

SEC INTERROGATORY #3

INTERROGATORY

[A/1/3, p. 9, 10] Please confirm that the Applicant believes neither OEB Staff nor the EAC is allowed to modify the objectives of the NTG study from that stated by the Scope of Work approved by the TEC, or make any other changes, including improvements, to that study.

RESPONSE

In the case of the NTG study referenced above, in a meeting of the TEC which included Board Staff on November 24, 2015, Board Staff delivered a power point presentation and overview regarding the transition of TEC activities to the OEB and communicated that the Net-to-Gross Study was to be transferred to OEB/EAC to oversee after the work plan was agreed on by TEC/consultant. At a final meeting of the TEC including Board Staff on March 10, 2016, DNV presented its Scope of Work for the NTG Study, dated March 2, 2016.¹ These steps appear consistent with the Board's correspondence dated March 4, 2016 to the Utilities, the TEC and the EAC (EB-2015-0245) which specifically noted the planned TEC meeting of March 10, 2016 and provided that "following input from the TEC" the NTG would be transitioned to the Board.

Subsequently however, on June 6, 2016, without consultation with the full EAC, Board Staff emailed the EAC including a number of documents outlining proposed changes to the 2015 evaluation, combining the 2015 CPSV with the NTG study, and revising the objective of the TEC's NTG study from the development of a factor to be used on a "go forward" basis to one that would re-evaluate NTG values along with the engineering savings verification for the 2015 custom program. The approach contemplated a revised sample design and a revised "LCNS" methodology to facilitate a retrospective application of NTG adjustments on 2015 program year results.

Enbridge is of the view that under the circumstances, no individual party, including Board Staff, should unilaterally modify the objectives and / or scope of work which had been considered at length by the TEC as was the case of the scope of work for the NTG Study. More generally Enbridge is of the view that the scope of work of contractors and the consideration of all evaluation activities contemplated in the current DSM evaluation governance structure should be done with the consultation of the EAC and with the goal of achieving a consensus. It should be recognized that DSM and the

¹ EB-2017-0324, Exhibit B, Tab 5, Schedule 1, filed December 19, 2017.

Witnesses: D. Bullock
D. Johnson

evaluation of its results has been ongoing for many years and that the EM&V process can and would benefit from the experience and expertise that stakeholders bring to the exercise. This is particularly the case where issues arise around the interpretation of Board decisions and policy. Enbridge believes that changes made without appropriate consultation draw into question the reasonableness of the process and the credibility of the suggestion that such changes are improvements.

Witnesses: D. Bullock
D. Johnson