

BOARD INTERROGATORY #23

INTERROGATORY

Issue 3 - Customer Outreach – Are the proposed customer outreach processes and methods reasonable and appropriate?

Topic: Customer Outreach

Ref: Exhibit E, Tab 1, Schedule 1, p. 2-6 and App A

Preamble:

Enbridge notes that it will continue its efforts to proactively communicate about the Cap and Trade program throughout 2017. Enbridge has also provided a communication plan in Appendix A.

Questions:

- a) Please discuss Enbridge's experience to-date related to the communication material distributed to its customers? In your response, please discuss how the information has generally been received by customers and the volume of inquiries/comments submitted to Enbridge's call centre.
- b) Is Enbridge planning on revising its communication plan based on feedback and customer response based on the early response to the Cap and Trade program in late-2016/early-2017?
- c) What tools has Enbridge developed to help customers quantify cap and trade costs? Is Enbridge developing any additional tools (i.e., calculators, etc.)?

RESPONSE

- a) As indicated in EB-2016-0300, Exhibit E, Tab 1 Schedule 1, page 2, Enbridge began communicating proactively with customers about Cap and Trade in 2016.

The Cap and Trade pages on Enbridge Gas Distribution's website (enbridgegas.com/capandtrade) are referenced in customer communications about Cap and Trade.

Witnesses: C. Meyer
F. Oliver-Glasford

From its launch on April 29, 2016 to December 30, 2016, the Cap and Trade web pages received a total of approximately 130,000 individual visits. From January 1, 2017 to February 21, 2017, the pages received about 37,000 individual visits for a total of 167,000 visits to that date.

From July 1, 2016 to February 20, 2017, Enbridge's call centre received a total of about 590 calls and 100 emails about Cap and Trade from its residential and business customers.

Most residential customer calls focused on the inclusion of Cap and Trade in the Delivery to You line on customer bills.

Business customer requests varied; common questions focused on Cap and Trade costs for budgeting purposes and whether a customer's site would be considered a large final emitter under the government of Ontario's Cap and Trade program or not.

Enbridge's responses focused on Cap and Trade from a natural gas distribution perspective. Questions, particularly from business customers, that extended beyond Enbridge's role were referred to ontario.ca/capandtrade and/or the government's Cap and Trade and GHG reporting help desks.

- b) Yes, Enbridge plans to continue to adjust the content of its customer communication plan in 2017 as needed based on feedback from customers. It is also possible that the way information is communicated may also be adjusted.
- c) Enbridge developed a basic calculator which was added to enbridgegas.com/capandtrade on January 3, 2017. The calculator responds to the desire of some customers to quantify interim Cap and Trade charges on their bill. As of February 21, 2017, the calculator has been used about 3,900 times.

The calculator allows all residential and most non-large final emitter customers to enter their natural gas volumes in cubic metres to estimate their Cap and Trade charges based on up-to-date approved rates. The calculator is intended to be a directionally accurate tool for customers wanting to understand their Cap and Trade related costs but may not perfectly reflect actuals in all cases.

CCC INTERROGATORY #5

INTERROGATORY

CUSTOMER OUTREACH:

Reference: Ex. E/T1/Appendix A

What is the proposed cost of the 2017 Customer Outreach and Communication Plan? What relief is Enbridge seeking from the OEB with respect to the plan? Has Enbridge collaborated with Union Gas with respect to customer outreach and messaging? If not, why not? Has Enbridge sought funding from the Provincial Government to support its customer outreach given this is a government mandated program? If not, why not?

RESPONSE

As outlined in EB-2016-0300, Exhibit C, Tab 3, Schedule 6, Enbridge has budgeted \$115,000 for Cap and Trade related customer outreach and education in 2017. Enbridge will seek relief from the Ontario Energy Board for the actual costs incurred through the 2017 GGEIDA.

Enbridge has collaborated with Union Gas regarding high level Cap and Trade messages, particularly those related to residential customers.

Enbridge has not sought funding from the government of Ontario to supports its customer outreach regarding Cap and Trade. Enbridge is in the best position to educate its customers about costs related to their natural gas bills. Such communications are both contemplated by the Board's Framework and are in the best interests of customers.

