated a number of actions that we believe, address most of your report recommendations.

In summary, we have:

- established more rigorous tracking, monitoring, and reporting of customer service metrics and performance indicators to ensure real-time visibility of customer service health
- strengthened corporate governance and oversight of customer service performance for large-scale customer-facing projects and initiatives
- changed the service-provider that manages our call centres and call centre staff
- changed how we work with our service provider to place a stronger emphasis on the engagement and training of our call centre agents and quality monitoring of call centre operations

- launched a major call quality improvement program to improve customer service
- initiated a project to improve bill clarity, including a bill redesign project

I was pleased that your report acknowledges Hydro One's billing and call handling practices are markedly improved from where they were when you initiated your investigation. I am proud of the progress we have made so far. We have tackled the issue of customers not receiving a bill for prolonged periods of time and reduced that number from a high of 53,495 to a current result of 360. We have improved first call resolution in our call centre from 69% to 82%. We will intensely track both these measures of service health as part of our comprehensive customer monitoring program and work hard to continue improving all our customer scores.

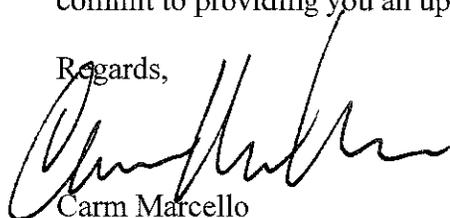
We are pleased with our progress to-date but we fully understand that meeting our customers' expectations involves much more than simply improving our billing and call centre performance. In responding to these concerns we recognized that the issues went deeper than the implementation of new technologies. We acknowledge that Hydro One's culture was at the heart of our customer service failings. We are committed to changing that culture to become one of service and pride that puts the focus on ensuring that Hydro One is the company the people of Ontario need us to be.

In the fall of 2014, Hydro One established a Customer Service Advisory Panel (the Panel). The Panel acts as an independent body that will ensure the Company is living-up to specific measureable customer service commitments. We have been working diligently with the Panel to finalize a comprehensive set of customer commitments as well as the means by which the Panel will assess and report on our progress against the commitments to ensure the Company is accountable to the highest standards. Over the longer-term, we will also look to the Panel to advise Hydro One leadership with respect to establishing and implementing new/revised customer service policies, approaches and products.

Our aim throughout this process has been to provide your investigation team with timely and open access to the people, systems and documents required to complete your investigation. I would like to acknowledge the professionalism of your investigation team as they carried out their specific duties.

Thank you for allowing Hydro One this opportunity to provide comment on your preliminary report. A copy of our responses to each of your recommendations is appended to this letter. I commit to providing you an update on our progress in the months ahead.

Regards,



Carm Marcello
President and CEO,
Hydro One Inc.

Hydro One - Response to Recommendations

Topic	#	Recommendation	Response
Considering Customers	1	Hydro One Inc. should ensure that it considers the impact on customers as its first priority throughout all project planning phases and develops appropriate mitigation strategies and contingency plans.	Hydro One has modified its project delivery methodology to ensure we have a more customer centric focus. In addition, the new Vice President, Customer Service founded the Customer Governance Committee in the Q3 of 2014 Committee to include leadership from all divisions in ensuring that customer impact of all actions and projects is considered at all stages and mitigation strategies are in place.
	2	Hydro One Inc. should ensure that it keeps track of the cumulative total of customers affected by various system issues and provides clear, accurate and constant descriptions of the various problem categories.	Whenever undertaking potentially customer-disruptive initiatives, Hydro One will keep track of the total number of customers affected by system issues and the nature of the disruptions.
	3	Hydro One Inc. should adopt a proactive, transparent, open and accountable approach to communications with stakeholders and oversight and regulatory bodies.	Since early 2014, Hydro One has increased the transparency and openness of interactions with stakeholders and regulators. For example, throughout the customer recovery project, Ontario Energy Board (OEB) and Hydro One staff met biweekly, to provide a close perspective and a real-time view on the issues and gave OEB staff the ability to build understanding and ask informed questions. The regulator was also invited to and took part in multiple teletownhalls with customers throughout 2014, helping them gauge the perspective of Hydro One customers.
	4	Hydro One Inc. should ensure that any provider of outsourced services communicates with stakeholders and oversight and regulatory bodies in a transparent, open, and accountable manner.	Hydro One works closely with our outsourced service provider to ensure that there is clear, transparent, open, accountable communication between our organizations. As the license holder, Hydro One Inc. is accountable for regulatory compliance, we will continue to communicate directly with regulators on matters of performance of our outsourced services.
	5	Hydro One Inc. should monitor call centre communications to ensure that they reflect transparency, openness and accountability expected of a provider of public services.	Hydro One monitors call centre communications on a continuous basis and is committed to being open and transparent with customers in every interaction. In August of 2014, Hydro One Inc. implemented 100% voice recording for all calls to the centre, allowing for monitoring of all call centre communications for conformance to performance standards.

