

- 1 **Q. Please provide for the record a copy of the presentation titled Customer Service**
2 **System Replacement Project given by Newfoundland Power at the Technical**
3 **Conference on November 10, 2020.**
4
- 5 A. Please see Attachment A for a copy of the presentation titled *Customer Service System*
6 *Replacement Project* given by Newfoundland Power at the Technical Conference on
7 November 10, 2020.

**Customer Service System Replacement Project
Technical Conference Presentation**



Customer Service System Replacement Project

Technical Conference

November 2020

Agenda

Part 1: Customer Service Delivery

Part 2: Customer Service Technology

Part 3: Managing Risks in Customer Service Delivery

Part 4: Ensuring Continuity in Customer Service Delivery



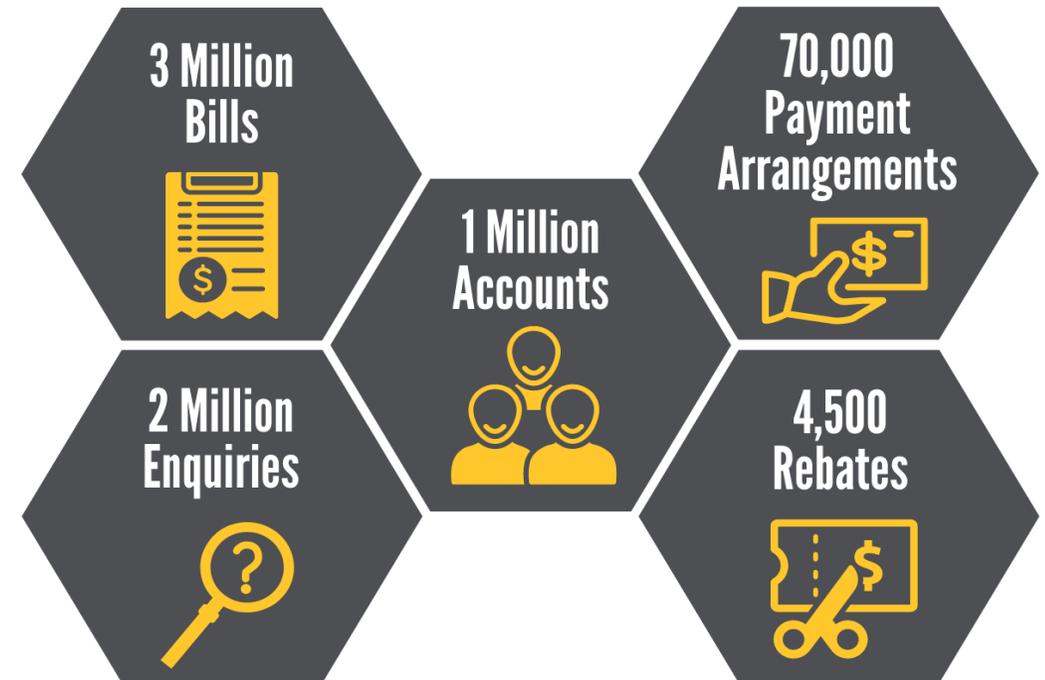
PART 1: **Customer Service Delivery**

Customer Service Delivery



Source: 2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan, pages 3-4.

- Program and service delivery
- Account management and billing
- Customer communications and contact management



Source: 2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan, pages 2 and 5-6.



