

<b>TO:</b>	<b>CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON JANUARY 21, 2013</b>
<b>FROM:</b>	<b>JOHN BRAAM, P. Eng. MANAGING DIRECTOR, ENVIRONMENTAL AND ENGINEERING SERVICES AND CITY ENGINEER</b>
<b>SUBJECT:</b>	<b>SERVICE LEVEL AGREEMENT AMENDMENT WITH LONDON HYDRO FOR WATER METER READING AND WATER AND SEWER BILLING</b>

**RECOMMENDATION**

That, on the recommendation of the Managing Director, Environmental and Engineering Services and City Engineer, the attached proposed by-law **BE INTRODUCED** at the Municipal Council meeting of January 29, 2013, to: approve a Service Level Agreement for the water meter reading, billing, collection, and customer service of the City's water and sewer accounts by London Hydro Inc.

**PREVIOUS REPORTS PERTINENT TO THIS MATTER**

The reports noted below can be found at <http://www.london.ca/d.aspx?s=/Meetings/Default/meetingpackages.htm>:

- Water Meter Services Relationship with London Hydro, June 23, 2004; Board of Control, Agenda Item #16.
- Service Level Agreement, December 10, 2009; Board of Control Agenda Item #4
- Service Level Agreement with London Hydro for Water Meter Reading and Water and Sewer Billing, Board of Control, October 21, 2009, Agenda Item #13
- Service Level Agreement Amendment with London Hydro for Water Meter Reading and Water and Sewer Billing, December 13, 2010; Finance and Administration, Agenda Item #17

**BACKGROUND**

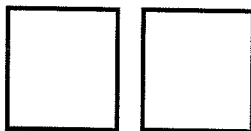
**Purpose:**

London Hydro Inc. provides water meter reading, billing, collection, and customer services for the City's water, sanitary sewer, and storm drainage accounts. This report requests authorization for the Mayor and City Clerk to execute a new Service Level Agreement (SLA) between London Hydro Inc. and the Corporation of the City of London for the services noted above at a cost of \$3,865,000 per annum.

**Background:**

With the approval of the new rate structure by the Municipal Council on November 20<sup>th</sup>, 2012 and the desire for enhanced customer engagement strategies, the City has been exploring opportunities with London Hydro, our billing partner, to enhance the current service agreement in order to accommodate the increasing need for data and customer service. With increased automation and efficiency measures adopted in the private sector, many of the larger water users in the City have requested digital access to the water use information displayed on their bills.

Within the new agreement that retroactively commences on January 1<sup>st</sup>, 2013 and terminates on December 31<sup>st</sup>, 2015, the City and London Hydro will have the ability to review the billing service costs on an annual basis and adjust to accommodate the enhanced meter reading technology leveraged through the Meter Replacement Program. With each passing year, meter staff are replacing water meters through an annual program that targets out of date meter technology and installs



new water meters capable of being read through drive-by systems. To date, approximately 40% of all residential water meters are being read through the drive-by system with more moving onto the system each month. These drive-by meters can now be read at a fraction of the cost of the traditional walk-by or direct read meters.

City and London Hydro staff have reviewed the existing agreement to determine where enhancements are required and have conducted a series of administrative adjustments including:

- The addition of website and web presentment requirements;
- Enhancement of financial reporting;
- Updating key contacts;
- The ability for the City to audit the accuracy of the reports provided (financial, operations and engineering), the service being delivered, and the effectiveness of the processes related to services and reporting;
- Various other minor wording and punctuation edits

**Cost:**

The efficiencies gained by shared meter reading and customer service between the two utilities has been studied by two firms in 2011 and 2012. The City hired BMA Consulting to look at the overall cost of service for London Hydro to provide meter reading and billing services to the City which was completed in late 2011. London Hydro, following direction from the Ontario Energy Board, hired Navigant Consulting to do a similar analysis which was delivered in early 2012. Both consultants determined that the current fee for service, which has been effectively locked at \$3.05M for the past 3 years and at \$3.025M per year prior to that, was resulting in a subsidy by London Hydro to the City for the shared services.

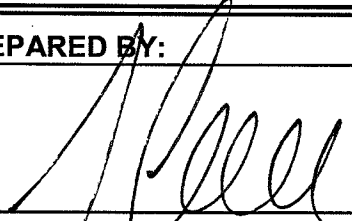
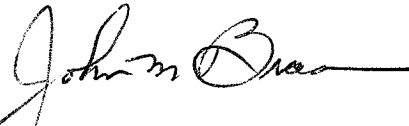
City and London Hydro staff have negotiated a cost of \$3.865M per annum to cover the costs of water and sewer meter reading, billing, customer service, and collections. This fee for service is based on the results of the consultant analyses and London Hydro's need to meet Ontario Energy Board fiscal requirements. It will be reviewed each year under the 3 year agreement and will be adjusted to accommodate enhanced meter reading through drive-by so that the City can realize the savings of converting the water meter stock to advanced technology. Other efficiencies will be reviewed to determine where there is further opportunity to reduce the annual cost to the City's Water and Wastewater utility.