Hydro One - Response to Recommendations

Topic	#	Recommendation	Response
Improving Staff Training and Supports	6	Hydro One Inc. should ensure that it implements comprehensive staff training before introducing any initiatives with potential impact on customers.	Hydro One now ensures full training of call centre staff for new initiatives, changes, or issues. For example, in April of 2014 Hydro One Inc. overhauled and implemented new bill literacy training for call centre agents to greatly increase their ability to have informed discussions regarding Hydro One bills in anticipation of a high volume of customer inquiries regarding bills that were larger than average due to the colder than average temperatures this past winter. Call agents can now capably explain, using an online tool, the direct relationship between temperature and electricity consumption. They now have access to an online tool that tracks daily temperature in the customer's area and correlates it directly to the customer's energy consumption.
	7	Hydro One Inc. should consult with and obtain timely feedback from individuals responsible for contact with customers to ensure that training is effective and supplemented if necessary.	Prior to overhauling "bill literacy" training in the spring of 2014 and revamping our entire quality monitoring program shortly after, input was obtained from frontline staff through focus groups and roundtable discussions. This approach has continued for all subsequent agent training materials development.
	8	Hydro One Inc. should consider providing additional training to call centre and Customer Relations Centre staff in technical and other operational issues to enable them to resolve customer service concerns more effectively.	Hydro One has provided additional training to both call centre and complaints-handling staff on technical matters as well as current or emerging issues. This began early in the spring of 2014 and continued throughout the year on topics that included larger than average bills, setup of payment arrangements, and "soft" skills for helping customers with billing concerns or particular hardships. This will be an ongoing process.
	9	Hydro One Inc. should ensure that it regularly provides clear, timely and accurate scripts for use by call centre staff to address billing and other customer service issues as they arise.	In April 2014, Hydro One undertook a full review of call centre agent scripts, with the most frequently used scripts reviewed first (i.e. payment arrangements, estimated bills). Going forward, Hydro One is providing scripts or information on any billing or customer service issues that arise as soon as they become known. Call centre agents are also more empowered to focus on the quality of the conversation and follow the spirit of the script rather than directly reading it.
	10	Hydro One Inc. should consult technical and front line call centre staff in the development of scripts to ensure that it provides the tools necessary to ensure effective customer communications.	Hydro One revamped its quality assurance program in the spring of 2014, utilizing frequent focus groups with staff in both call centres. Obtaining call agent staff feedback is now a part of Hydro One's training and scripting development process so that agents can take ownership of the scripts and guide the company's efforts to resolve customers' issues.
	11	Hydro One Inc. should ensure that evaluation of staff and call centre agents readiness is included in pre-implementation business readiness assessments proceeding major system changes that impact customers.	For major customer facing system changes, including other initiatives mentioned in this plan (such as Bill redesign), Hydro One will ensure that a readiness assessment is completed prior to changes being implemented.

