

SEC INTERROGATORY #37

INTERROGATORY

[A/1/3, p. 43] Please explain why, if it is “impossible to extract the influence of a single program”, any savings should be attributed to the Applicant’s programs at all. If some savings should be attributed in this scenario, on what basis does the Applicant believe they should be determined?

RESPONSE

The quote referenced above is pulled from a section of Enbridge’s evidence that summarizes the disadvantages of utilizing self-report methods for NTG estimation as outlined in the Research Into Action report included in the Company’s evidence at Exhibit B, Tab 6, Schedule 3. As stated in the report: “The limitations of self-report to assess free-ridership, and consequently, NTG, are numerous...”<sup>1</sup> The report goes on to outline specific areas of limitation with self-report methods including difficulty in isolating program influence from longer-term market transformation effects:

The decisions and behaviors of people and organizations are not solely influenced by an individual program, but by a variety of other forces. As described by Vine et al. (2010), numerous public policies and market interventions influencing energy efficiency often operate simultaneously, and it is likely impossible to extract the influence of a single program. This is an especially difficult task for a single respondent. For example, in addition to the specific program in question, public policy (e.g., state government messaging advocating for energy efficiency, tax credits for energy efficiency measures) as well as market interventions (e.g., media coverage of energy efficiency issues, other private-sector advertising) and other forces such as energy efficiency education in universities and other schools likely all exert their influence on the consumer’s behavior. The individual respondent would conceivably have difficulty identifying the unique contribution of the program on their behavior apart from the other numerous influences, including market transformation effects.<sup>2</sup>

The statement does not suggest that program influence does not exist but rather specifically addresses the limitation of a self-report survey method to be able to quantify the unique contribution of the program among other influences.

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<sup>1</sup> Review and Analysis of Net-to-Gross Assessment Issues for Natural Gas Demand Side Management Custom C&I Programs, by Research Into Action, Inc., dated August 25, 2017, Exhibit B, Tab 6, Schedule 3, page 16 or 39

<sup>2</sup> Ibid. page 19 of 39

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