

FRPO INTERROGATORY #16

INTERROGATORY

REF: Exhibit D, Tab 2, Schedule 1, page 6, paragraph 13

Preamble: We would like to understand better the impetus for this change and resulting costs. The above reference states: "Incremental costs to service new customers represent the costs to carry out Fuel Safety Branch Inspections ("FSBIs") which are required when gas is introduced to a premise for the first time. These costs were higher than budgeted as a result of an Operations policy change effective January 1, 2016 requiring builders to contact Enbridge for residential construction heat activation as 3rd party activations are no longer permitted. Costs were \$0.1 million in excess of the committed level."

Was this change in inspection requirements driven by the Technical Standards and safety authority?

- a) If so, please provide the TSSA bulletin or directive that established this requirement.
 - i) Please provide EGD's understanding of the reasons behind this change.
- b) If not, please provide the policy or practice change made by EGD to effect this requirement.
 - i) Please provide EGD's reasons behind this change.

RESPONSE

The Company decided to change inspection requirements in response to elevated concerns regarding 3rd party compliance with activation guidelines.

Previously, EGD had allowed 3rd party activations of construction heat as long as EGD was contacted for the initial inspection prior to occupancy. In 2016, EGD changed this policy for two primary reasons: 1) Initial inspections by EGD following 3rd party construction heat activations revealed safety infractions which posed a safety risk to construction crews, and 2) EGD was not always notified to conduct the initial inspection prior to the customer move in date which posed a safety risk to customers.

This change in policy requiring builders to now contact EGD for residential construction heat activations significantly reduces safety risks to both construction crews and customers.

Witness: M. Yan