Hydro One - Response to Recommendations

Topic	#	Recommendation	Response
Enhancing Call Intake and Quality Monitoring	12	Hydro One Inc. should conduct research on call intake practices, and revise its performance measures to reflect public sector best practices and greater emphasis on the quality of calls and customer outcomes.	Hydro One and its new outsource provider are looking to best practices to guide customer service efforts and quality assurance. Information gathering goes beyond utilities and looks to what is the highest standard. Customer Satisfaction and First Contact Resolution measures are built into the outsourcer's performance agreement and are monitored and reviewed daily by Hydro One management. The new speed-of-answer service level standard Hydro One now operates under and achieves is top quartile within the industry.
	13	Hydro One Inc. should engage in more robust monitoring of the quality of call centre calls through more extensive sampling of recorded calls, live call monitoring, random spot checks, and the introduction of "secret shopper" calls.	As early as March 2014 and throughout the year, Hydro One staff listened to and evaluated calls and engaged in "secret shopper" activities. Feedback the company collected was leveraged in updating agent scripts, training, and the revamped quality program. Hydro One's executive 'Call A Customer' program, introduced in July of 2014, includes live call monitoring. Hydro One also randomly spot checks calls as a part of its recently-revamped call quality program.
	14	Hydro One Inc. should engage an independent external third party to assist in conducting random audits of call quality.	Hydro One currently has an independent quality team within its outsourcer conduct random sample audits of call quality using an agreed upon standard. Once the new quality program is mature, Hydro One will bring in a third party to audit call quality to ensure that these measures and efforts will ensure a high standard of performance.
	15	Hydro One Inc. should review and update its call evaluation and call quality scoring standards to ensure that they reflect its goal of customer-centered services.	Hydro One began revamping its quality assurance program in the spring of 2014 and the rollout of the program is nearing completion. This effort included a total redevelopment of call evaluation and call quality scoring standards to reflect a stronger focus on the customer experience.
	16	Hydro One Inc. should develop customer service quality standards for the Customer Relations Centre.	Hydro One is developing a set of standards for calls and case work in the Customer Relations Centre (CRC) with the help of external expertise. These standards will be implemented in the summer of 2015.
	17	Hydro One Inc. should record Customer Relations Centre calls and develop a call monitoring program for the call centre, including live call monitoring, random spot checks and secret shopper calls.	Call recording, live monitoring, and spot checks are being implemented in the Customer Relations Centre to support the evaluation of calls and case work to the customer service quality standards.
	18	Hydro One Inc. should continue to have managers located in the main call centre to ensure robust on-site monitoring.	Hydro One managers have been located on the call centre floor and actively engage the service provider and the call centre staff on a daily basis.
	19	Hydro One Inc. should conduct research and consult with customers and other stakeholders to evaluate whether there are other, more accurate means of measuring and reporting on customer satisfaction, and change its survey and reporting practices accordingly.	Hydro One uses two established market research firms to conduct customer satisfaction transactional and perception surveys. The company continually refines these programs to ensure that they depict an accurate picture of customer experience. Hydro One now places greater emphasis on transactional surveys, so that current information on customer experience is obtained immediately after-the-fact and corrections to in-flight programs can be made. In instances where a surveyed customer says they are dissatisfied with a service or interaction, the research firms probe deeper for root cause and collect verbatim comments from the customer; this information is provided directly to Hydro One for analysis and action.
	20	Hydro One Inc. should conduct customer satisfaction surveys to those using the Customer Relations Centre and use the results to plan for operational improvements.	Starting in the week of May 10, 2014, Hydro One implemented customer satisfaction surveys for Customer Relations Centre-handled complaints.

