

2019 ANNUAL REPORT



**“It is not the strongest
or the most intelligent
who will survive but
those who can best
manage change.”**

— CHARLES DARWIN



Message from the Chair

The number of utilities that the CHEC Association supports grew in 2019 with the addition of two new members to the organization: Fort Frances Power Corporation and EARTH Power Corporation. This brings the total number of utilities across the province that are benefiting from this collaborative organization to 18.

CHEC continued to innovate and adapt to the changes in the electrical industry throughout the year with key achievements including the partnership between Utility Collaborative Services, a billing and customer information system service, and the organization. Another key area was the support provided to the membership during the wind down of the Conservation First Framework. It was a fast and intensive process and CHEC was there with our members every step of the way to lead and provide the necessary guidance to navigate a complicated, ever changing situation.

The third notable achievement was the addition of seven new supports to the organization including Human Resources consultations, NorthStar training, and

Health and Safety audits. This ability to identify and adapt to the needs of our members as they develop is what makes CHEC the responsive and essential organization it is in the industry today.

I want to thank the CHEC staff, the Board of Directors, and our members for their continued support and participation in an organization that continues to grow stronger and more essential with each passing year.

A handwritten signature in black ink, appearing to read 'John Walsh'.

John Walsh

Chair, CHEC Board of Directors

Message from the President



Last year was a pivotal year in the development of CHEC as an organization.

Not only did we add two new member utilities for a total of eighteen, we added several new resources that have provided much needed support for our members.

A Human Resources consultant has helped many utility members with staffing and contract issues, our interactive sessions on Governance have provided key guidance and insights to our CEOs, and the association wide CDM support was perfectly timed to align with the Conservative First Framework wind down.

One of most noteworthy accomplishments was the addition of Utility Collaborative Services to the organization. It brings billing and customer information service support under the CHEC umbrella and fills out the comprehensive resources that CHEC provides. There truly is no other association in the industry that provides the breadth and depth of services that exist within the CHEC Association.

Throughout the year, we continued to advocate for our members, providing our unique voice on over a dozen government working groups and committees, as well as several direct meetings with Ministry of Energy, Northern Development and Mines staff on industry issues. This direct contact with governing bodies allows us to make sure our perspective is heard and to be on the forefront of any changes occurring in the industry.

I want to thank the staff for their dedication and their exceptional ability to adapt, the Board of Directors for their support and wisdom, and our members for their continued support and willingness to continue to make this collaborative organization exceptional.

A handwritten signature in dark ink, appearing to read 'J. Sherin', written in a cursive style.

John Sherin
President, CHEC

Who We Are

CHEC is a collaborative association of 18 Local Distribution Companies (LDCs) operating in the province of Ontario. With a dedicated staff of six employees, we work with our members to deliver support across all areas of operation including Finance and Regulatory, Billing Systems and Customer Information Systems, Operations and Health and Safety, Conservation and Demand Management, and Communications.

Vision Statement

To stand together as one, ensuring independent communities thrive today and in the future.

Mission Statement

We equip members with insights, expertise and shared resources to sustain safe, resilient communities in a changing world.



233,820
LDC Customers

2842
square kilometres
of service area

Our Members



LakelandPower



Niagara
on-the-Lake
HYDRO



OTTAWA RIVER
POWER



Strengthening the Organization

2

**new
members**

18

**members
total**

\$127,000

**savings with
UCS integration**

25

**internal
newsletters**

CHEC is an agile, adaptable organization continually adding new services and growing its membership to provide a solid, relevant organization for our members.

- ▶ **Two new members joined the association** in 2019, Fort Frances Power Corp. and EARTH Power Corp. to bring the total number of members to 18.
- ▶ **CHEC distributed 25 internal newsletters** to keep members informed on services and supports, as well as what is happening in other member LDCs.
- ▶ **CHEC integrated with Utility Collaborative Services (UCS)**, which brings Billing and Customer Information System (CIS) services into the association and a highly valued and necessary support. The integration resulted in a \$127,000 savings for the organization.
- ▶ **Four separate surveys were administered by the association** to check in with members on the value they receive, and any areas where CHEC can continue to enhance its offerings: Member Satisfaction Survey, Meeting Survey, Non-attendance survey and Course Evaluations.
- ▶ **CHEC applied for three government funding applications** as part of its continual drive to provide its members with innovative, forward looking programs: a successful Breakthrough Energy Solutions Canada application, the Federal Energy Manager program, and the Independent Electricity System Operator (IESO) Local programs.



A photograph of two men in a professional setting, looking intently at a large screen. The man in the foreground is resting his chin on his hand, while the man behind him points towards the screen. The image has a blue color overlay.

