

BOARD STAFF INTERROGATORY #7

INTERROGATORY

Reference: Exhibit A, Tab 1, Schedule 3, p. 10

Preamble:

Enbridge states: The 2015 EM&V process took approximately 18 months.

Questions:

- a) Related to the 2015 EM&V process, please indicate when OEB staff provided Enbridge with the non-disclosure agreement (NDA) for signature for Enbridge to release data required for evaluation activities, and when Enbridge returned the signed document to OEB staff and DNV GL.
- b) Please indicate the length of time Enbridge required to fulfill all data requests made by the EC to facilitate the evaluation of Enbridge's DSM programs. Please specify the date that the last set of data was provided to the EC.
- c) Please indicate whether or not Enbridge was provided with an opportunity to review/provide input on all major deliverables of the evaluation project. If yes, please indicate, in total, the amount of days Enbridge was provided for this review.
- d) Please provide Enbridge Gas' 2012, 2013, 2014 Auditor's Reports and Audit Committee Reports.
- e) Please describe the extent to which the auditor selected by the Audit Committee performed primary research as well as other robust evaluation studies in order to inform the results demonstrated in the 2012, 2013, 2014 Auditor's Reports.

RESPONSE

- a) Enbridge was not provided with a NDA for signature by Board Staff. Enbridge was however provided with a Confidentiality Declaration & Undertaking, along with all members of the EAC. In a communication from Board Staff on February 13, 2017, an updated version of this document was provided to all EAC members for signature. Enbridge returned an executed copy on February 15, 2017.
- b) Enbridge received the Commercial/Industrial CPSV/NTG data request on October 28, 2016 and provided its first set of CPSV/NTG Bin 1 data on November 17, 2016.

Witnesses: D. Bullock
D. Johnson

Enbridge received the final data request from the EC on July 14, 2017 relating to the Home Labelling market transformation program and responded on July 20, 2017.

c) Enbridge confirms that, along with the balance of the EAC, the Company was afforded the opportunity to review and provide input on the following major deliverables related to the 2015 evaluation process (Enbridge assumes this list aligns with Board Staff understanding of “major deliverables”):

- EM&V Plan/Scope of Work
- NTG Survey Instrument/Participant IDI Method Memo
- Vendor Survey (1 week)
- 2015 CPSV/NTG Scope of Work
- Draft 2015 CPSV/NTG (F/R) Results Report
- Final 2015 CPSV/NTG (F/R) Results Report (No comment period)
- Draft 2015 DSM Annual Verification Report
- Final 2015 DSM Annual Verification Report (No comment period)
- Draft Spillover Report
- Final Spillover Report (not yet received, no comment period)

Enbridge has not taken the time to definitively confirm how many days were provided for review of these deliverables but recollects generally the EAC was provided with 2 weeks (approx. 10 business days to provide comments) for each deliverable.

d) The 2012, 2013 & 2014 Auditor Reports and Audit Committee Summary Reports can be found in each year’s respective DSM Clearance of Deferral and Variance Account Applications as follows:

Witnesses: D. Bullock
D. Johnson

Year	Case Number	Document	Reference – Auditor Report	Reference – Audit Committee Summary Report
2012	EB-2013-0352	Revised Application for 2012 Demand Side Management (“DSM”) Clearance of Variance Accounts	Exhibit B, Tab 2, Schedule 1	Exhibit B, Tab 3, Schedule 1
2013	EB-2014-0277	Application for 2013 Demand Side Management (“DSM”) Clearance of Variance Accounts and Request for Confidentiality	Exhibit B, Tab 2, Schedule 1	Exhibit B, Tab 3, Schedule 1
2014	EB-2015-0267	Application for 2014 Demand Side Management (“DSM”) Clearance of Variance Accounts and Request for Confidentiality	Exhibit B, Tab 2, Schedule 1	Exhibit B, Tab 3, Schedule 1

e) As outlined by the OEB in the DSM Guidelines for Natural Gas Utilities (EB-2008-0346):

The third party Auditor... should be asked to:

- provide an audit opinion on the DSMVA, LRAM and incentive amounts proposed by the natural gas utilities and any amendment thereto;
- verify the financial results in the Draft Evaluation Report to the extent necessary to express an audit opinion;
- review the reasonableness of any input assumptions material to the provision of that audit opinion; and,
- recommend any forward-looking evaluation work to be considered.

The independent third party Auditor is expected to take such actions by way of investigation, verification or otherwise as are necessary for the Auditor to form its opinion.

To meet this objective for each program year, the Audit Committee and the TEC developed an audit Terms of Reference. These Terms of Reference formed the Audit Request for Proposal annually. As was the case with the 2015 audit year, for the 2012 to 2014 framework, the audit Terms of Reference (scope of work) also included the additional objective of recommending future evaluation research opportunities to enhance the assumptions as well as recommendations to improve input assumptions, verification procedures, and the overall audit process.

Witnesses: D. Bullock
 D. Johnson

Given that Enbridge's custom projects represented a significant percentage of its total net CCM (for example approximately 70% post-CPSV in 2014), the significant focus of the overall audit effort in each year was devoted to reviewing the commercial/industrial custom projects.

Witnesses: D. Bullock
D. Johnson