

Scott Powell: Hello, I'm Scott Powell, Director of Corporate Communications for Manitoba Hydro, and welcome to our Public Accountability Meeting video series.

Today I'm here with Alex Chiang, Vice President of Customer Solutions and Experience for Manitoba Hydro. Alex, can you tell us a little bit about yourself and what your area is responsible for here at Manitoba Hydro?

Alex Chiang: For sure, Scott. I joined Manitoba Hydro in the fall of 2020, after a 20-year career in financial services mostly. I became a permanent resident of Manitoba in April, so I just experienced my first winter here. It was a lot of snow and quite a bit colder than I'm used to after living in Vancouver and Toronto for the past 10 years. But I have been very impressed by the friendliness of the people here, and I can entirely see why the license plate slogan Friendly Manitoba is an accurate description.

I lead the Customer Solutions and Experience business unit, which includes functions such as our energy markets and gas supply, sales, product, and marketing customer care and customer strategy. It also includes a group or a function that we've labeled as a center of expertise around the customer, which provides customer advocacy, data, research, and designs our experiences to be more customer-centric and employee-friendly.

This was an important aspect of our new business model design, because it will allow us to keep in touch with customer expectations, including how they're changing, and reflect the fact that we need to grow and evolve to meet these expectations. Those expectations include serving and communicating to customers more digitally and responsibly, when they want and how they want. And how to be a trusted advisor to customers to provide advice and topics that are relevant in moments that matter.

Some of the changes that we will either lead or help facilitate across our organization will certainly involve technology. In other cases, it will be about rethinking our processes to improve them. What's most critical in our journey to greater customer-centricity, is it will require a deliberate cultural shift to work collaboratively across our organization. And to deeply understand the customers and to put ourselves in our customer's shoes so that we can see, feel, and empathize with how a customer experiences Manitoba Hydro.

Scott Powell: Thanks for that, Alex. Now Manitoba Hydro's long-term strategy, Strategy 2040, really focuses a lot on how the company can be better for customers. How we can make the customer experience better. As we look ahead at our 20-year future, can you tell us how customer solutions and experience will be involved with that entire strategy going forward?

Alex Chiang: For sure. I'd summarize that Strategy 2040 is our way of recognizing that the energy landscape is changing, and Manitoba Hydro must change with it. We want to put customer needs front and center in everything we do, not just in

technical ways related to providing reliable energy, but also providing customer experiences consistent with what Manitobans have come to expect and will grow to expect in the future. We want to provide trusted advice that will help Manitobans make informed choices in what we believe will be a different looking world than today.

Of the five strategic pillars of Strategy 2040 there are two in particular that speak to points I just made. The first is the pillar of serving customers efficiently, responsibly, and digitally. What that means for customers is that you can expect a more responsive customer experience, and to be able to deal with your energy provider the way you want. Manitoba Hydro will modernize our customer service technology to deliver better digital services and improve responsiveness.

The second pillar is helping all Manitobans understand their energy options and make informed choices. What that means for you as customers, is as your home and business energy choices expand and they become more complex, Manitoba Hydro will be there to help you understand your energy options and help you make informed choices that are right for you.

Scott Powell:

Now Strategy 2040 is a long-term plan, 20-year plan. And that can seem a little esoteric to customers sometime when we're looking that far down the road. What can you tell me about what Customer Solutions and Experience is doing to bring some of the benefits of that long term strategy to our customers in the next one, two, three years?

Alex Chiang:

Yeah. Thanks for that question, Scott. We're increasingly using customer and employee feedback to identify and place opportunities to improve into key buckets. The first is technology, the second is people, third is process, the fourth is data, and the fifth is policy.

New technology, for example, like our new contact handling platform, which is scheduled to be launched this spring, will allow us to better forecast call volumes and align staff scheduling to be more responsive so that customers can spend less time waiting for their calls to be answered. It will also allow us to enable new abilities, like a click-to-chat function on our mobile app and online portal so that customers have the option to communicate that way, instead of being forced to call the contact center or write an email.

Information from our contact handling platform will also give us important data capabilities to advocate for customer-centricity that we've never had before. Including information to find root causes of customer experience problems, an ability to strengthen our customer service standards. And evidence to understand how to justify investments into new tools and processes that will make our customer experiences and related processes more efficient and effective.