**Conclusion:**

Authorization and execution of the attached by-law (Appendix A) and the Service Level Agreement (Schedule A) between London Hydro Inc. and the Corporation of the City of London for the management and operation of the meter reading, billing, collections and customer service for the City's water and sewer accounts will meet the customer needs for a period of up to three years..

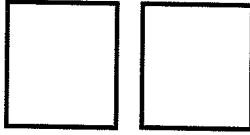
**Acknowledgements:**

This report was prepared by of Matt Feldberg, Water Demand Manager, Water Engineering and Roland Welker, Water Engineering Division Manager.

<b>PREPARED BY:</b>	<b>RECOMMENDED BY:</b>
	
<b>JOHN LUCAS, P. ENG. DIRECTOR, WATER AND WASTEWATER AND TREATMENT</b>	<b>JOHN BRAAM, P.ENG. MANAGING DIRECTOR, ENVIRONEMNTAL AND ENGINEERING SERVICES AND CITY ENGINEER</b>

December 7, 2012  
MF

Attachments: Appendix 'A' – By-law



**APPENDIX A**

Bill No.  
2013

By-law No.

A By-law to authorize and approve a Service Level Agreement between The Corporation of the City of London and London Hydro Inc. regarding water meter reading, billing, collection and customer service for the City's water and sewer accounts services and to authorize the Mayor and Clerk to execute the agreement

AND WHEREAS subsection 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

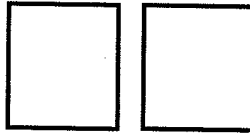
1. The Service Level Agreement for the water meter reading, billing, collection and customer service for the City's water and sewer accounts by London Hydro to be entered into between The Corporation of the City of London and London Hydro Inc. attached as Schedule A to this By-law, is hereby authorized and approved.
2. The Mayor and City Clerk are authorized to execute the agreement authorized and approved under section 1 of this by-law.
3. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council , 2013

Joe Fontana  
Mayor

Cathy Saunders  
City Clerk

First reading –  
Second reading –  
Third reading –



**SCHEDULE A**

**THIS SERVICE LEVEL AGREEMENT** effective as of the 1st day of January **2013**.

BETWEEN:

**THE CORPORATION OF THE CITY OF LONDON**

("City")

and

**LONDON HYDRO INC.**

("London Hydro")

**WHEREAS** the City is a municipality that has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under the *Municipal Act, 2001* or any other Act;

**AND WHEREAS** London Hydro is a corporation that engages in business activities such as providing meter reading and entering into joint ventures to provide services to other utilities or the public sector in London;

**AND WHEREAS** the City is the sole shareholder of London Hydro;

**AND WHEREAS** London Hydro continues to provide the City with services such as water meter reading, billing, collection, and customer service for the City's water accounts and sewer accounts;

**THEREFORE IN CONSIDERATION** of the premises and other good and valuable consideration, in sufficiency of which is hereby acknowledged and admitted, the parties agree as follows:

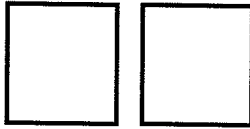
**1.0 TERM**

- 1.1 This agreement shall commence on January 1<sup>st</sup>, 2013. This agreement shall terminate December 31<sup>st</sup>, 2015, unless terminated earlier pursuant to Part 5.0.
- 1.2 At least six months prior to the end of the term, the authorized representatives of the City and London Hydro, identified in Appendix D, may mutually agree in writing to renew the Agreement provided the fee for service for renewal has also been agreed upon by the authorized representatives for both parties. Any renewals are subject to the termination provisions as provided in this Agreement.

**2.0 OBLIGATIONS OF THE CITY**

**Fee for Service**

- 2.1 In exchange for the services provided by London Hydro under the terms of this Agreement, the City agrees to compensate London Hydro an interim fee for service of \$3,865,000 per year. It is further agreed by both parties that the fee for service will be revisited prior to October 31<sup>st</sup> of each year where the final fee for the upcoming year will be agreed upon in writing by the authorized representatives of both parties. The fee for services for the following year must be agreed upon in writing by the authorized representatives of both parties on or before December 15<sup>th</sup>.
- 2.2 The City shall make such payments to London Hydro in equal installments per term, in advance, on the first day of the month.
- 2.3 The fee for service can be reviewed and adjusted at any time by the authorized representatives of the City and London Hydro, identified in Appendix D, provided that the authorized representatives of both parties agree in writing to the change.