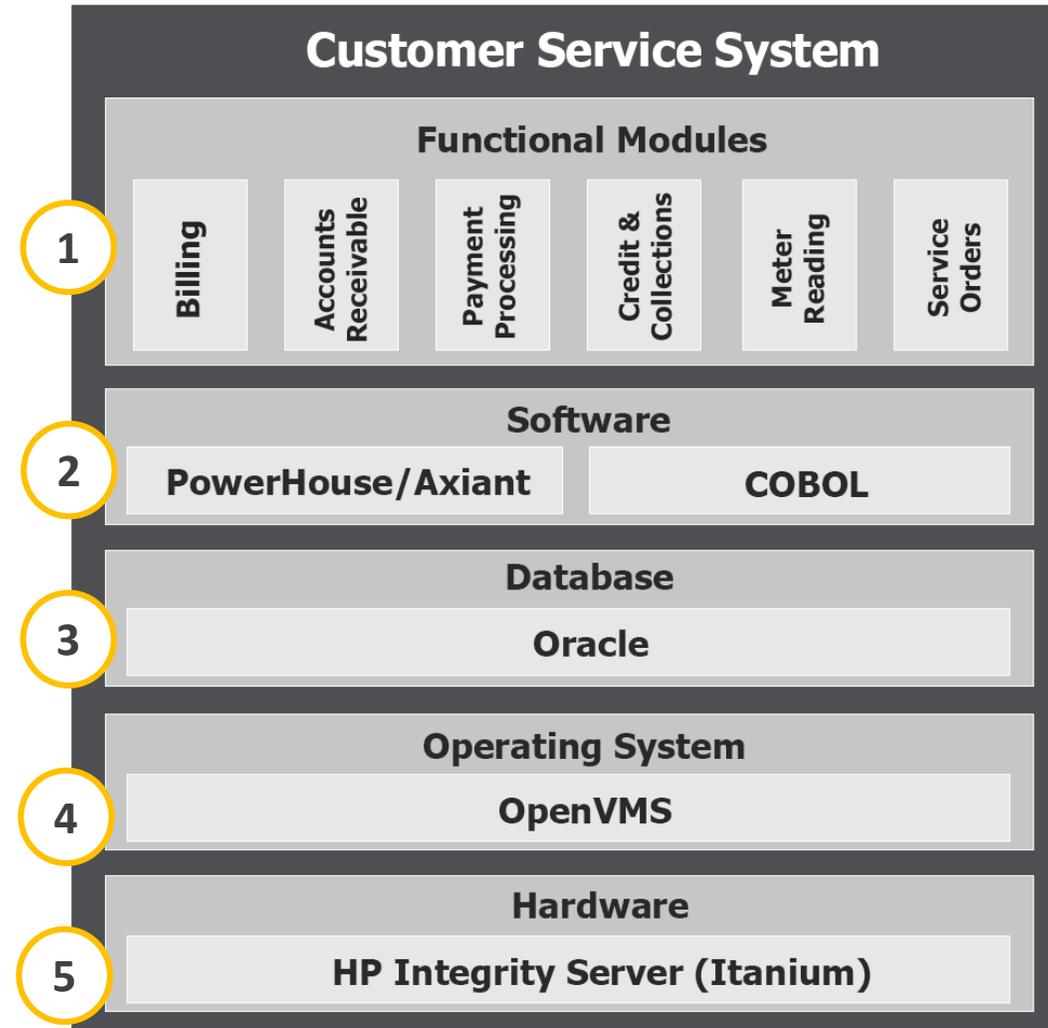
PART 2: **Customer Service Technology**

- Highly customized and unique
 - Customer/1 system
 - Technically migrated
 - Decades of enhancements
 - Over 50 integrations
- Internally supported since 1998

“Newfoundland Power is the last remaining mid-large size Canadian utility operating a legacy CIS application with no upgrade path provided by the original vendor”

- 2018 Survey

CSS Technologies



Source: EY, CSS Technical Risk Assessment, June 2018, page 4.

