

1 Q. **Tab D – Projects Over \$200,000 and Less Than \$500,000: p. D-395 – Implement**
2 **Industrial Billing Software, Hydro Place**

3 What is the economic justification for this project in light of the few industrial
4 customers who operate in the province?

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7 A. While there are some economic benefits resulting from this project, an economic
8 justification is not the main driver for this project.

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10 From a customer service perspective, there have been repeated requests from
11 Newfoundland Power to produce its bills in a more timely manner (see CA-NLH-
12 014).

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14 Also, from a billing system reliability perspective, Hydro's industrial customers,
15 including wholesale customer Newfoundland Power, generate 77.6% of Hydro's
16 annual revenue. Currently Hydro executes its industrial billing (IB) cycle through
17 manual processes and an outdated spreadsheet application that cannot be
18 upgraded, is not vendor supported and is inefficient. Running this process on the
19 current platform poses a risk to the IB process if the system became corrupted or
20 failed.

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22 With respect to efficiencies and savings, a new IB application will reduce operating
23 costs by automating manual billing calculation processes, reduce billing errors and
24 customer complaints, provide audit tracking accountability and decrease the meter-
25 to-bill timeframe for its customers. There are a number of stakeholders across
26 Hydro involved in the timely completion of IB. The implementation of a new
27 application to support IB will result in efficiencies that will reduce the completion of

1 the bill cycle time from five days to two resulting in savings. The new application
2 will integrate with our current MV 90 application that is used to collect industrial
3 meter data and also provide new and enhanced reporting that is required by
4 internal and external stakeholders for the completion of Hydro financial reporting.