**Contacts and Contract Management**

- 2.4 (a) The City shall appoint a key contact individual to a role called a Water Demand Manager. The Water Demand Manager will be the liaison with London Hydro to assist in the resolution of issues by either party. The Water Demand Manager will administrate, manage, and monitor the overall performance of London Hydro with respect to this agreement.
- (b) The City shall appoint a person or persons to fill the following roles:
- Customer Service Coordinator
  - Billing and Revenue Management Coordinator
  - Data Transfer/IT Coordinator
  - GIS Coordinator
  - Water Meter/Operation Coordinator

Such appointed persons shall communicate with the Water Demand Manager to ensure that issues are resolved in a prompt and courteous matter. Names, corporate titles, and contact information are listed in Appendix 'D', and any updates shall be provided in writing as necessary.

- 2.5 The City will conform, where reasonably practical, to its commitments and accountabilities set out in Appendix "A2".
- 2.6 The City will conform, where reasonably practical, to its commitments as set out in Appendix "B".

**3.0 OBLIGATIONS OF LONDON HYDRO**

- 3.1 London Hydro shall provide those services set out in Appendix "A1".
- 3.2 London Hydro shall report to the City as set out in Appendix "C".
- 3.3 London Hydro shall conform, where reasonably practical, to its commitments as set out in Appendix "B".
- 3.4 London Hydro shall comply with all applicable privacy legislation, including the *Personal Information Protection and Electronic Documents Act (Canada)* and the *Municipal Information and Protection of Privacy Act*.

**Contacts and Contact Management**

- 3.5 (a) London Hydro shall appoint a Key Account Manager to manage all issues relating to this Agreement. The Key Account Manager will review regularly the completion of London Hydro's responsibilities set out in this Agreement. The Key Account Manager will be the initial contact for all Non-Pricing issues. At the discretion of the Key Account Manager, other individuals or departments will be included in the resolution of the requests or issues, and the Key Account Manager will monitor performance of London Hydro.
- (b) London Hydro shall appoint a person or persons(s) to fill the following roles:
- Customer Service Coordinator
  - Billing and Revenue Management Coordinator
  - Data Transfer/IT Coordinator
  - GIS Coordinator
  - Water Meter/Operation Coordinator

Such appointed persons shall report to the Key Account Manager to ensure that issues are resolved in a prompt and courteous manner. Names, corporate titles and contact information are listed in Appendix 'D'. Any updates shall be provided in writing as necessary.

**Ad Hoc Reporting or Services**

- 3.6 It is anticipated that the City will be able to create its own non-standard or *ad hoc* reports as necessary; however the City may from time to time request that London Hydro provide *ad hoc* or non-standard reporting of a varied nature related to meter reading, billing and/or collections. London Hydro shall use reasonable commercial efforts to provide this

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reporting within a reasonable time frame. The expected annual effort to be allocated to all reporting maintenance and development including Ad Hoc Reporting and Services shall not exceed the equivalent cost of a full time SAP Business Systems Analyst.

**Additional Services**

- 3.7 From time to time additional service related to this agreement can be requested by the City to be performed by London Hydro. Examples of services include investigations, business or operational process changes, development projects, new promotional campaigns or technology trials. In many cases, for tasks of small scope or where there is no time constraint, this work can be done within the framework of this agreement. However, for larger projects which require additional expense or resource for completion will be handled outside of this agreement. Both parties agree to follow several steps to initiate an additional service:
- Identification of business requirements and value proposition (City)
  - Cost and resource plan estimate proposal (London Hydro)
  - Written agreement for expected deliverables, timelines and costs (both parties)
  - Service Implementation
  - Post Implementation evaluation

**Automated Meter Management**

- 3.8 London Hydro shall provide automated water meter management system and the ability to flag water meters based on consumption and/or time through the billing system. Such automated water meter management system shall include monthly reports as detailed in Appendix 'C'.

**London Hydro Covenants**

- 3.9 London Hydro covenants and agrees as follows:
- (a) To comply with all Federal and Provincial Legislation, Regulations, and Rules in fulfilling its obligations under this Agreement.

**4.0 OBLIGATIONS OF BOTH PARTIES**

**Working Group**

- 4.1 If day-to-day operations fail to resolve various issues, London Hydro and the City agree to each nominate individuals from their own corporation to form a working group to discuss issues of mutual interest between the parties related to this Agreement ("Working Group"). The Working Group shall be composed of three (3) individuals nominated by London Hydro and three (3) individuals nominated by the City. The Working Group will report back to the VP of Corporate Services and Key Account Manager for London Hydro, and to the General Manager of Environmental Services and City Engineer and the Water Demand Manager for the City.

**Changes to Agreement**

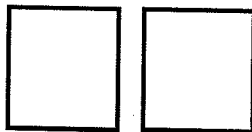
- 4.2 The parties shall annually review this Agreement, and the Agreement may be amended by way of an amending agreement signed by both parties.

