

ASSURANCE OF VOLUNTARY COMPLIANCE

**Pursuant to s. 112.7 of the
*Ontario Energy Board Act, 1998***

Enbridge Gas Inc.

OEB File No. EB-2021-0204

July 19, 2021

I. INTRODUCTION AND SUMMARY

The Ontario Energy Board (OEB) commenced an inspection of Enbridge Gas Inc. (Enbridge Gas) on December 2, 2020, in relation to Enbridge Gas' compliance with the customer disconnection-related provisions of the Gas Distribution Access Rule (GDAR), and the steps taken by Enbridge Gas to implement the amendments to the GDAR that came into force on March 1, 2020.

Following the inspection, OEB staff identified, and Enbridge Gas verified, specific instances of the utility's non-compliance with its customer disconnection obligations under the GDAR. In response to being notified of the contravention, Enbridge Gas reviewed and modified its form of disconnection notice and its collections policies. In resolution of the contravention, Enbridge Gas provided this Assurance of Voluntary Compliance to the OEB under section 112.7 of the *Ontario Energy Board Act, 1998* (OEB Act).

II. STATEMENT OF FACTS

Enbridge Gas was formed by the amalgamation of Enbridge Gas Distribution Inc. and Union Gas Limited, effective January 1, 2019. Enbridge Gas is the largest natural gas distribution, transmission and storage company in Ontario, currently serving approximately 3.8 million gas distribution customers.

In the process of reviewing a complaint received by the OEB from an Enbridge Gas customer, OEB staff identified breaches of enforceable provisions of the GDAR relating to the form of disconnection notice sent to the customer. Upon hearing from the OEB about the complaint, Enbridge Gas immediately ceased any disconnection activity and no customers were disconnected in relation to the non-compliant notices. Upon further review, Enbridge Gas confirmed to OEB staff that the number of non-compliant notices issued was approximately 18,500, all of which were sent in August 2020 (Disconnection Notices), and that a misinterpretation of GDAR and a failure to fully test system modifications for the disconnection notices prior to mail-out was the cause of the error. Enbridge Gas corrected the systems error and worked with OEB staff to ensure its modified form of disconnection notice was GDAR compliant before re-issuing to any customers about one month later.

In December 2020, OEB staff advised that it was commencing an inspection to assess Enbridge Gas' compliance with the customer disconnection-related provisions of the GDAR and the steps taken to implement the GDAR amendments that came into force on March 1, 2020. Enbridge Gas was responsive to OEB staff questions throughout the inspection process. Through the course of the information exchange, including the early review and modification of the Disconnection Notices, Enbridge Gas confirmed to OEB staff as follows:

- i. Due to an internal systems error and misinterpretation of GDAR as referenced above, the Disconnection Notices were not fully compliant with the GDAR for one or more of the following reasons:
 - a. They did not provide the minimum 14-day notice period prior to the earliest date upon which the customer was advised that a disconnection may occur, as required by sections 9.6.12(b) of the GDAR.
 - b. The shorter disconnection period identified in paragraph a. and a misinterpretation of the GDAR resulted in non-compliant disconnection periods being identified in the Disconnection Notices contrary to sections 9.6.2(b), 9.6.13(b) and 9.6.7 of the GDAR.
 - c. They did not include a reference to all the possible customer service provisions that may be available to low-income customers (e.g., OEB-prescribed arrears management programs) and related contact information, as required by sections 9.6.2(j) and (k) of the GDAR.
 - d. They did not include the amount of approved service charge(s) that may apply to reconnect a customer following disconnection and the circumstances under which those charges are payable, as required by section 9.6.2(d) of the GDAR.
 - e. They did not advise the customer that credit card payment will be accepted on the day of disconnection, as required by section 9.6.2(g) of the GDAR.
 - f. They did not advise the customer of the time period during which they may make

payment to avoid disconnection, as required by section 9.6.2(f) of the GDAR.

- ii. As noted above, Enbridge Gas did not disconnect any customers or issue any charges in relation to the Disconnection Notices.

III. ASSURANCE

Enbridge Gas hereby assures the OEB that it is aware of its obligations under the GDAR relating to the customer disconnection process and it takes these obligations seriously. Specifically, Enbridge Gas understands that when a disconnection is initiated, it must ensure it complies with all of the requirements set out in section 9.6 of the GDAR and that one of the most important requirements of the GDAR is that the notice of disconnection include, at a minimum, all of the elements listed in section 9.6.2 so that customers are provided the necessary information to address any potential disconnection.

Enbridge Gas has taken all reasonable steps to ensure compliance with its customer disconnection-related obligations under the GDAR and has implemented operational changes to ensure that its disconnection notices contain clear and accurate information and meet all required timelines. Enbridge Gas further assures that it has made internal system improvements to prevent reoccurrence of the non-compliances and mitigate against human and/or system error. These changes will ensure Enbridge Gas customers receive gas disconnection notices that are compliant with all regulatory requirements.

Enbridge Gas shall voluntarily make an additional payment of \$60,000 for 2021 Low-income Energy Assistance Program (LEAP) funding to assist the most vulnerable customers in its franchise areas.

Enbridge Gas shall place on a main page of its website a notice to customers, the contents of which are to be approved by OEB staff, advising of the OEB inspection and its resolution including having provided the OEB with this Assurance of Voluntary Compliance. The notice shall be posted within two weeks of the acceptance of this Assurance of Voluntary Compliance and shall not be removed until the start of the 2021 winter disconnection ban.

Enbridge Gas assures that it will not apply to recover the costs related to this Assurance of Voluntary Compliance in any current or future rate application.

IV. ADMINISTRATIVE MONETARY PENALTY

Enbridge Gas agrees to pay an administrative monetary penalty to the OEB in the amount of \$40,000. Payment will be made, together with notice sent to the OEB's Registrar, within two weeks of Enbridge Gas being given notice of the acceptance of this Assurance of Voluntary Compliance by the OEB.

V. CONSUMER RIGHTS

Nothing in this Assurance of Voluntary Compliance affects any rights a consumer may have under any applicable laws.

VI. FAILURE TO COMPLY

This Assurance of Voluntary Compliance has the same force and effect as an order of the OEB pursuant to section 112.7(2) of the OEB Act and any failure to comply with its terms shall be deemed to be a breach of an order of the OEB.

VII. EXECUTION OF ASSURANCE

I have the authority to bind Enbridge Gas Inc. to the terms set out in this Assurance of Voluntary Compliance.

Name: Tanya Mushynski
Title: Vice President, Customer Care
Company: Enbridge Gas Inc.

Signature: Original Signed

Dated this 19th day of July, 2021