Hydro One - Response to Recommendations

Topic	#	Recommendation	Response
Transforming Corporate Culture and Governance	21	Hydro One Inc. should establish strategic objectives for its corporate scorecard, as well as for individual managers, related to changing its organizational culture to reflect public sector values.	In June of 2014, Hydro One's President and CEO introduced all Hydro One employees to Five Core Values: Customer Caring, Safe Workplace, Execution Excellence, People Powered and One Company. Performance Management for all management staff incorporates all five core values and they are accountable to work with their manager to set specific and measurable goals under this framework. 2015 is the first year that management performance will be measured in this new context and the company commits to improving the process to foster a positively changed corporate culture as evidenced by improved customer experience.
	22	Hydro One Inc. should ensure that timely risk assessments and "lessons learned" evaluations take place throughout all stages of project planning, implementation, and stabilization. It should consider whether the impact on customers has been appropriately identified and addressed throughout mitigation and contingency planning, as well as communication strategies.	Hydro One will undertake formal risk assessments at key milestones for all major customer-facing initiatives. Hydro One appointed a new Chief Risk Officer in April 2015; this position reports directly to the CEO and has accountability for ensuring compliance with this requirement. Hydro One has adjusted its risk tolerances for customer impacts to increase focus on customer risk and ensure mitigation and contingency planning.
	23	Hydro One Inc. should ensure that executive management and the board of directors are immediately alerted to any signs of systemic customer service and billing problems, including rising complaint levels.	Regular reports to the Executive Committee now include customer service "health" metrics. Board and Board Committee reporting also include emerging customer service issues and measures of customer service process "health".
	24	Hydro One Inc. should ensure that, in addition to regular briefings on complaint statistics, its executive management and board of directors routinely receive information about complaints and inquiries from all sources, as well as details of problem trends and individual cases reflecting egregious customer service and errors.	Backlog of complaints is a statistic reported regularly to the Executive and Board Committee level. Patterns and emerging trends in complaints are included as appropriate. Since March of 2014, the Vice President of Customer Service has received daily complaints statistics and any identified trends; this process will continue.
	25	Hydro One Inc. should ensure that executive managers and the board of directors are regularly and fully briefed about the cumulative impact and nature of customer service and billing issues.	Regular reports to the Executive Committee now include customer service "health" metrics, and this will continue. Board and Board Committee reporting includes emerging customer service issues and measures of customer service process "health", including volumes, complaint backlogs and other cumulative customer service impacts.
	26	Hydro One Inc. should continually reinforce for its staff, through training and direction, that the purpose of preparing billing and customer service statistics is to enable the company to have a clear, objective and accurate understanding of how well it is serving its customers.	In early 2014, the company made operational and customer statistics a core part of routine discussions and communications with staff. In the call centre this includes the display of relevant billing and call handling statistics on television screens and display boards throughout building, starting at the entrance. In addition, key related metrics such as customer satisfaction and first call resolution are part of corporate performance targets.
	27	Hydro One Inc. should prepare statistics in a consistent, clear, and standardized format, accompanied by meaningful and honest analytics.	Hydro One has standardized its method for presenting its metrics in a clear, consistent format.
	28	Hydro One Inc. should create a customer service committee of the board of directors to highlight the significance of issues affective its customers, meet with customers and customer groups to gain a better understanding of customer service issues, and effectively address systemic concerns.	The Business Transformation Committee of Hydro One 's Board of Directors currently includes customer service performance as an element of its mandate. This includes oversight of Management's activities specific to customer issues and trends. Future Board Committee mandates and structures are the purview of the Board.
	29	Hydro One Inc. should ensure that its board of directors receives sufficient training to understand technical aspects of the company's operations, key performance indicators and other information relevant to customer service.	Board Education on customer service operations and metrics is provided.
	30	Hydro One Inc. should ensure that it has adequate customer service and technical resources to address customer service issues.	Hydro One 's Customer Service team now has the authority to pull-in additional service or technology resources from elsewhere in the company to address customer service issues as they arise. This was implemented in 2014 and was particularly valuable in resolving the backlog of complaints escalated to the Customer Relations Centre.

