

ENBRIDGE GAS INC.
Answer to Interrogatory from
Board Staff (STAFF)

Reference: AMP - Exhibit C1/Tab 2/ Schedule 1/ pg.356

Question:

Enbridge Gas Distribution's Customer Experience Transformation project consists of initiatives that span multiple Customer Information System asset subclasses. The proposed two year project proactively transforms the way Enbridge Gas Distribution does business with its customers to make customer interactions easier. The project is estimated to provide Enbridge Gas Distribution with O&M savings of approximately \$13 million annually. In Year 1 Enbridge Gas Distribution has provided a list of activities that it plans to undertake, one of which is to leverage analytics and Artificial Intelligence (AI) to improve bill estimation.

- a) Please provide additional information on how Enbridge Gas Distribution intends to leverage analytics and AI to improve bill estimation.
- b) What is the total cost of the Customer Experience Transformation project?
- c) Enbridge Gas Distribution has identified O&M savings of \$13 million annually. When will Enbridge Gas realize these savings?
- d) Does Enbridge Gas intend to implement a similar project for the Union Gas rate zone? Please elaborate on the response.
- e) Is Enbridge Gas' intent to use AI in its operations over and above its intent to leverage analytics and AI to improve bill estimation?
- f) What other AI activities does Enbridge Gas plan to pursue and when? What productivity improvements does Enbridge Gas expect for each AI activity?

Response

- a) From an analytics perspective the intent is to better use the entire history of consumption and weather (degree day) data available for each premise/account to calculate estimation factors. The methodology previously configured in SAP does not use the entire history of data available and results in changes in estimation factors which could cause inconsistency. From an AI perspective, the intent is to adjust estimation factors more quickly based on changes in consumption patterns. A simplistic example would be a customer replacing their furnace resulting in a decrease in natural gas consumption. Employment of AI would enable identification

of these changes in consumption more quickly resulting in more accurate bill estimation.

- b) Total capital spend on the program over 2017/2018 was \$17.5 million. Additional costs not capitalized (design, analytics, change management, training) totalled \$4.6 million. The forecasted capital spend for 2019 is \$7.0 million.
- c) Savings from the program were identified in two key areas: reduced operating costs under the Customer Care Services Agreement (CCSA) with Accenture and increased electronic billing adoption. The savings anticipated in the original business case are being realized.
- d) Enbridge Gas is in the initial stages of integration and has not made any decisions on timing regarding projects related to customer self-service.
- e) Yes, the intent is to use AI in customer care operations over and above bill estimation.
- f) The intent is to pursue AI activities that allow for proactive anticipation and handling of customer issues. The ultimate goal in these types of activities is to eliminate live agent interactions and drive down the total cost-to-serve. Reducing call volumes and handle time results in direct improvements in productivity. The most common use of AI in customer service is through introducing new channel options like a Virtual Assistant (Chatbot). Enbridge Gas has plans to launch a web-based virtual assistant in Q3 2019. Issue or call prediction is another example where AI can improve productivity in a few different ways including:
 - proactively offering a self-service transaction to the customer through the myAccount channel;
 - containing the inquiry in our Interactive Voice Response system; or
 - routing the inquiry to the agent best equipped to handle the nature of the inquiry.