**Data Needs/Data Integration**

- 4.3 Each party agrees to share such data it determines is feasible to share with the other party (including but not limited to water and sewer systems' data, customer complaint data, geographic based information, work order/work management applications, account adjustments) where not prohibited by law.

**Performance Management**

- 4.4 In addition to reporting requirements set out in Appendices A1 and A2, the parties shall consider and develop as required performance measurements/expectations that relate to the delivery of the service by London Hydro and/or its contractors. The measurements should be in terms of costs, scheduling, service delivery and could include timeliness in providing reports, delivery time on Service Change Request, customer feedback, or



actions taken to address issues. Performance measures may also be developed outlining expected actions by the City in response to a London Hydro request.

#### **Dispute Resolution**

- 4.5 When a dispute arises, the parties shall attempt to resolve the matter through the Working Group. For matters that cannot be resolved by this means, the parties shall attempt to resolve the dispute promptly by negotiating between London Hydro's VP of Corporate Services (or designate) and the City's General Manager of Environmental and Engineering Services and City Engineer (or designate). A resolution will be attempted within 10 days after the issue has been elevated. Each party shall use reasonable commercial efforts to respond to requests for information made by the other party. Should a dispute still not be settled, the parties shall consider alternative dispute resolution process such as mediation or arbitration, as a means of early resolution of business disputes. However if either party determines that alternate dispute resolution is inappropriate for a particular case then they are not bound to its use.

#### **Audit**

- 4.6 The City of London reserves the right to initiate an audit in order to verify London Hydro's compliance with this service level agreement and obtain an assessment of the operational effectiveness of the services provided. This includes, but is not limited to, an audit of the services outlined in Appendix A1, the reporting requirements detailed in Appendix C and the information and processes related to the appendices in this agreement.

### **TERMINATION**

#### **Termination by the City**

- 4.7 If London Hydro defaults in performing any of its obligations under this Agreement, the City may terminate the Agreement immediately without liability. Any waiver by the City of any breach by London Hydro of any provisions of this Agreement shall be without prejudice to the exercise by the City of all or any of its rights or remedies in respect of any continuance or repetition of such breach.
- 4.8 The City may terminate this Agreement for any reason without liability by providing notice in writing at least ninety (90) calendar days prior to the date of such termination.

#### **Termination by London Hydro**

- 4.9 London Hydro may terminate this Agreement for any reason without liability by providing in writing at least ninety (90) calendar days prior to the date of such termination.

### **5.0 ASSIGNMENT**

- 5.1 This Agreement is not assignable by either party without the prior written consent of the other party. Any attempt to assign any of rights, duties, or obligations of this Agreement without written consent is void. London Hydro may use subcontractors to satisfy the requirements of this Agreement.

### **6.0 NOT AN AGREEMENT OF EMPLOYMENT**

- 6.1 London Hydro acknowledges and agrees this Agreement shall in no way be deemed or construed to be an Agreement of Employment. Specifically, the parties agree that it is not intended by this Agreement that London Hydro, nor any person employed by or associated with London Hydro is an employee of, or has any employment relationship of any kind with the City or is in any way entitled to employment benefits of any kind whatsoever from the City whether under internal policies and programs of the City, the *Income Tax Act*, R.S.C. 1985 c.1 (1<sup>st</sup> Supp); the *Canada Pension Act*, R.S.C. 1985, c.C-8; the *Employment Insurance Act*, S.O. 1996,c.23; the *Workplace Safety Act*, R.S.O. 1990, c.o.1; the *Pay Equity Act*, R.S.O. 1990, c.P.7; the *Health Insurance Act*, R.S.O 1990, c.H.6; or any other employment related legislation, all as may be amended from time to time, or otherwise.

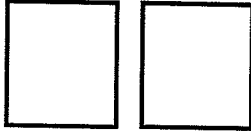
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- 6.2 Notwithstanding paragraph 7.1 above, it is the sole and exclusive responsibility of London Hydro to make its own determination as to its status under the Acts referred to above and, in particular, to comply with the provisions of any of the aforesaid Acts, and to make any payments required thereunder.
- 6.3 London Hydro shall operate independently of the City and is not the agent or servant of the City for any purpose.
- 6.4 Nothing in this Agreement shall entitle or enable London Hydro or any subcontractor to act on behalf of, or as agent for, or to assume or create any obligation on behalf of, or to make any representation, promise, and warranty or guarantee binding upon, or otherwise to bind the City. Each of London Hydro, any subcontractor of London Hydro and the City is independent and not the agent, employee, partner or joint venture of any of the others.