Hydro One - Response to Recommendations

Topic	#	Recommendation	Response
Improving Customer Service Practices	31	Hydro One Inc. should develop a system to ensure that timely refunds are available to customers who have overpaid their accounts, through inadvertence or system error.	Hydro One offers customers the option of a refund cheque or credit upon request for inadvertent or system errors. The company is taking steps to ensure that these are issued in a timely manner.
	32	Hydro One Inc. should redesign its bills to ensure maximum clarity.	Hydro One is performing an extensive review and redesign of the bill format in 2015, with a plan to implement a new bill in 2016. The bill redesign will be based on industry best practices, and will leverage significant customer and front line employee feedback to ensure maximum clarity. Note that, as this is a major customer-facing initiative, Hydro One will incorporate all the lessons learned from the recent billing issues to protect customer experience and mitigate disruption.
	33	Hydro One Inc. should consider best billing practices and consult its customers and other stakeholders in redesigning its bills to ensure that any revisions actually meet customer needs.	The 2015 bill redesign process will include multiple input opportunities and design iteration checkpoints with customers and employees. Hydro One will look to current/recent successful bill redesign initiatives in the sector for guidance.
	34	Hydro One Inc. should prepare a single itemized bill, rather than multiple bills, to address rebilling because of mistakes, prolonged estimates, or other circumstances, along with accompanying correspondence setting out a clear explanation as to why the account has been reconciled.	System changes to generate a "single itemized bill" are under evaluation, with anticipated implementation in the first quarter of 2016.
	35	Hydro One Inc. should post a clear explanation of the complaint process, including information about call centre and Customer Relations Centre escalations, and reference to external referrals.	Hydro One has a formal process for complaints management; any customer has the right to have an issue escalated. Hydro One will clarify its complaint process on its website.
	36	Hydro One Inc. should ensure that the Customer Relations Centre staff consistently provide external referrals to the OEB, the Ontario Ombudsman and other relevant bodies where appropriate.	Hydro One refers matters to external agencies responsible for relevant topics (e.g. OEB, IESO, Ombudsman) where appropriate. This is an area that has been emphasized in recent script revisions and quality training for call centre agents.
	37	Hydro One Inc. should develop a procedure to ensure that customers are consistently offered clear, detailed and accurate explanations as well as apologies for poor service.	When Hydro One revamped "bill literacy" training in the spring of 2014, these key call handling concepts and approaches were incorporated. This was rolled out to staff using a specific service model that emphasizes listening, acknowledgment, and apology as a way of recovering a situation and building rapport with customers. This was built into the revamped quality training program in 2014 and continues to be reinforced.
	38	Hydro One Inc. should ensure that its efforts to resolve billing issues are adequately monitored and coordinated to prevent duplication, inconsistency and negative impact on its customers.	Monitoring and coordination of billing resolution was implemented in April 2014 to provide visibility on all customer facing billing issues in order to drive timely resolution and a consistent customer treatment.