Other examples of changes we've already planned to implement are the ability to make online appointment booking on the portal and app, which of course must follow proper COVID-19 protocols. But these appointments will allow us to perform natural gas meter exchanges, natural gas appliance inspections, for example when you replace your gas furnace or water heater, and electric meter exchanges with the meters inside the building. And allow you to actually book these appointments online.

We also plan on changing the way we measure and take action on customer experience metrics, such as customer satisfaction, trust and effort. We also introduced a new team within our Customer Care division who will be entirely focused on process improvement, and have already found some early wins on improving service levels related to increasing the responsiveness of how we handle customer emails.

But our focus won't entirely be limited on immediate customer experiences. We'll also work close with the Integrated Resource Planning team in Asset Planning and Delivery, to ensure customer research and input is accurately reflected in how we plan for Manitoba Hydro's energy future.

Scott Powell: It sounds like technology and process improvement are going to be big drivers of changes going forward. Once technology is implemented and the processes are improved however, how is Customer Solutions and Experience going to continue to deliver on Strategy 2040 in the years going forward?

Alex Chiang: It's critical we have an ability to understand Manitobans better and that we keep our finger on the pulse of what customers expect of us. Customer expectations will continue to evolve, and that pace of change will accelerate faster than we've ever seen before. Our processes need to reflect an ongoing organizational capability and regular process of customer research, measurement and understanding, rather than a one-off survey that's only a particular point in time.

We created teams dedicated to collecting and understanding what our customers want and analyzing that data and feedback. That includes regular feedback like public surveys to learn from our customers, which we call the voice of the customer. We also want to hear from you when it comes to when you have specific interactions in our customer portal and app or with our contact center. We've also now started to do high-priority customer journey mapping, which to summarize, is an intentional effort to break down how our customers feel about us at key stages in their life, and what actions or inactions we can do to strengthen or erode customer trusts in us.

We'll use more data-driven information to advocate for customer-centricity. For example, about 38% of our customers are signed up for our online portal or mobile app. Knowing this, we can brainstorm ideas on how can we make it easier for people to use self-service options, which are available to the customer 24 hours a day and seven days a week. Or how can we educate our customers

about their self-service options, instead of waiting for a response from the contact center. Another question could be, how can we add more value on the portal and mobile app so customers can have a real choice between how they want to interact with us?

While the previous example spoke to a digital customer experience, I'll also share an example from an advice perspective. We know customers don't like unexpectedly high bills, but only about 30% of our natural gas customers are on an equal payment plan, which would remove the monthly volatility from bill to bill. We also know that higher bills are more likely in a cold winter because heating costs are much higher that time of the year.

Knowing this data and appreciating how customers feel, allows us to ask questions like how we can focus our improvement on solving for why more customers don't want to be on the plan. Is the 30% adoption rate because customers are unaware of the program's benefits, or do they not like how we've designed the program? With more data and a more robust self-service options, we can also now pivot to more strategies that will allow us to design customer journeys to reflect the reality that certain channels are better at certain things than others.

For example, it's best to phone us in emergencies or if you have a trouble managing your bills. On the other hand, it's always going to be much faster to submit a meter reading online than it is to phone it in.

Speaking of meter reading, digital channels like emails, texts, and notifications are much better at sending reminder notices to customers to do something. Personally I know that if it weren't from my phone reminders, I would definitely have lost track by now that I was supposed to read and submit my meter reading many times.

Scott Powell:

Thanks for that, Alex. Now we've got a number of questions that we solicited directly from customers. These were submitted to us when we were promoting the Public Accountability Meetings through the Engage Manitoba website. And we have a few that we want to put to you here, so if you're ready I'll start off with the first one.

First question. Why isn't Manitoba Hydro implementing a high-speed charging network for electric vehicles, as we're seeing in some other provinces and locations in both Canada and the United States?

Alex Chiang:

Thanks to the Manitoban who submitted that question. We're watching the growth of electric vehicles, otherwise abbreviated as EVs, very closely, as are all energy utilities. Their adoption could dramatically impact our business in the future, from how we build our electric delivery infrastructure to the types of services we provide will change, including things like public charging stations.