**7.0 CIRCUMSTANCES BEYOND THE CONTROL OF EITHER PARTY**

- 7.1 Neither party will be responsible for damage caused by delay or failure to perform under the terms of this Agreement resulting from matters beyond the control of the City and London Hydro including strike, lockout or any other action arising from a labour dispute, fire (other than a fire caused by London Hydro's negligence), natural flood, act of God, war, riot or other civil insurrection, lawful act of public authority, all of which cannot be reasonably foreseen or provided against.





**8.0 EXECUTION**

8.1 London Hydro acknowledges that it has read this agreement, understands it and agrees to be bound by its terms and conditions. Further London Hydro agrees that it is the complete and exclusive statement of the agreement between the parties, which supersedes all proposals or prior agreement, oral or written, and all other communications between the parties relating to the subject matter of this Agreement.

IN WITNESS WHEREOF London Hydro Inc. has affixed its corporate seal, attested by the hands of its duly authorized officers,  
SIGNED SEALED AND DELIVERED

**LONDON HYDRO INC.**

\_\_\_\_\_  
Date

Per (Signature): \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Title: \_\_\_\_\_

\_\_\_\_\_  
Date

Per (Signature): \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Title: \_\_\_\_\_

IN WITNESS WHEREOF The Corporation of the City of London has hereunto caused to be affixed its Corporate Seal attested by the hands of its Mayor and Clerk,

SIGNED SEALED AND DELIVERED

**THE CORPORATION OF THE CITY OF LONDON**

\_\_\_\_\_  
Date

Per (Signature): \_\_\_\_\_

Print Name: \_\_\_\_\_

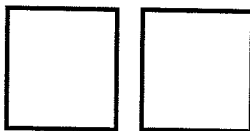
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Date

Per (Signature): \_\_\_\_\_

Print Name: \_\_\_\_\_

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### Appendix 'A1'

#### **London Hydro Services Provided**

London Hydro shall provide the City with Water Meter reading, billing, collections and customer service and reporting of water-related services. London Hydro shall use its reasonable commercial efforts to provide appropriate regulated standards of customer service which are agreed by both parties to the end user (consumer) of City water.

The following are the six major services that shall be performed by London Hydro for the City:

- 1) Water Meter Related Services;
- 2) Customer Management Services;
- 3) Revenue Management, Collection and Billing;
- 4) Management Reporting;
- 5) Information Technology (IT) Services; and
- 6) Select Training to support the previous items.

London Hydro shall maintain appropriate standards of customer service and performance management. London Hydro will afford the City the opportunity to review/input into all of these standards changes that directly impact the City services. Both parties acknowledge that some of the standards are subject to change due to governmental or regulatory changes.

#### **London Hydro Commitments**

London Hydro shall communicate with the City, in a timely manner, any legislative or strategic metering changes that could impact the synergies, in terms of cost and convince, inherent in a joint billing program.

#### **London Hydro Accountabilities**

The listing below is intended to be informative and is not a defined list of obligations. Items may be added or removed with the written agreement of both parties subject to section 3.7.

London Hydro is responsible for many sub-functions related to the six major services, including:

- 1) Water Meter Related Services:
  - a. Metering:
    - i. Co-ordination, initial setup of new water services in the database; and
    - ii. Setup of new service accounts.
    - iii. Confirmation of correct address information (also covered in Appendix B)
  - b. Water Meter Reading:
    - i. Scheduled, Final, Special, Recheck reading by London Hydro;
    - ii. Interactive Voice Response, Web, Fax Meter readings (customer);
    - iii. Physical and inventory management of Keys for meter reading access;
    - iv. Provide four (4) meter reading handheld devices;
    - v. Validation, Estimation, Edit meter readings; and
    - vi. For Deduct Meters – London Hydro to continue to read primary and secondary meters with routine billing of secondary meter customers (Reports forwarded to City for review). Both parties agree to minimize the impact of deduct metering.
- 2) Call Center Services:
  - a. Application Signup;
  - b. Call Center Services:
    - i. Automated call distribution;
    - ii. Call monitoring;
    - iii. Bill, payment inquires;
    - iv. Mail inquiries;
    - v. Account maintenance inquiries;
    - vi. Phoned-in meter reading;
    - vii. Payment arrangements;
    - viii. Initial collection calls; and
    - ix. Move-in and move-out.



### 3) Revenue Management and Collections

General comment – for many water accounts, the billing communication represent the only contact the customer has with either London Hydro or the City. The City will continue to have the ability to provide bill inserts at a frequency of typically 6 per year. In addition the City will be consulted at appropriate opportunities when bill formats, notice format, etc. are routinely reviewed.