Hydro One - Response to Recommendations

Topic	#	Recommendation	Response
Committing to Customers	39	Hydro One Inc. should ensure that its customer commitments initiative has strong senior leadership and robust planning, monitoring, and reporting.	In the fall of 2014, Hydro One established a Customer Service Advisory Panel (the Panel). The Panel acts as an independent body that will ensure the Company is living-up to specific measurable customer service commitments. We have been working diligently with the Panel to finalize a comprehensive set of customer commitments as well as the means by which the Panel will assess and report on our progress against the commitments to ensure the Company is accountable to the highest standards. Over the longer-term, we will also look to the Panel to advise Hydro One leadership with respect to establishing and implementing new/revise customer service policies, approaches and products. Hydro One's panel includes the President of Credit Canada Debt Solutions, the President of Laurentian University, the former Chief of the Saugeen Ojibway Nation, and the President and CEO of the Forest Products Association of Canada.
	40	Hydro One Inc. should post regular status updates on the progress of its customer commitment initiative on a prominent place on its website for public consultation.	In the fall of 2014 Hydro One posted draft commitments on its website and invited customers to participate in their refinement. Over 60,000 customers responded to the survey. Once the Customer Service Advisory Panel has completed its review of Hydro One's Customer Commitments, including customer feedback obtained during this survey process, the commitments will be posted publicly .
	41	Hydro One Inc. should post the final customer commitment document in a prominent place on its website.	Once the Customer Service Advisory Panel has completed its review of Hydro One's Customer Commitments, they will be posted prominently on the company's website.
	42	Hydro One Inc. should set timelines for the completion of the service metrics and public scorecard to accompany the customer commitment document, and ensure that these are prepared on an expedited basis.	Hydro One is working very closely with our Customer Service Advisory Panel to finalize the customer commitments. Hydro One anticipates this work will be completed in mid-2015.
	43	Hydro One Inc. should post service metrics and the public scorecard related to the customer commitment document prominently on its website and ensure that these are regularly updated.	The service metrics will be posted on Hydro One's website once they are finalized. Additionally, the Panel will produce an independent report on its assessment of Hydro One's customer improvement activities.
	44	Hydro One Inc. should ensure that it provides clear and transparent explanations for the statistical information and other evaluations that it posts about success in meeting its customer commitments.	Hydro One's progress in meeting our commitments will be evaluated by the independent Customer Service Advisory Panel members. Hydro One will provide full explanations of all metrics and evaluations.
	45	Hydro One Inc. should post examples of cases where it has met and/or failed to meet its commitments to promote organizational learning, public accountability and transparency.	Hydro One's success in meeting our commitments will be evaluated by the independent Customer Service Advisory Panel members. Their conclusions will be shared publicly, to increase accountability and transparency.
	46	Hydro One Inc. should ensure that the customer service advisory panel is provided with sufficient information and opportunities to enable it to function effectively.	Education for the Customer Service Advisory Panel has been an ongoing priority since the fall of 2014. A subject matter expert on global best practices in Utility Customer Service is also serving as an advisor to the Panel to support this effort.
	47	Hydro One Inc. should publish information about the customer service advisory panel's activities and the contribution it has made to customer service initiatives.	Once the Customer Service Advisory Panel has completed their initial report, the findings will be shared publicly. Their ongoing contribution, the metrics and the Commitments will become a continuous improvement process.
Improving Collection Practices	48	Hydro One Inc. should publish disconnection moratorium dates annually, refer to them in communications about collections during the winter months, and abide by them,	Hydro One will ensure customers are aware of Hydro One's voluntary winter moratorium and when their service may or may not be disconnected for non-payment.
	49	Hydro One Inc. should develop a process that ensures individual circumstances are consistently and fairly taken into account when resolving collection matters.	Hydro One's collections program needs to balance compassion for customers and fairness for all ratepayers. Steps will be taken to ensure individual circumstances are taken into account, especially customers in financial difficulty, but ultimately customers need to pay for the electricity they consume as the cost of unpaid bills is borne by other customers.
	50	Hydro One Inc. should ensure that all changes in bill collection initiatives are thoroughly researched and planned, and include pre-implementation consideration of customer service impacts, risks and mitigation strategies.	As Hydro One restarts its collection program, we will ensure that the appropriate care is given to minimize customer service impacts.