Witnesses: C. Meyer
F. Oliver-Glasford

CCC INTERROGATORY #6

INTERROGATORY

CUSTOMER OUTREACH:

Reference: Ex. E/T1/S1/p. 5

Enbridge intends to include a Cap and Trade message on the bills as of April 2017. Will customers be able to determine how much of their bill is specifically related to Cap and Trade? If not, why not?

RESPONSE

Enbridge intends to include a permanent Cap and Trade message on the bills as of April 2017. Temporary Cap and Trade messages have appeared in the "Messages from Enbridge" section on customer bills since December 2016 and will continue to appear there until the permanent bill message is in place.

All bill messages direct customers to enbridgegas.com/capandtrade. Since January 2017, enbridgegas.com/capandtrade has included a basic calculator that all residential and most non-large final emitter business customers can use to estimate their Cap and Trade charges.

Board-approved interim cap and trade rates are available in rate notices, rate schedules and at enbridgegas.com. This information, combined with natural gas consumption, allows all customers to estimate how much of their bill is related to Cap and Trade.

Witnesses: C. Meyer
F. Oliver-Glasford

CCC INTERROGATORY #7

INTERROGATORY

CUSTOMER OUTREACH:

Reference: Ex. E/T1/S1/Appendix B/p. 2

Enbridge has not included its administration costs in its customer impact numbers?
Please explain why these are not included?

RESPONSE

Enbridge customer impact numbers do not include administrative costs because Enbridge plans to continue to record incremental administrative costs within its approved Greenhouse Gas Emissions Impact Deferral Account (GGEIDA) and until this account is cleared, such costs will not have an impact on customers. Enbridge intends to continue to record such costs in the GGEIDA until operating and maintenance ("O&M") and capital costs are updated in its next rebasing application. Upon rebasing, it is expected that any ongoing Cap and Trade administrative costs will be included within Enbridge's overall O&M and capital budgets, and will therefore not be included as part of Cap and Trade related unit rates. In addition, it should be noted that the magnitude of expected administration costs are relatively small as compared to customer and facility related emission costs, and accordingly would cause little change to customer impacts.

Witnesses: A. Kacicnik
F. Oliver-Glasford
R. Small

CCC INTERROGATORY #8

INTERROGATORY

CUSTOMER OUTREACH:

In light of the confidentiality restrictions, how does Enbridge intend to demonstrate to its customers that its activities with respect to Cap and Trade are prudent?

RESPONSE

Enbridge is communicating to customers that the Ontario Energy Board will review and approve all cap and trade rates before they are included in the bill and that if the charges Enbridge collects are higher or lower than the actual costs, customer bills will be adjusted accordingly.

Enbridge is not permitted to provide more information for reasons of confidentiality as set out in the Climate Change Mitigation and Low-carbon Economy Act, 2016 ("Climate Change Act"), Cap and Trade regulations and the Report of the Board in respect of the Regulatory Framework for the Assessment of Costs of Natural Gas Utilities' Cap and Trade Activities (EB-2015-0363) ("Framework").

See the response to BOMA Interrogatory #37 filed at Exhibit I.1.EGDI.BOMA.37 for more discussion on confidentiality.

Witnesses: A. Langstaff
J. Murphy
F. Oliver-Glasford

IGUA INTERROGATORY #5

INTERROGATORY

Issue: Customer Outreach – Are the proposed customer outreach processes and methods reasonable and appropriate?

Reference: Exhibit C, Tab 3, Schedule 6 – Administrative Costs.

Preamble: EGD has conducted customer education and outreach, at a cost of \$46,000 in 2016. For 2017, EGD estimates customer education and outreach costs of \$115,000.

Questions:

- a) In the Board's interim decision on bill presentment, the Board planned a working group to examine, among other things, customer communications in order to enhance the transparency of cap and trade compliance costs included in rates. Has EGD been involved in any such further work?
- b) If so, are the associated costs included in the customer education and outreach amounts forecasted by EGD?
- c) If so, please describe what has been done and the status of the initiative?

RESPONSE

- a) No. Enbridge is not aware of an update regarding the establishment of a working group of customers, utilities and other stakeholders noted on page 36 of the Ontario Energy Board's September 26, 2016 Report of the Board: Regulatory Framework for the Assessment of Costs of Natural Gas Utilities' Cap and Trade Activities File No.: EB-2015-0363.
- b) Any new outreach channels or vehicles identified through a working group that are not already contemplated may result in additional costs and require the budget to be updated.
- c) See part a).