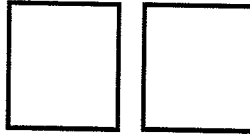
- a. Customer Billing Processes:
    - i. Consumption calculation;
    - ii. Bill calculation (including sewer surcharge); and
    - iii. Rate management.
  - b. Billing Support:
    - i. Bill Analysis;
    - ii. Water consumption bill adjustments (for meter reading errors etc...)
    - iii. Leak Allowance and write-off adjustments (under City directions)
    - iv. Email, web, fax, and mail inquiries;
    - v. Customer data management;
    - vi. Exception resolution; and
    - vii. General disputes.
  - c. Payment Processing:
    - i. Payment allocation;
    - ii. Recap and reconcile daily payments;
    - iii. Post-dated cheque management;
    - iv. Bank transfers, including exception management;
    - v. Night deposit/drop box payments;
    - vi. Management payment processing; and
    - vii. Return payment management.
  - d. Printing & Mailing:
    - i. City special inserts;
    - ii. Special mailings to customers (costs that are additional to normal mailing costs shall be borne by the City);
  - e. Account Monitoring:
    - i. Payment records;
    - ii. Customer credit rating; and
    - iii. Monitor transactions.
  - f. Collections – accounts receivables
    - i. Manage past due accounts;
    - ii. Manage sundry billing;
    - iii. Manage deposit transactions;
    - iv. Bankruptcies and power of sale management;
    - v. Create service orders for water disconnections & reconnections;
    - vi. Final bill collection;
    - vii. Manage social assistance payments and related customer accounts; and
    - viii. Write-off reporting.
- ### 4) Management Reporting:
- a. Revenue reporting;
  - b. Statistical reporting; and
  - c. Inventory data reporting – including automated meter management.

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- 5) I.T. Services, CIS/SAP Services:
  - a. In general, London Hydro will maintain sufficient in-house and/or contract expertise to ensure CIS/SAP services are maintained and the CIS/SAP system is supported. As required to operate the system, software will be provided, updated and maintained for the City; and
  - b. Report generation “canned reports” and *ad hoc* reports (see listing in “Reporting to City”).
  
- 6) Web Services

General comment – for most of the data that London Hydro provides to their customers, it should be expected that similar data and access to information would be beneficial to the water customer and as such London Hydro shall make reasonable commercial efforts to include water customer information in their web based customer engagement applications, downloads, etc. Any costs associated to the project can be reviewed in the context of section 3.7, noting that there are efficiencies to be gained by providing dual service and designing systems to meet the needs of both London Hydro and the City.

  - a. Provide customer consumption data “on demand”
  - b. Bill presentment
  - c. Applications
  - d. Email contact
  
- 7) Training Services:
  - a. Training of City staff in CIS/SAP operations.



## Appendix 'A2'

### **City of London Commitments**

The City will communicate to London Hydro on a timely basis any standards that it becomes aware of that are necessary to maintain compliance with any legislation associated with water and/or sewer-related reading, billing or collection services.

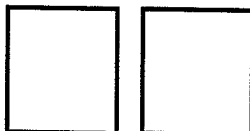
The City will communicate to London Hydro in a detailed manner all needs associated with the management of the services provided. The City will utilize various forms of documented communications in regards to changes to specifications of services provided, whether they are City or legislatively driven. The City will use those methods of communication as requested by London Hydro which will depend on the changes requested (i.e. London Hydro uses Service Change Request (SCR) forms to request changes to the CIS/SAP and reporting functions). Whenever reasonably possible, the City will provide London Hydro with adequate notice of all change requirements.

### **City of London Accountabilities**

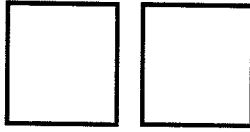
The listing below is intended to be informative and is not a defined list of obligations. Items may be added or removed with the written agreement of both parties.

The City is responsible for many sub-functions related to the six major services, including:

1. Meter Related Services:
  - a. Metering:
    - i. Perform physical meter installations, replacement, and repair;
    - ii. Manage installation and removal of meters in the database and update CIS/SAP with meter information; and
    - iii. Service order related meter management including create and close out service orders on CIS/SAP as required (i.e. meter related complaints).
  - b. Technology:
    - i. Consult with London Hydro on meter technology issues; and
    - ii. Consult on special projects.
  - c. Meter Reading:
    - i. Service order related events.
2. Call Center Services:
  - a. Manage escalated customer concerns;
  - b. Meter dispute resolution;
  - c. Approve leak allowance; and
  - d. Report to London Hydro any customer interaction relative to account management.
3. Revenue Management and Collections:
  - a. Customer Billing Processes:
    - i. Report on meter change management that affects billing;
    - ii. Advise of rate structures;
    - iii. Advise of rate class; and
    - iv. Advise of rate exemption.
  - b. Billing Support:
    - i. Advise on technology or rate issues.
  - c. Payment Processing:
    - i. No responsibilities.
  - d. Printing, Mailing:



- i. Special mailings such as Not Registered Meter or Meter Replacement letters; and
    - ii. Water and sewer inserts (content).
  - e. Account Monitoring:
    - i. No responsibilities.
  - f. Collections – Accounts Receivables:
    - i. Respond to service orders created by London Hydro Collections (i.e. to turn water off);
    - ii. Physical disconnect and reconnect; and
    - iii. Vital Services administration (Application of liens to arrears).
- 4. Management Reporting (will change on a regular basis – See Appendix C):
  - a. Define Revenue reporting requirements;
  - b. Define Statistical reporting requirements; and
  - c. Define Inventory data reporting requirements.
- 5. I.T. Services:
  - a. Provide the City hardware (City Locations);
  - b. Manage software updates (providing London Hydro notification); and
  - c. Update tax records.