Contingency Plan

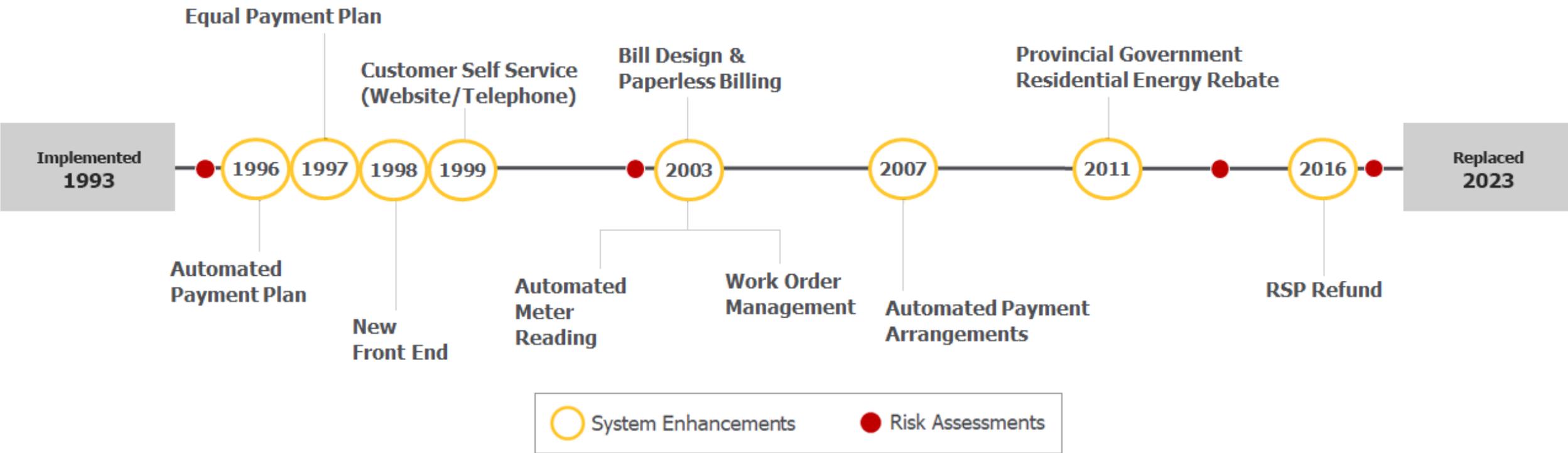
- Disaster recovery
- Replication of customer data
- Manual data collection forms





PART 3: **Managing Risks in Customer Service Delivery**

Risk Management



Source: 2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan, Attachment A, page 7.

Technical Risks

Vendor Risks
(e.g. health, market share)

Support Availability

Functional Risks

Business-Enabling
(i.e. ability to deliver
business processes)

Source: 2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan, pages 6-8;
EY, CSS Technical Risk Assessment, June 2018, pages 6-7.

Vendor Risks

Customer Service System

Functional Modules



Software



Database



Operating System



Hardware



- 1 Servers obsolete at year-end 2020
- 2 Operating system support risk
- 3 No software training available

- 3
- 2
- 1

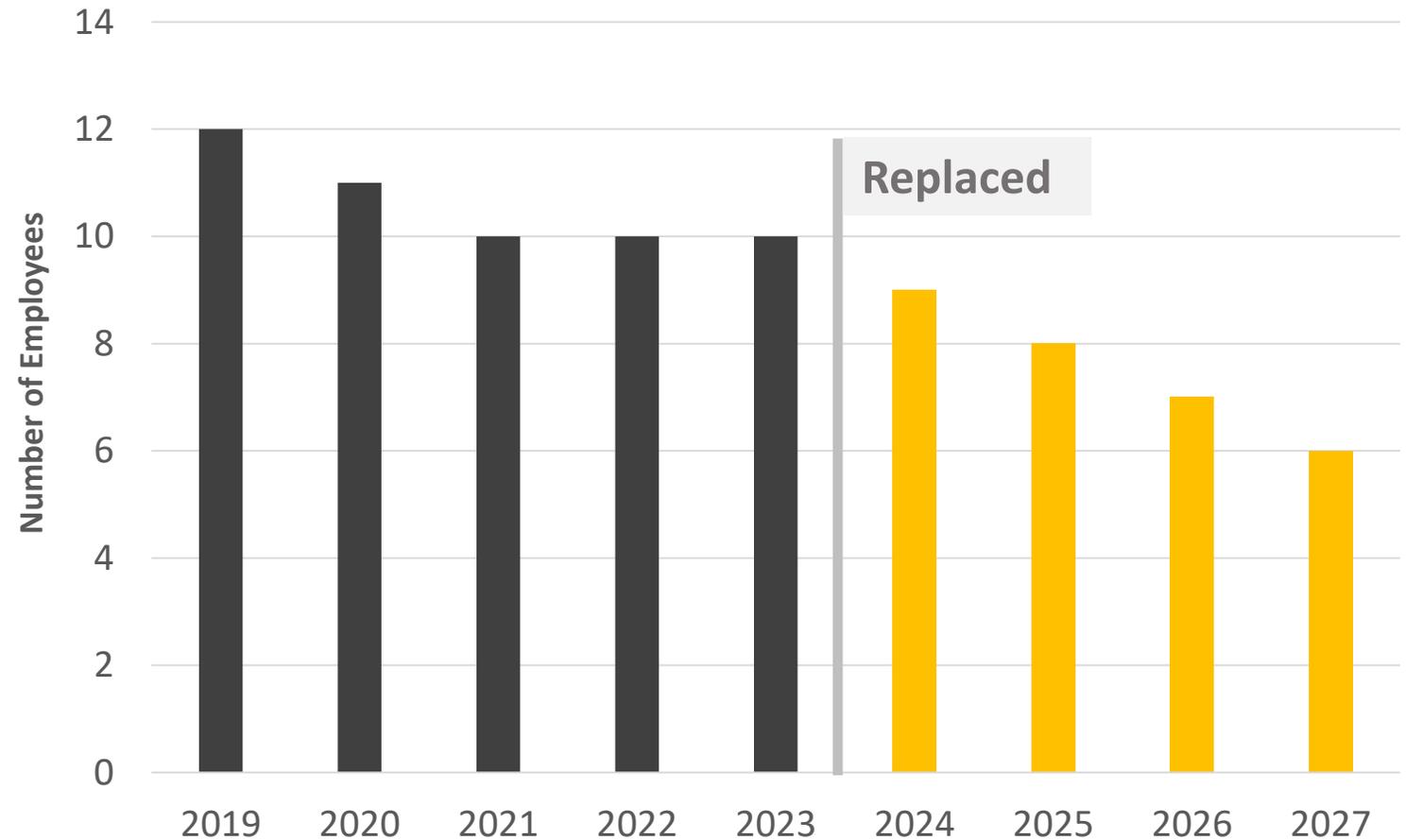
Source: 2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan, pages 6-8; EY, CSS Technical Risk Assessment, June 2018, pages 7-14; response to Request for Information CA-NP-070.