Witnesses: C. Meyer
F. Oliver-Glasford

LIEN INTERROGATORY #5

INTERROGATORY

LOW-INCOME CUSTOMER OUTREACH

Exhibit E, Tab 1, Schedule 1, Appendix A at page 3 – “*Engagement with social agencies delivering programs to low income customers and representatives such as the Low-Income Energy Network (LIEN) and Vulnerable Energy Consumers Coalition (VECC)*”.

- a) How does Enbridge plan to engage with social services agencies to deliver programs to low-income customers and representatives?
- b) Please confirm what Enbridge means by “delivering programs”. Does this mean delivery of GHG abatement activities/measures to low-income customers? Does it include education as well?

RESPONSE

- a) In 2016, Enbridge reached out to representatives from the Low Income Energy Network (LIEN) and the Vulnerable Energy Consumers Coalition (VECC) to understand their perspectives regarding Cap and Trade as it relates to low-income consumers.

Enbridge representatives attended LIEN’s annual conference in March 2016 which included a presentation, The Impact of Climate Change Policy and Low-Income Consumers.

Enbridge also conducted Cap and Trade research specifically among low income residential customers.

Cap and Trade charges are linked to volumes of natural gas consumed. Energy efficiency can help customers reduce the Cap and Trade costs that they would otherwise incur. Enbridge has made Low Income Assistance Program (LEAP) intake agencies aware of the Ontario Energy Board approved interim Cap and Trade unit rate and asked these agencies to share this and information about Enbridge’s energy efficiency programs with low income customers. In its communications, Enbridge provided information about its energy efficiency programs including details of it Home Winterproofing Program for low income customers.

Witnesses: M. Lister
C. Meyer
F. Oliver-Glasford

Enbridge plans to continue to reach out to LIEN, VECC and LEAP intake agencies to ensure that its Cap and Trade customer outreach and communications consider the needs of low-income residential customers.

- b) In Exhibit E, Tab 1, Schedule 1, Appendix A, page 3, “social agencies delivering programs to low income customers” refers to LEAP intake agencies which have direct contact with low income residents. These agencies are a channel which Enbridge will continue to use to reach low income customers with information about Cap and Trade and Enbridge’s energy efficiency programs.

Witnesses: M. Lister
C. Meyer
F. Oliver-Glasford

LIEN INTERROGATORY #6

INTERROGATORY

IMPACTS ON LOW-INCOME CUSTOMERS' BILLS

Exhibit E, Tab 1, Schedule 1, Appendix B – Enbridge estimates \$79/year increased costs on typical residential customer's bills, to be "*adjusted periodically to reflect changes in the cost of GHG allowances that we have to purchase. The cost to you will depend on the actual price of allowances and how much natural gas you use. The Ontario Energy Board will review and approve cap and trade costs.*"

- a) Please provide the average residential Enbridge natural gas customer's total billed amount for 2016.
- b) Please provide the average residential Enbridge natural gas customer's billed amount broken down for each month in 2016.

RESPONSE

- a) Based on the rates approved in October 2016 QRAM (EB-2016-0260) and an annual gas consumption of 2,400 m³, an average residential customer's total bill was approximately \$859.73 per year.
- b) The table below shows the monthly bill amounts for an average residential customer.

January 2016	\$127.43
February 2016	\$123.64
March 2016	\$110.93
April 2016	\$85.02
May 2016	\$61.11
June 2016	\$38.17
July 2016	\$33.48
August 2016	\$34.26
September 2016	\$35.30
October 2016	\$43.89
November 2016	\$65.22
December 2016	\$101.28
Total 2016	\$859.73

LIEN INTERROGATORY #7

INTERROGATORY

IMPACTS ON LOW-INCOME CUSTOMERS' BILLS

Has Enbridge considered, and will Enbridge consider, rate mitigation measures (through GHG abatement measures, financial assistance, or other measures), specific to low-income customers to minimize the impact of cap and trade on low-income customers? Please specify which measures Enbridge has considered and will consider.

RESPONSE

Please see LIEN Interrogatory #4 at Exhibit I.3.EGDI.LIEN.4 and LIEN Interrogatory #5(a) at Exhibit I.3.EGDI.LIEN.5.

Witnesses: M. Lister
F. Oliver-Glasford