The simple answer to the question that you've asked is that the expected revenue doesn't cover the cost. Infrastructure for high-speed charging networks is very expensive and it requires the regular use of the stations to offset those installation costs. The demand for electric vehicle charging in Manitoba isn't quite there yet. We can't recover the cost through the sale of electricity. So installing charging stations would create upward pressure on electricity rates that we currently charge to Manitobans. Even those who don't use electric vehicles would be impacted by those rate changes. So that's not in the best interest of our customers at this point in time.

In other places where utilities have set up electric vehicle charging networks, it's because the government has either provided funding or mandated that the networks must be set up. Neither of these conditions are currently true in Manitoba. A number of companies are setting up public charging stations across Canada, as well as Manitoba. Now we'll continue to work with these companies to ensure they have an adequate supply of electricity, where and when they need it.

Scott Powell:

Thanks for that, Alex. Our next customer question is actually about billing. Pretty direct question here. Does Manitoba Hydro plan on implementing time-of-use rates?

Alex Chiang:

Thank you for that question as well. There are currently no plans to introduce time-of-use billing. For those who don't know, charging time-of-use rates is the practice of charging different rates for electricity at different times of the day. Typically rates are higher during the day when there's more demand for electricity, and then it's lower during the evening and overnight when demand is lower.

That said, we're always looking at ways to help reduce cost for our customers, and time-of-use rates is one approach used with success by other power utilities. There are two ways time-of-use billing can reduce costs for customers. The first is charging more during peak demand times does encourage customers to shift their consumption to when demand is lower. This reduces the peaks and valleys in electricity demand, which creates more efficient use of existing power systems and reduces the need to spend money on upgrades or additions to the power grid. Those savings would then be passed to the customer, including upgrades and additions, which are ultimately reflected in rates.

The second is, time-of-use rates also allows individual customers the option of making choices to shift their energy usage. Like running their washing machine at night when rates are lower, as an example, so that they can lower their energy bill. Again, to reiterate, we haven't made any decisions about time-of-use rates, but it's possible they could make sense for us and our customers somewhere down the road. There's still a lot of work to do before moving forward with that proposal, including engaging with customers so that we understand their perspectives on it. As always any changes to our electricity

rates or rate structure would also need to be approved first by our regulator, the Manitoba Public Utilities Board.

Scott Powell: This next question is about the changing energy landscape and customer options. Is there any plan to offer grants or loans to customers to install solar energy systems on their homes? As you know, we had a very successful pilot program on that a few years ago.

Alex Chiang: Thank you for that question as well. We offer loans already to help our customers to purchase solar energy systems through our Home Energy Efficiency Loan program. And that could be used to finance up to \$20,000 over 15 years for the installation of a solar energy system. You can find that information if you're interested about the program and how to apply, under the Your Home section of our website.

We know some of our customers are very interested in making changes to reduce their carbon footprint, and the Home Energy Efficiency Loan is a service that can help with those changes. That includes upgrades to high-efficiency natural gas furnaces or boilers, installations of geothermal heat pump systems, or adding more insulation. Customers considering switching to an electric vehicle can also use the program to access financing for the installation of Level Two chargers. The full list of eligible products is available under the Your Home section of our website.

As for grants, Efficiency Manitoba is the agency responsible for energy efficiency programs and rebates, including incentives that may be available for installing solar energy systems. I would recommend that any customer interested in that option should visit their website to check out what offers they currently have available.

Scott Powell: Thanks for taking the time to speak with us today, Alex. I'm sure our customers are going to find this information of great interest to them.

It's certainly been a very dynamic year here at Manitoba Hydro with COVID-19 and certainly all the changes we are making to improve service to our customers. Is there anything else you'd like to add, while we have this opportunity speaking to our customers, about what your group is doing and how you're going to continue to move the customer experience, elevate that, going forward in the years to come?

Alex Chiang: We're certainly very excited about the changes that we've already have planned to launch in the coming year. But we also recognize that improving the customer service, it is a journey and it is a continuous process. The combination of these bigger changes, along with all the smaller changes that we will make, will cumulatively add up to a superior and elevated customer experience for all Manitobans.

We'll commit ourselves to ensuring that we continuously seek your input, so that we have the most accurate research and understanding of how you feel as well. As well as look at other opportunities to improve our processes and our offerings and solutions, with respect to how other utilities are also helping their customers navigate the evolving energy landscape.

We hope together to forge a better Manitoba Hydro. And we will look forward to making a better utility for you, now and in the future.