Industry Knowledge and Support

7

**new areas
of support**

14

**Retrofit
Applications**

120

**items on the
CFF Wind Down
Check List**

3

**Communication
Strategy
Consultations**

A key element of the support CHEC provides is the access to the experience and knowledge of the 18 member LDCs and their staff, as well as the dedicated CHEC staff. This shared knowledge allows members to pool their resources to respond to and implement changes in the industry.

- ▶ **CHEC added seven new areas of support in 2019:**
 - Human Resources
 - Association-wide CDM support
 - Governance Resources
 - NorthStar Training
 - QAQC for Small Business Lighting and Business Refrigeration Incentive programs
 - Energy Manager (formerly Roving Energy Manager)
 - Health and Safety Audit Services
- ▶ **Solutions provided in response to significant regulatory changes** included Energy Retailers Service Charges, Customer Service Rules, Ontario Energy Rebate Amendments, MDM/R Security Upgrade, Cybersecurity, and Conditions of Service.
- ▶ **The CHEC Energy Manager** provided assistance with over 14 Retrofit Applications on behalf of members as part of the Save on Energy programs.
- ▶ **During the wind down of the Conservation First Framework,** CHEC delivered extensive, consistent support with over 120 items on the wind down check list, working sessions, LRAM, compliance audits and negotiated return of customer data.
- ▶ **As members evolved and developed their Customer outreach,** CHEC provided three individual consultations on communication strategy and Course Evaluations.





Sharing Resources and Streamlining Processes

3

RFPs
tendered

4

new policies
developed

172

social media posts
for use on
member platforms

3

billing software
upgrades

CHEC's success comes from its willingness to provide hands-on, process-oriented support to its members on issues that arise across its operations. This results in significant savings as well as streamlined and informed approaches to processes across all participating member organizations.

Highlights from 2019 include:

- ▶ **Updating of the 1598 model** by the Finance & Regulatory working group for use by all LDC members.
- ▶ **Providing hands-on support and guidance** for three billing software and platform upgrades including MDM/R, NorthStar, and Customer Connect.
- ▶ **Exploring the customer service and operational benefits** of a shared Outage Management System through the formation of a working group and issuing of an RFI.
- ▶ **Developing four new Policies and Procedures** through the Operations Health and Safety portfolio: Hours of Service, Spill Response, WHMIS 2015 and Work Refusal, and updating the Spill Response Procedure.
- ▶ **Tendering three group RFPs** for IT Hosting, Cybersecurity, and Conservation and Demand Management.
- ▶ **Delivering 172 Social Media posts** for use on member accounts.





Shared Learning

Over 500
member employees
participating in training

27
different
training courses

Coordinated group training is a significant part of the support that CHEC offers to its members. It provides savings in cost and time and ensures the courses are relevant, high-quality and professionally delivered. In 2019, CHEC offered 27 unique training courses with over 500 member employees participating.

Highlights include:

▶ **WHMIS 2015**

Seven members had over 100 staff attend the interactive sessions that were delivered at members' sites to reduce travel time and overall costs of the required training.

▶ **Front Line Safety Sessions**

Over 100 member employees attended the fall and spring safety sessions focused on Utility Incidents and Impacts and the Anatomy of a Collision.

▶ **Electrical Utility Safety Rules**

Over 40 staff benefited from the training delivered by the IHSA over several different dates and locations.

▶ **Communications Day**

The training day dedicated to Customer Engagement in an LDC environment had full capacity of 35 participants.

▶ **Billing Systems**

Over 65 people attended courses on Cognos Reporting; Smart Meters, MDM/R and TOU Billing; and NorthStar Basics.



Making Our Voices Heard

CHEC became increasingly active over 2019 to ensure that the unique voices of our members were heard.

Staff or representatives of the association attended three meetings with the Ministry of Energy, Northern Development and Mines, and participated on over ten working groups and committees including the Cybersecurity Action Committee, OEB Modernization, Bill Presentment, Customer Service Rules – Phase 2, and Utility Remuneration and Responding to DERs.

This participation in government processes and policies puts us at the forefront of industry developments, allowing us to keep our members informed on current and upcoming changes.



Moving Forward

CHEC will continue to provide the agile, supportive environment that has allowed our members to thrive within their communities and provide value to both their customers and their shareholders.

This includes exploring partnerships within the industry to pool resources and reduce costs, accessing new services, and identifying support when and where it is needed.

CHEC is above all a forward-looking, resilient organization and expects to continue to adapt to whatever challenges and changes that participation in the Ontario electrical industry requires. The association looks forward to working together with its members to meet these challenges, and to continue to expand upon the services it provides.





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