



***PUBLIC INTEREST ADVOCACY CENTRE***  
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Michael Buonaguro  
Counsel for VECC  
(416) 767-1666

August 10, 2011

**VIA MAIL and E-MAIL**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge St.  
Toronto, ON  
M4P 1E4

Dear Ms. Walli:

**Re: Vulnerable Energy Consumers Coalition (VECC)**  
**Notice of Intervention EB-2011-0226**  
**Enbridge Customer Care and Customer Information System Costs**

Please find enclosed the interrogatories to the Applicant on behalf of VECC in the above-noted proceeding. We have also directed a copy of the same to the Applicant.

Thank you.

Yours truly,

Michael Buonaguro  
Counsel for VECC  
Encl.

cc: [egdregulatoryproceedings@enbridge.com](mailto:egdregulatoryproceedings@enbridge.com)  
[dstevens@airdberlis.com](mailto:dstevens@airdberlis.com)

**ONTARIO ENERGY BOARD**

**IN THE MATTER OF** the *Ontario Energy Board Act*, 1998,  
S.O. 1998, c. 15, Sched. B, as amended;

**AND IN THE MATTER OF** an application by Enbridge Gas  
Distribution Inc. for an order or orders approving its  
Customer Care and CIS costs for 2013 to 2018;

**AND IN THE MATTER OF** an application by Enbridge Gas  
Distribution Inc. for an order or orders amending or varying  
the rates charged to customers for the sale, distribution,  
transmission, and storage of gas commencing as of January 1, 2013

**Interrogatories on behalf of the Vulnerable Energy Consumers Coalition (VECC)**

{Note VECC has taken into account Board Staff Questions filed Friday August 5, 2011}

**VECC IR#1**

**Reference: Exhibit A Tab 1 Schedule 1 para 2-8 Application**

- a) File a copy of the 2007 Settlement Agreement (or an extract including the 2007 Template) from the Board's EB-2006-0034 Decision with Reasons.
- b) Provide documentation that supports the statement in para. 8 that  
"Enbridge and members of the stakeholder steering committee have agreed upon the values set out in rows 3 and 10(a) of the 2013 Template, which relate to the revenue requirement for the new CIS asset and to the costs of the update and extension of the current customer care services agreement."
- c) Provide documentation that sets out the opinion of Five Point (other than the Slide Deck) on the extension and proposed 2013-2018 CIS and CC costs

**VECC IR#2**

**Reference Exhibit A Tab 2 Schedule 2 CIS COSTS**

- a) Provide an Electronic copy of the 2013 Template in Excel 2007 format that will allow VECC to analyze the increases proposed for 2013-2018 *on a line by line basis* for both CIS and Customer Care.
- b) Provide a copy of the 2013 Template that shows on a line by line basis the annual cost increase and percentage change year over year for historic and forecast years.
- c) Explain why in Line 3 the opening balance of the 2013 Template (Col H) is not the same as the closing balance for 2012 (Col. F). Provide supporting detail and references to extracts from the current Settlement Agreement
- d) For Lines 4,5 Provide the Explanation (*cost drivers*) of the year over year increase including/not limited to
  - i. Increase in outsourced costs Name of service provider and reference to contract provision(s)

- ii. FTE (outsourced) change
  - iii. Cost per FTE
  - iv. FTE (in-house)change
  - v. Cost per FTE
- e) Provide the CIS Cost normalized per bill and per customer for residential customers and the totals for all bills/customers
- f) Provide any comparative unit costs for CIS for SAP based Systems or if not available, any other systems particularly for Union Gas, Hydro One Networks and Toronto hydro

### **VECC IR #3**

#### **Reference Exhibit A Tab 2 Schedule 2 CUSTOMER CARE COSTS**

- a) Provide a summary of all of the outsource contracts associated with this Application, other than Accenture.  
For each contract:
  - (i) provide the name of the service provider and the associated annual cost of the contract; Reconcile to the relevant costs in the 2013 Template.
  - (ii) indicate if the contracts are new contracts, a renewal, or a continuation of a contract from the 2007 to 2012 Template.
- b) Provide a copy of the 2013 Template for Customer Care that shows on a line by line basis the annual cost increase and percentage change year over year for historic and forecast years.
- c) Explain why in Line10 the opening balance of the 2013 Template (Col H) is not the same as the closing balance for 2012 (Col. F) Provide supporting detail and references to extracts from the current Settlement Agreement
- d) For Lines !0 a-c (Col. A-F)provide the historic actual and forecast cost breakdown
- e) For Lines 10 and 10a-c,and 12 (Col H-M) Provide the Explanation (*cost drivers*) of the year over year increase including/but not limited to
  - i. Increase in outsourced costs Name of service provider and reference to contract provision(s)
  - ii. FTE (outsourced) change
  - iii. Cost per FTE
  - iv. FTE (in-house)change
  - v. Cost per FTE
- f) Provide the Customer Care Cost normalized per customer for residential customers and the total for all customers. Include actual/forecasts of call volumes and other relevant cost drivers.
- g) Provide any comparative unit costs for Customer Care for SAP based Systems or if not available, any other systems particularly for Union Gas, Hydro One Networks and Toronto Hydro

#### **VECC IR#4**

##### **Reference: Exhibit BTab5 Schedule 2**

- a) Provide a detailed explanation on a line by basis of the variances between the Board-Approved 2007-2012 costs and the actual/forecasts shown in the Exhibit.
- b) Identify costs that were/are controlled directly by EGD (e.g . In-house staff costs)
- c) How are the variances being factored into the 2013 Template? (clear explanation and illustrative examples)
- d) If forecasts for 2011 and 2012 differ from those shown how will this be addressed going forward in the 2013 template? e.g.. will there be a true up?

#### **VECC IR #5**

##### **References: “2013 Template” Exhibit ATab2Schedule2 and Exhibit BTab2Schedule1 page 2 para. 5 Inflation Factor**

- a) Please provide the rationale for using the cited aggregate inflation factor.
- b) Indicate which lines have costs that include inflation or other escalators and provide the annual amount(s) of these individual escalators
- c) Demonstrate (calculation) how the aggregate inflation factor was/is calculated from the individual costs subject to escalation

#### **VECC IR#6**

##### **Reference Non –Utility Services including Open Bill Access**

- a) Confirm when the current Open Bill Access Settlement Agreement ends
- b) What happens to the additional CIS costs incurred in 2007-2012 regarding if/how these costs should be shared by Open Bill Access customers
- c) What assumptions have been made about Open Bill access services in the period 2013-2018 and what are the related cost and revenue assumptions?.
- d) Provide a Proforma for Open Bill Access 2013-2018 using the existing OBA cost/revenue structure as a basis

#### **VECC IR#7**

##### **Reference: Cost Allocation and Bill Impacts**

- a) Provide the projected rate class cost allocations associated with the 2013 Template for each of CI and Customer Care. Include a typical customer annual cost for the residential class for each
- b) Provide a description of the cost allocation methodology and indicate any changes from the current 2007-2012 allocation,
- c) Provide the bill impacts associated with the proposal for the residential class and compare/contrast to the current bill impacts 2007-2012.