

Hydro One investigation update – March 11, 2015 **Facts, highlights and case summaries**

Total complaints received about Hydro One (since April 1, 2013): **10,017**
Cases received since investigation announcement on February 4, 2014: **9,370**

More than **two-thirds** of the 10,000 complaints (**6,667**) related specifically to billing and customer service issues.

Of those, **4,075 have been resolved.**

Other issues complained about include: General dissatisfaction with Hydro One, high energy rates, delivery and other charges; concerns about the accuracy and functioning of smart meters; problems with electricity service and outages, and concerns about hydro pole maintenance and placement.

Systemic investigation update:

Interviews conducted so far: **180**

Pages of documentation reviewed: **23,000**

Emails examined: **151,000**

Final Report: Expected in late spring/early summer 2015. A preliminary report will be provided to the Minister of Energy and Hydro One for comment.

Chronology:

- April 2013-February 2014: 624 complaints received about Hydro One, double the previous year (328).
- February 4, 2014: Investigation announced.
- February 5-7, 2014: 1,561 complaints received.
- February 2014: Hydro One sends letter to all customers, acknowledging problems with billing and customer service due to “unanticipated” issues with the launch of a new customer service information system in May 2013.
- February 2014-present: Ombudsman and Hydro One set up dedicated teams to flag, escalate and resolve individual complaints; senior Ombudsman staff meet regularly with Hydro One managers to advise them of complaint trends.
- April 2014: Hydro One implements short-term measures to tackle problems, including waiving late payment charges, pledging not to disconnect customers for billing issues, setting a 10-day turnaround time for escalated complaints.
- June 2014: In his Annual Report, Ombudsman notes Hydro One investigation has already drawn highest number of complaints in office’s history.
- October 2014: Complaints continue to rise, to 9,000.

- February 20, 2015: Ombudsman meets with Hydro One CEO to raise concerns about complaints from distraught customers who were threatened with disconnection, despite Hydro One's public pledge not to do this.

Common themes in billing/customers service complaints:

- Threats of disconnection for those who have missed payments;
- Customers having to call Hydro Customer Service agents repeatedly to have their matters resolved;
- Incorrect bills;
- No bills for prolonged periods of time;
- Estimated bills covering prolonged periods of time;
- Large "catch-up" bills after a period of no bills or estimated bills;
- Multiple bills within a short period of time, or all at once (18 bills, in one case);
- Large amounts of money withdrawn from the bank accounts of customers with automatic payment plans, without warning;
- Lack of clarity regarding charges/billing adjustments;
- Confusion over processes, e.g., for overpayment refunds and credits.
- Density classification issues – residents in growing communities being billed at varying rates (e.g., people on the same street being billed at both low-density and medium-density rates).

Summaries of individual cases:

- In February 2015, Hydro One sent a disconnection notice to a London-area father of two small children, demanding he pay his full balance of \$3,278. His only alternative was to have a "load limiter" placed on his service, forcing his family to severely restrict heat or light. Hydro One confirmed to Ombudsman staff they never intended to disconnect his service, despite the threat. The man borrowed money, paid part of the balance, and arranged to pay the rest in instalments.
- Hydro One charged a Sudbury-area man \$23,775 for using more than 100,000 kWh (kilowatt-hours) at his cottage in 19 months – the amount of electricity that five full-time homes would normally use in two years. Ombudsman staff determined that Hydro One's computer system had triggered a meter "rollover," resulting in a large overcharge. It corrected the error, rebilled the man \$989, and gave him a service credit of \$402.
- A small business owner and her landlord, who shared a building in the Haliburton area, were hit with two bills totaling \$16,400 for a six-month period – more than triple their usual bills. Ombudsman staff determined this was due to a technician's error in meter reading and inputting data. Hydro One corrected the reading, leaving the woman with a credit balance of \$353. At the urging of Ombudsman staff, Hydro One also gave the woman a "goodwill" credit of \$218.
- A Sudbury-area man was shocked to open his monthly statement and discover his hydro use had increased from 1,300 kWh per month to 3,451 kWh per *day*,

resulting in a large bill in the amount of \$19,152. Ombudsman staff discovered his meter had been replaced in 2013, but this change was not processed in the system until four months later. Hydro One ultimately reduced the bill from more than \$19,000 to only \$74.

- A Middlesex County cottage owner was paying for hydro for her cottage even though she hadn't visited it in many years. During a call with Hydro One, she learned her service had been disconnected since 2004 after Hydro One workers did some repairs and did not reconnect service to her property. Despite this, Hydro One had continued to bill her for seven years. When she requested a full refund, it refused, citing a policy that only allowed account adjustments of up to two years. After Ombudsman staff intervened, Hydro One agreed to refund the full balance of \$3,549.
- After her husband passed away, a Renfrew County woman opened a new Hydro One account and set up preauthorized payments. In June 2014, Hydro One unexpectedly withdrew \$5,500 from her account, triggering \$89 in overdraft fees. Its customer service agents admitted to her that the charge was a mistake, but said processing a refund could take weeks. Hydro One told Ombudsman the woman's smart meter was not communicating properly and had been underestimating the power use on her property for two years. The \$5,500 withdrawal and overdraft fees were reversed, and Hydro One credited her account with \$661. It also offered her a 48-month interest-free plan to pay the remaining balance on the account.