

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

Reference: Exhibit D1/Tab 2/Schedule 1/Pgs. 75-95

Question:

In its survey, Union Gas sought feedback on a number of trade-offs and also tried to gauge customer perception for additional spending that was quantified as a rate impact for customers. For example, the impact of maintenance capital spending is \$1 per year for residential customers, renovating older buildings was 50 cents a year per residential customer, information technology spending was \$3 a year per residential customer, replacement of bare and unprotected pipes would cost \$1 a year per residential customer, website enhancements for \$1 a year per residential customer, research spending on new technologies costing \$3 per year per residential customer and other such spending initiatives.

- a) Were the respondents provided information on the possible cumulative rate impact of all these initiatives? If no, why not?
- b) Did Union Gas gauge the perception of customers on the cumulative spending and how supportive they were if all the proposed initiatives were implemented?

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**Response**

- a) Yes. Please see Exhibit D1, Tab 2, Schedule 1, page 248, which is also provided below for convenience.

Currently, the average residential customer pays \$390 a year in distribution rates. On average this is \$32.50 each month but in practice it is higher in the winter and lower in the summer due to the variable delivery charge when people use more gas for heating. For each question, the financial impact is expressed as the dollar impact each year on an average residential bill. The actual impact will depend on your own individual usage. While the individual impact of each decision may be small, please keep in mind the total impact of all the choices included in this planning process could add up to a significant increase.

You will see that each time you are asked for your opinion, there is room for comments. Feel free to use these comment sections to explain why you prefer a particular option, or in any other way to expand on your viewpoint. Your comments will help develop a list of criteria Union Gas can use when addressing other issues.

- b) Customers were not asked about the cumulative rate impacts of their choices in this engagement. INNOVATIVE did not develop a tool to enable customers to review their decisions and the cumulative bill impacts of those decisions until 2018. The engagement relied on both ratings and rankings of customer outcomes to provide customer insights for the utility to consider in assessing the best balance between system improvements and rate increases.

Please see Exhibit I.STAFF.33 for an overview of how Enbridge Gas incorporated feedback from the customer engagement process in its business plans.