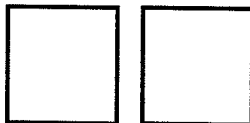
## Appendix 'B'

### **Accountabilities – GIS**

#### Sharing of Information between the Parties

The listing below is intended to be informative and is not a defined list of obligations. Items may be added or removed with the written agreement of both parties.

1. Address points:
  - a. The City delivers monthly, via ftp (electronically), to London Hydro; and
  - b. Subsequent to each update the City will do a comparison between the City's address points and London Hydro's addresses. On a quarterly basis London Hydro will review the list of mismatched addresses and will work with the City to make corrections.
2. Parcels – Final:
  - a. The city delivers via ftp (electronically) to London Hydro when the data is published to the City;
  - b. Delivery will include an additional table for condos with details for 20-digit roll numbers; and
  - c. Confirmed parcels are polygon data and include Assessment Roll Number, Condo Number and Legal Description (Lot and Plan).
3. Parcels – Proposed:
  - a. The City delivers via ftp (electronically) to London Hydro when the data is published to the City;
  - b. Proposed parcels are simple lines '9int' polygons), and should be differentiated from final parcels; and
  - c. There is no attribution for proposed parcels.
4. Street Centerlines & Intersection Points:
  - a. The City delivers to London Hydro via e-mail quarterly as part of the City's standard distribution cycle;
  - b. Intersections are available as a separate file; and
  - c. Centerline attributes include address ranges and street class.
5. Buildings and Curb-lines:
  - a. The City delivers via ftp (electronically) to London Hydro when the data is published to the City.
6. Landmarks:
  - a. The City delivers via ftp (electronically) to London Hydro when the data is published to the City.
7. Tree Inventory:
  - a. The City delivers quarterly to London Hydro via ftp (electronically).
  - b. With suitable attributes such as species and diameter at breast height, if available.
8. Aerial Imagery:
  - a. The City delivers annually to London Hydro via ftp (electronically) when new imagery is available.
9. FTP:
  - a. Data Transfer Coordinators (as outlined in Appendix 'D') to prepare FTP (electronic) access and authentication for secure and appropriate transfer.



**Appendix 'C'**

**London Hydro Reporting to the City of London**

**Financial Reporting**

London Hydro shall provide the following reports to the City:

- (i) Write off and Billing adjustment reports
- (ii) Weekly – London Hydro Revenue Transfer Report;
- (iii) Monthly – Billing Statistics Report;
- (iv) Annually (at year-end) – Billing, system charges, rent, bad debts, and miscellaneous charges; and
- (v) Additional requests: year to date information, year over year totals.

London Hydro shall provide information in an electronic data format (as well as hard copy) which can be queried at any time by the City's contact staff.

**Operations Management Reporting**

London Hydro shall provide the following reports on demand by the City:

- 1) Meters due for accuracy verification by consumption or time (Thresholds may be dynamic and relate to a specific meter or group of meters as specified by the City.);
- 2) Water Meter Inventory;
- 3) Top consumers by water consumption per meter size;
- 4) Non-registering meter report sorted by manufacturer and meter model;
- 5) Water service shut-off, sorted by address;
- 6) Breakdown of service call types per year;
- 7) Number of water meter reads per month;
- 8) Hydro meters on parcel property or building associated to water service;
- 9) New water account verification;
- 10) Electric Meter installations with pending Water Meter Installation;
- 11) Estimated and customer read report;
- 12) List of new accounts by month and class; and
- 13) Number of minimum bills by month.

**Engineering / Consumption Reporting**

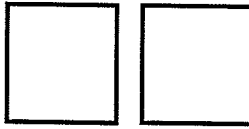
London Hydro shall provide the following reports on demand by the City:

- 1) Reconciled monthly consumption data by account;
- 2) Reconciled monthly consumption by meter type, size and account;
- 3) List of new accounts by month and class; and
- 4) Number of minimum bills by month.

