

BOARD STAFF INTERROGATORY #12

INTERROGATORY

Reference: Exhibit A, Tab 1, Schedule 3, p. 15

Preamble:

Enbridge states: In addition, despite repeated requests by Enbridge Gas for the EC to provide complete details of the data used in its determinations, in many regards, the EC would not provide Enbridge Gas with detailed documentation or clear calculations to allow Enbridge Gas to replicate (and therefore understand and confirm) the EC's findings.

Questions:

- a) Please specify the findings/results of the EC Enbridge Gas was attempting to replicate. Indicate if they related to energy impacts, cost effectiveness, etc.
- b) Please detail all data requests made by Enbridge Gas to the EC throughout the evaluation process. Please specify which of these requests were fulfilled and which, in the opinion of Enbridge Gas, were not satisfactorily addressed.
- c) The EC was not able to provide requested data to Enbridge Gas given its confidential nature. Specifically, the data could not be provided in a manner that would protect the anonymity of survey respondents. On page 8 of Navigant's report found at Exhibit B, Tab 6, Schedule 1, as it relates to NTG data, experts note that "contractors will not release information if used to identify specific customers." Why does Enbridge Gas believe the EC should have overlooked its commitment to respondents to protect their confidential data which is contrary to best-practice?

RESPONSE

- a) Enbridge requested that the EC provide details of the data in order to not only reconcile the EC's NTG determinations, but also to understand and confirm the particular scoring sequences for respondents, including how customer responses were quantified.
- b) Enbridge requested the data required to replicate the NTG calculations multiple times, primarily via verbal requests in EAC meetings (as minutes are not maintained of the EAC meetings, Enbridge cannot provide recorded details of these requests). However, Enbridge's focus of concern during these EAC discussions was on seeking clarity and understanding from the EC. In Enbridge's estimation, this

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required the provision of detailed explanations regarding how project NTG values were scored through the decision trees outlined in the scoring algorithm. Not until the CPSV / NTG report was finalized on August 16, 2017, did Enbridge receive any further clarity. In the final report, Appendix K, Table 8-86,¹ the EC provided selected examples of survey responses. Enbridge does not believe this provided the clarity needed.

Enbridge also provided written comments in the scoping documents for the draft participant survey as well as the draft CPSV / NTG report earlier in the process in an effort to understand the EC's approach.

It is Enbridge's opinion that these verbal and written requests were not satisfactorily addressed. The EC indicated in their comment matrix delivered with the final CPSV/NTG report "For the CPSV portion of the study the analysis dataset will be provided. For NTG, we cannot provide this information without compromising respondent confidentiality." Enbridge, however, addresses this concern further below.

- c) Enbridge Gas does not believe the EC should have overlooked its commitment to NTG survey respondents to protect their confidentiality. The anonymity of survey respondents is important to Enbridge, and Enbridge does not seek to compromise that aspect of the NTG study. However, it is Enbridge's opinion that the EC could have provided Enbridge with the data requested in a way that protected survey respondent's anonymity.

Enbridge is concerned with the scoring methodology used to evaluate the results of the NTG survey. To illustrate Enbridge's concern, there were tables provided in an appendix of the 2015 Custom Savings Verification and Free-ridership Evaluation that summarized verbatim responses from the NTG survey.² The first column of the table indicated whether the many questions of the survey had ultimately yielded a yes or no for the attribution result for timing, efficiency, quantity, or overall attribution. The second column of the table contained verbatim responses to a follow-up question, such as "why do you say that?" or asking the customer to summarize. In an EAC meeting, the EC explained that these questions were asked to ensure the results of the survey were in line with the overall feelings of the respondent. Further, if the EC felt these verbatim answers were out of line with the first column, they indicated they would undertake a quality control procedure to see if it was necessary to change the response.

¹ EB-2015-0245, 2015 Natural Gas Demand Side Management Annual Verification, December 20, 2017, page K-1

² EB-2015-0245, 2015 Natural Gas Demand Side Management Annual Verification, December 20, 2017, pages C-16 to C-27

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Enbridge's concern with the scoring methodology is illustrated in these tables as there appear to be multiple examples where the verbatim response indicates that the utility clearly influenced the participant, and yet, this does not appear to be in line with the corresponding attribution, which is identified as "no". Enbridge provided over 100 comments on Tables 71 to 77 in the draft Custom Project Verification and Free-Ridership Evaluation (later renamed Tables 8-17 to 8-23 of the final version of this report).³ To these comments, the EC provided one comment, "this section has been updated to reflect that none of the verbatim responses were used in the direct scoring for NTG (see appendix J and K for details). These questions were used in the QC process and are reported here out of context to provide an indication of what respondents are saying to the "why do you say that questions." It is Enbridge's opinion that the EC's response to Enbridge's comments did not appropriately address the Company's concern.

The verbatim responses appear to indicate there was inconsistency in the scoring methodology and further investigation as to the effectiveness of the scoring algorithm, including a sensitivity analysis, is justified. Small changes in the methodology can have a significant impact to the results. To further support this point, on page 3 of their Memorandum: Discussion of Selected NTG Estimation Issues, Navigant states the following:

The scoring algorithm is central to any resulting NTG estimates. As a result, it is important that the algorithms be as transparent as possible and undergo a stakeholder review process to build confidence in the approach. A process that allows for discussion of the scoring algorithms, includes sensitivity analyses to assess robustness, and is as transparent as possible is important for producing NTG values that will have buy-in from stakeholders.⁴

It is Enbridge's opinion that the anonymized NTG survey data should have been provided to Enbridge in a manner that protected the identity of the respondent but also clearly illustrated the link between the answers provided by the respondent and the final attribution score they received.

Alternatively, there are other ways that the methodology could have been independently verified without Enbridge viewing the data first hand. For example, cross-tabulations or frequencies of responses can be used, privileged information can be redacted, and sensitivity analysis undertaken. (Please refer to the response

³ EB-2015-0245, 2015 Natural Gas Demand Side Management Annual Verification, December 20, 2017, pages C-16 to C-27

⁴ EB-2017-0324, Application and Evidence, Exhibit B, Tab 6, Schedule 2, Page 3

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to BOMA Interrogatory #4, found at Exhibit I.EGDI.BOMA which highlighted the subjective cut offs used in assessing timing attribution, notably the biggest driver to free ridership according to the EC's report and should have been subjected to sensitivity analysis). In addition, Board Staff or an independent third party could have completed a detailed review of the methodology and the results. Mr. Violette further elaborates on this point in his response to SEC Interrogatory #70, found at Exhibit I.EGDI.SEC.70.

Finally, recognizing the EC's requirement to protect client confidentiality, given the significant errors identified by Enbridge in the EC's CPSV calculations, Enbridge is of the view there should have been additional levels of detail provided by the EC detailing their NTG estimations in order to give the utility, the EAC, and the Board any confidence in the EC's determinations.

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