

Scott Powell:

Hi, I'm Scott Powell, Manitoba Hydro's Director of Corporate Communications. And we're here today with Alex Chiang, our Vice President of Customer Solutions and Experience. Welcome, Alex.

Alex Chiang:

Hi, Scott.

Scott Powell:

Over the next few minutes, we'll discuss some of the recent achievements of the Customer Solutions and Experience group and focus on some of their upcoming objectives for the coming year. We also have a couple of questions for Alex that were submitted by you, our customers, that we'll get to towards the end of the interview. So first off, Alex, tell me a little bit about what Customer Solutions and Experience is responsible for here at Manitoba Hydro.

Alex Chiang:

Thanks for the question, Scott. So the Customer Solutions and Experience team is Manitoba Hydro's center of expertise for customer strategies and the customer experience. We're responsible for leading a customer-centric focus across the company by ensuring that we're listening to and researching customer needs, and finding ways to help others at Manitoba Hydro think from a customer's perspective. Using customer survey feedback, we work with the rest of the company to ensure our processes are continuously improving the customer experience. Being customer-centric is foundational for how we're going to move Manitoba Hydro forward, to be the energy utility that best serves Manitobans' energy needs in the future.

As our president and CEO, Jay Grewal, described in an interview, Manitoba Hydro is embarking on an ambitious strategic transformation to ensure the company is well positioned to shape the significant changes that are coming in the energy sector to the benefit of all Manitobans. That transformation is rooted in providing a better customer experience. It's rooted in our commitment to serving Manitobans efficiently, responsively, and digitally. And in helping all Manitobans efficiently navigate the evolving energy landscape.

We know our customers' expectations are changing. And our job is to be proactive in understanding those expectations and providing the products, the service, and the channels our customers want. Our recent example of how we're going about understanding those expectations is the introduction of a new Voice of the Customer initiative to our Customer Contact Centre. Our goal here is to survey up to 1200 customers a year, to get feedback on whether we resolved their issue, and just as importantly, get feedback on their experience. Customer feedback is a gift, and we'll use it to identify opportunities to grow and improve your experience with us.

Scott Powell:

That's a wide area of responsibility your group has charge of. Now you mentioned in there that customer expectations are changing. How are they changing exactly? And how do you intend to meet those changing expectations going forward?

Alex Chiang:

So we know our customers want to be able to deal with their energy provider in a way that's convenient, fits their schedule, and their lifestyle. Some of our customers still want to be able to pick up

a phone and talk to a person. Some of our customers would much rather use their computer or an app on their smartphone. So one of our focuses will be going forward is to modernize our customer experiences, to be able to deliver the team digitally or deliver those things digitally, giving our customers more choice and more control over how they interact or communicate with us. We took a big step in this direction late last year with the launch of the new customer portal, which is an online tool that provides a number of self-service options.

Now, our customers can manage their bills, review information on past energy consumption, or get automatic power outage updates easily online. I'm excited to say that in March, we plan to introduce the new Manitoba Hydro App, available on the Google and the Apple Store. It will provide customers a self-service experience that's optimized for the smartphone environment. Over the next year, we'll also be investing in upgrading our phone system so that our Customer Contact Centre will be able to provide you with an even better phone experience.

Scott Powell:

Now earlier, you mentioned that part of your objective will be helping Manitobans navigate an evolving energy landscape. What exactly do you mean by that? How do you see that happening?

Alex Chiang:

Yeah, I think that's a common question. So we know energy choices are expanding around the world, and in some cases, it's happening faster in certain parts than others, including Canada. That's one of the ways the energy landscape is changing and becoming more complex, with potentially choices that Manitobans have never had to make in the past. So for example, geothermal, solar, and wind systems are becoming much more affordable and in some applications may make sense for customers. There are also new market entrants providing home-based energy storage. At Manitoba Hydro, we have a lot of experience and knowledge when it comes to energy options.

We're uniquely positioned to help our customers understand these energy options and to make informed choices that are right for them. For this to happen, however, we need to take our interactions with customers from a responsive but transactional approach, where we provide a service or product to a new kind of relationship based on discovering and understanding a customer's needs, and sharing our knowledge about these options so that we can provide a trusted recommendation. Our goal, of course, will be to remain competitive with other energy options, both in cost and convenience, but we believe trust will go a long way in ensuring Manitoba Hydro will be the energy supplier of choice for Manitobans, and that it pairs well with our track record of safety and reliability.