London Hydro shall include at minimum the following fields in engineering/consumption reports (other fields may be necessary but will be made by special request):

Account, Customer Name, Service Account, Service Address Unit, Service Address St. num, Service Address St Name, Service address St. Suffix, Service Address St. Post, Service ID, Service Status, Curbstop Location, Meter Number, Meter Type, Meter Size, Meter Install Date, Meter Location, Remote Location, Water Rate, Sewer Rate, Storm Rate, Rate Effective Date, January, February, March, April, May, June, July, August, September, October, November, December, Total Annual (m<sup>3</sup>)





## **Appendix 'D'**

### **Contacts**

Definitions:

#### **Authorized Representative**

London Hydro's representative and the City's representative have the authority under the agreement to renegotiate the cost of service and extend the agreement, provided that the authorized representatives of both parties agree in writing to the change. London Hydro's representative will be the Chief Executive Officer of London Hydro or their designate and the City's representative will be the general Manger of Environmental and Engineering Services and City Engineer or their designate.

#### **Key Account Manager**

London Hydro representative that will oversee the communication between the City and London Hydro for all requests and information outlined in this agreement. The Key Account Manager will also ensure that the overall performance of the SLA meets the terms agreed herein.

#### **Water Demand Manager**

The City's representative that will oversee the communication between the City and London Hydro for all requests and information outlined in this agreement. The Water Demand Manager shall take on the contract administration duties of this agreement and assess and change the agreement at the completion of each term to meet the evolving needs of both London Hydro and the City.

#### **Customer Service Coordinator**

London Hydro's representative and the City's representative that will receive and attempt to resolve any water billing issues brought forward by customers. Generally most customer complaints are handled through London Hydro. However, there may be a need to involve the City's staff in extreme cases.

#### **Billing and Revenue Management Coordinator**

London Hydro's representative and the City's representative that will audit and review water billing revenue and consumption updates.

#### **Data Transfer / I.T. Coordinator**

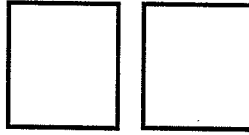
London Hydro's representative and the City 's representative that will manage the seamless transfer of water account data between London Hydro and the City for use in water billing, meter management and account information. Transfers should be frequent enough to provide the most recent on-demand data as possible.

#### **GIS Coordinator**

London Hydro's representative and the City's representative that will manage the seamless transfer of GIS data between London Hydro and the City for use in water billing, meter management and account information. Transfers should be frequent enough to provide the most recent on demand data as possible.

#### **Water meter / Operations Coordinator**

London Hydro's representative and the City's representative that will manage the day to day operations and maintenance of water meters for use in billing.



Role	Name	Corporate Title	Phone Number	Email
<b>London Hydro</b>				
Authorized Representative	Luke Seewald	Director, Metering Services	(519) 661-5800 Ext. 5356	seewaldl@londonhydro.com
Key Account Manger	Paul Kilbourne	Supervisor, Meter Data Management	(519) 661-5800 Ext. 5940	kilbourp@londonhydro.com
Customer Service Coordinator	Dan White	Supervisor, Customer Services	(519) 661-5800 Ext. 5594	whited@londonhydro.com
Billing and Revenue Management Coordinator(s)	Karen Fawcett; Susan Casciano	Director, Customer Services; Manager, Financial Services	(519) 661-5800 Ext.5929 (519) 661-5800 Ext.5243	fawcettk@londonhydro.com cascians@londonhydro.com
Data Transfer / IT Coordinator	Madhumita Ghosh	Supervisor, SAP Applications	(519) 661-5800 Ext. 4522	ghoshm@londonhydro.com
GIS Coordinator	Salah-ud-din Rana	Supervisor, GIS	(519) 661-5800 Ext. 5527	ranas@londonhydro.com
Water Meter/Operation Coordinator	Paul Kilbourne	Supervisor, Meter Data Management	(519) 661-5800 Ext. 5940	kilbourp@londonhydro.com
<b>City of London</b>				
Authorized Representative	John Lucas	Director, Water and Engineering	(519) 661-2500 Ext	jilucas@London.ca
Customer Service Coordinator	Matt Feldberg	Water Demand Manager	(519) 661-2500 Ext 5016	mfeldber@London.ca
Billing and Revenue Management Coordinator(s)	Matt Feldberg; Kyle Murray	Water Demand Manager; Manager, Financial Modelling, Forecasting & Systems Control	(519) 661-2500 Ext 5016 (519) 661-2500 Ext. 5040	mfeldber@London.ca kmurray@London.ca
Data Transfer / IT Coordinator	Matt Feldberg	Water Demand Manager	(519) 661-2500 Ext 5016	mfeldber@London.ca
GIS Coordinator	Matt Feldberg	Water Demand Manager	(519) 661-2500 Ext 5016	mfeldber@London.ca
Water Meter/Operation Coordinator	Stephen Irwin	Supervisor, Operations Meter Shop	(519) 661-2500 Ext 5426	sirwin@London.ca