Support Risk

- 25% decline in support by 2024
- 50% decline in support by 2027

CSS Support Availability (2019 to 2027F)



Source: 2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan, page 7; EY, CSS Technical Risk Assessment, June 2018, pages 14-16; response to Request for Information CA-NP-070.

Business Enabling Risks

- Functionality fully extended
- Cannot be cost-effectively upgraded
- Limitations will increase

*Delivering the 2011
Provincial Government
Energy Rebate required...*



Source: 2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan, page 7;
EY, CSS Technical Risk Assessment, June 2018, pages 17-19;
response to Request for Information CA-NP-070.

Summary

- Current risk levels are unacceptable
- Risks are increasing
- Modernization required

	2018	If not replaced by 2023
Vendor Risks:	Moderate – High	High
Support Risks:	Moderate	High
Business Enabling Risks:	Moderate – High	High

Source: Response to Request for Information CA-NP-070, Table 1.



PART 4: **Ensuring Continuity in Customer Service Delivery**

Actual Expenditures (2018-2020)	
Category	(\$000s)
Labour	548
Other	658
Total	1,206

- Independent assessments
- Utility site visits
- Vendor demonstrations
- Industry research
- Customer consultation

Source: 2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan, pages 8-9.

Risk Mitigation		
Alternative	Technical Risk	Functional Risk
Maintain status quo	X	X
Re-platform	X	X
Bolt-on applications	X	✓*
Replace	✓	✓

Source: 2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan, pages 9-11; Attachment A, pages 7-11.

Continuity Plan

- \$31.6 million over 3 years
- Based on comprehensive assessment
- Consistent with industry best practice

Project Costs	
Category	(\$000s)
Implementation Services	17,170
Internal Labour	6,864
Software License	2,090
Facilities/Hardware	1,890
Procurement	1,038
Quality Assurance	268
AFUDC	2,325
Total	31,645

Source: 2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan, Attachment A, page 23.

Procurement Approach

- Third-party Procurement Advisor
- Two-stage procurement:
 - Software
 - System Implementer



Source: 2021 Capital Budget Application, Volume 1, Customer Service Continuity Plan, page 14.

Customer Benefits

- Ensure service continuity
- Maintain service efficiency
- Improve customer experience



Conclusion

- Replacement the only viable solution
- Deferring project increases risks and costs
- Plan is consistent with best practice

