

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Undertaking of Mr. Reinisch
To Mr. Shepherd

REF: Tr.1, p.67

Please provide a list of steps that have already been implemented to rationalize activities between the two utilities.

Response:

The following table outlines changes (if any) that have been implemented to rationalize activities between the two utilities.

Area	Changes (if any)
Business Development	No steps have been implemented to rationalize activities between the two utilities.
Customer Care	No steps have been implemented to rationalize activities between the two utilities.
Distribution Operations	No steps have been implemented to rationalize activities between the two utilities.
Engineering	No steps have been implemented to rationalize activities between the two utilities.
Enterprise Safety & Operational Reliability	These functions continue to operate separately. Presently the two utilities continue to work with the enterprise strategy for broader alignment with any charges occurring through the affiliate relationship code as required.
Finance	The finance departments at both Union and EGD are under common leadership. Additionally the accounting and O&M groups are under common leadership. These leaders manage distinct departments that provide respective services to each utility. The costs associated with the centralized leadership position are charged to each of Union Gas and EGD as per affiliate relationship code requirements.
Gas Control	No steps have been implemented to rationalize activities between the two utilities.

Area	Changes (if any)
Human Resources	Leadership of both Union Gas and EGD HR Business Partner function has centralized under one common leader. The costs associated with the centralized position are charged to each of Union Gas and EGD as per affiliate relationship code requirements. None of the two utilities Business Partner teams have been rationalized. The two utilities operate separate HR systems and teams.
Information Technology	Both Union Gas and EGD have separate IT support teams that provided project implementation and application support services. There have not been any steps taken to rationalize these functions given the distinctly different set of software and inherent need for unique skills and knowledge that distinct software necessitates.
Public Affairs	No steps have been implemented to rationalize activities between the two utilities.
Real Estate Services	This is a shared service within the larger enterprise and cost are allocated based on the work for each utility
Regulatory	No steps have been implemented to rationalize activities between the two utilities.
Sales	No steps have been implemented to rationalize activities between the two utilities.
Storage and Transmission	No steps have been implemented to rationalize the regulated storage and transmission activities between the two utilities. The unregulated business in both utilities is rationalizing efforts and all work that occurs is charged directly to the unregulated business.
Supply Chain Management	No steps have been implemented to rationalize activities between the two utilities. Supply Chain groups at both EGD and Union Gas are leveraging common standards and strategies with the larger enterprise.