

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

Reference: Exhibit C1/ Tab 2/ Schedule 1, Table 3.3-2: “Maturity Level Definitions”, Figure 3.3-1: EGD’s ISO5500X Maturity Assessment – Current (Performed by KPMG) p 58.

Question:

Based on KPMG’s assessment, Enbridge Gas Distribution’s Asset Management Program is operating primarily within the *Proactive* and *Managed* levels of maturity, as seen in **Figure 3.3-1.**”

Maturity Level				
0 (Aware)	1 (Reactive)	2 (Proactive)	3 (Managed)	4 (Leading Practice)
The organization has no / inadequate process(es) in place for asset management.	The organization has identified the need for asset management, and there is evidence of intent to progress it. Policies may be in place, that need updating	The organization has developed an action plan to systematically and consistently achieve asset management requirements, and can demonstrate that these are being progressed with credible and resourced plans in place. There is documentation in place for major processes but no set plans for continual improvement and change management.	The organization has a well-documented asset management program set to systematically and consistently achieve its goals. Documentation outlines an approved process for change management, updating documents and processes, and continual improvement.	The organization's process(es) surpass the standard required to comply with ISO55000x requirements.

Table 3.3-2: “Maturity Level Definitions

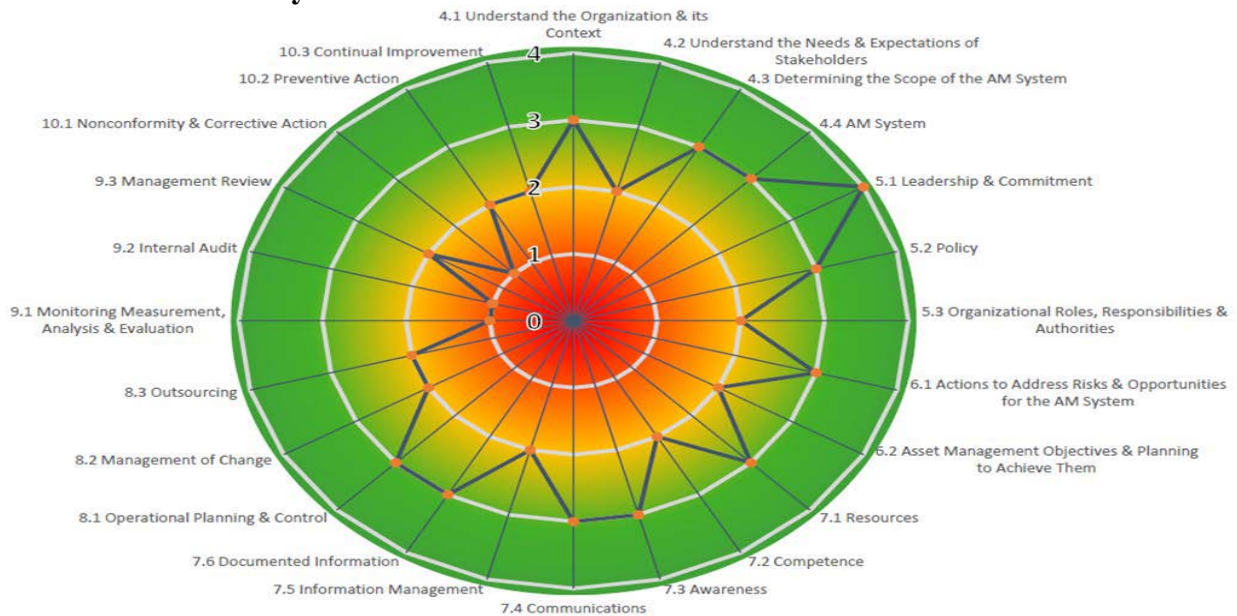


Figure 3.3-1: EGD’s ISO5500X Maturity Assessment – Current (Performed by KPMG)

The statement on pg. 58 could be interpreted as Enbridge Gas being between the 2 and 3 level of maturity. Please confirm that this is an accurate interpretation. Also, please confirm that this determination included comparison against the peers in the industry similar to Enbridge Gas and if, so, please confirm that these companies included some at Maturity Levels 3 and 4 where industry best practices would be expected to be evident?

Response

Confirmed. The statement ‘Enbridge Gas Distribution’s Asset Management Program is operating primarily within the Proactive and Managed levels of maturity’ can be interpreted as the EGD rate zone’s AMP being between the 2 and 3 level of maturity.

In performing the Asset Management Assessment, legacy EGD evaluated policies, practices and processes against the ISO 5500x framework. Industry practices at peer utilities were taken into account as part of this assessment.

In legacy EGD’s work with KPMG, it was found that peer organizations also had a combination of *Proactive*, *Managed* and *Leading Practices* for ISO components within their asset management environment. Some organizations in the United States and

Europe were leading in certain areas as they initiated asset management programs earlier than legacy EGD due to a regulatory or other requirements. It is Enbridge Gas's intention and strategy to progress to being between *Managed* and *Leading Practice* in all components of the ISO framework.