Hydro One - Response to Recommendations

Topic	#	Recommendation	Response
Clarifying Classifications	51	Hydro One Inc. should post clear and easily accessible information on its website informing customers about the significance of different density classifications and their relationship to rates.	This information is already posted on Hydro One's website at www.hydroone.com/MyHome/MyAccount/UnderstandMyBill/Pages/DeliveryRates .
	52	Hydro One Inc. should post information about the density classification review process on its website.	Hydro One will post this information on its website.
	53	Hydro One Inc. should develop a clear, consistent and fair policy for retroactive adjustment of accounts that have been subject to inaccurate density classification.	The policy was developed in March of 2015, following the Ontario Energy Board's decision on density classification.
	54	Hydro One Inc. should ensure that whenever a customer request results in a density reclassification, neighboring properties are reviewed to assess whether the same adjustment should apply to them.	A review process is being developed, with anticipated implementation by the end of 2015.
	55	Hydro One Inc. should inform individual customers, in clear language, of the significance of their rate classifications in terms of billing, and include information about how to request a change in classification if they believe their property is misclassified.	Hydro One's Conditions of Service and other appropriate communication vehicles will be enhanced to provide additional clarity for customers.
	56	Hydro One Inc. should post clear information about the different rate classifications (such as general service) and their impact on billing on its website, and include information about how customers can request a change in reclassification if they believe their property is misclassified.	Information on rate classifications is available on Hydro One's website at http://www.hydroone.com/MyHome/MyAccount/UnderstandMyBill/Pages/ServiceTypes.aspx . Hydro One will add instructions on how customers can request a review if they believe they have been incorrectly classified.
	57	Hydro One Inc. should ensure that call centre agents are instructed to confirm the use being made of the property when setting up or transferring accounts that are classified as general service to ensure proper classification.	This existing process was enhanced in January 2015.
	58	Hydro One Inc. should ensure that when accounts are created online, the nature of the service is confirmed to ensure proper classification.	Hydro One agrees with this recommendation. Hydro One will evaluate the recommendation to determine how best to implement, with anticipated implementation by the end of 2015.
	59	Hydro One Inc. should develop a transparent and consistent process for providing retroactive credits and refunds when it is discovered that an account has been misclassified, and post information about this process on its website.	Hydro One agrees with this recommendation. Hydro One will evaluate the recommendation to determine how best to implement, with anticipated implementation by the end of 2015.
	60	Hydro One Inc. should ensure that it does not issue retroactive bills in contravention of the Retail Settlements Code, and should train call centre and Customer Relations Centre staff so that they understand and apply the two-year billing limit.	An interim process was implemented in December 2014. A long term solution is scheduled to be implemented in mid-2015.
	61	Hydro One Inc. should prominently post information on its website about the two-year restriction for collecting charges from residential customers for under billing.	Hydro One will post information about the two year limitation on collecting charges from customers who have been under-billed.
	62	Hydro One Inc. should revise its goodwill credits policy to eliminate reference to "goodwill", post the revised document on its website, and ensure that it is applied consistently.	Hydro One revised its policy in 2014 to provide for greater consistency in applying credits associated with failing to provide acceptable service, and will continue to monitor for consistent application of the policy.
	63	Hydro One Inc. should take steps to revise its conditions of service to provide customers with a right to receive service charge credits if they do not receive bills, or receive erroneous bills.	As noted in the Report, this has been our practice since early 2014. This will be communicated in the next revision of our Conditions of Service.
Lessons Learned	64	Hydro One Inc. should use the customer relations fallout associated with the new CIS as a learning tool for its managers.	As noted in the Report, the "Call a Customer" executive training program was introduced in the summer of 2014. This program includes a detailed review of the CIS experience and lessons learned. To date, over 150 managers and executives have completed the program.
Progress Reports	65	Hydro One Inc. should report back to my Office in six months' time on progress in implementing my recommendations, and at six-month intervals thereafter until such time as I am satisfied that adequate steps have been taken to address them.	Hydro One will be open and transparent in its efforts to improve customer service and will report back to the Office of Ombudsman on this investigation as scheduled.

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Carmine Marcello
President & CEO

May 11, 2015

André Marin
Ombudsman Ontario
483 Bay Street, South Tower
10th Floor
Toronto, Ontario
M5G 2C9

Delivered by Hand

Dear Mr. Marin:

Re: File No. 276184

As per the undertaking I signed on April 24, 2015, below is a list of the names of all persons who have had access to the Preliminary Report or its contents:

- Carmine Marcello
- David Dennison
- Ali Suleman
- Joseph Agostino
- Laura Cooke
- Rob Quail
- Imran Merali
- Alexandra Zolis
- Robert Globocki
- Kimberly Maves
- Ryan Harris
- Michelle Micallef
- Spencer Gill
- Daffyd Roderick
- Daniel Levitan
- Tiziana Baccega Rosa
- Frank D'Andrea

Yours Truly,

A handwritten signature in black ink that reads "Carmine Marcello".

Carmine Marcello
President & CEO