Scott Powell:

Well, thanks for that, Alex. And I guess we should point out that really some of these changes that we're seeing. We're not talking about privatization or other utilities coming in, we're really talking about change is being driven by new technologies, that in many cases our customers can already purchase or access. Isn't that correct?

Alex Chiang:

That's absolutely correct.

Scott Powell:

Thanks, Alex. Now we've got a couple of questions that were submitted by customers here ahead of time in our virtual environment. Normally, we'd be getting these live, but we've asked people to email questions ahead of time, and we've got a couple for you. So our first question for you today that was submitted is from our customer named Anna, who asks, "When I lived in the Netherlands, there were lower rates for consumption during off peak hours, such as evenings and weekends. Has Manitoba Hydro considered this option? And if not, why not?"

Alex Chiang:

Yeah, first off, I want to thank Anna for that question. Netherlands is definitely on my places to visit list. So to answer her question, off-peak and on-peak rates refers to the practice of charging less for electricity when the demand is low, such as overnight, and charging more when demand is high, such as first thing in the morning. It's certainly something that's more common in other parts of the world. I think one of the reasons why it's not currently used in Manitoba is our electricity rates are already pretty low. In fact, it's among the lowest in North America. So the incentive for varying rates by time of day hasn't been as strong as it has been elsewhere.

Another requirement for the broad use of varying rates would require us to make a significant investment to install smart meters for all our residential and commercial customers. Smart meters are meters that record and report electricity consumption in real-time, so the utility knows how much electricity a customer used and during what parts of the day. This information is also available to a customer who can use it to make decisions about energy usage that can take advantage of these variable rates, such as when to run the dishwasher or do a load of laundry. So to finish off in answering the question, while we don't currently have variable rates in Manitoba, I can tell you that we're always looking at ways we can price our energy products and provide our customers with information about their energy use to help customers make decisions or investments that can reduce their energy cost. And we'll continue to do so in the future.

Scott Powell:

Thanks, Alex. Our second customer question comes from Brad, who asks, "Given the ongoing decreases in the price of solar power production, not only here in Manitoba, but also in the markets in which we export, how do we see that affecting future sales of electricity produced by Manitoba Hydro, both in Manitoba and within those export markets?"

Alex Chiang:

Yeah, so just like with the previous question, I also want to thank Brad, because that is also a common question that we're hearing from customers. So as more customers installed their own sources of energy generation, such as solar panels, we call this the decentralization of the energy grid. And it's one of the disruptive forces that's already changing the energy landscape. Solar installations are already seeing significant penetration in other jurisdictions. And while not yet prominent in Manitoba, as prices for solar technology decreases, we fully expect more customers will be interested and choose to install solar systems.

The logical impact of that choice to the grid will be a reduction in energy consumption for Manitoba Hydro. In response, we've acknowledged that decentralization is one of the market forces that's driving our long-term strategic plan. Our strategy going forward is to ensure our customers continue to see value in being connected to our energy grid. One way we'll do that is by promoting our hydroelectricity

as a great complement to other intermittent renewables, such as solar or wind. Manitoba Hydro provides a dependable and reliable energy product that delivers regardless of weather conditions.

Another aspect of our long-term strategy will be to transform the customer experience and develop new products and services that will attract customers in the province with their own sources of generation, encouraging them to keep Manitoba Hydro as a part of their energy mix. As for export markets, we fully expect demand for hydroelectricity – which is clean, renewable, and available to provide energy when intermittent sources, such as solar or wind can't, – will remain strong in the export market. Manitoba Hydro will, therefore, continue to export any excess energy not needed by our Manitoba customers to other markets, generating revenue that will benefit Manitobans by continuing to keep rates in Manitoba lower than they would otherwise be.

Scott Powell:

Great, Alex. Well, I just want to say thank you again for taking the time to speak with us today in our virtual public meeting. Have yourself a great day.

Alex Chiang:

Thanks, Scott.