

GEC INTERROGATORY #1

INTERROGATORY

D - Operating Costs

Issue 11: Is the proposal for the Open Bill Access Program appropriate?

Evidence Ref. D1/Tab 9/Sched.1:

What goods or services are currently eligible or ineligible and/or proposed for open bill?

RESPONSE

Please see the response to HVAC Interrogatory #10 at Exhibit I, Issue D11, Schedule 24.10.

Witnesses: K. Lakatos-Hayward
S. McGill

GEC INTERROGATORY #2

INTERROGATORY

D - Operating Costs

Issue 11: Is the proposal for the Open Bill Access Program appropriate?

Evidence Ref. D1/Tab 9/Sched.1:

Are there energy efficiency constraints on open bill eligible goods and services at present or proposed?

RESPONSE

No.

Witnesses: K. Lakatos-Hayward
S. McGill

GEC INTERROGATORY #3

INTERROGATORY

D - Operating Costs

Issue 11: Is the proposal for the Open Bill Access Program appropriate?

Evidence Ref. D1/Tab 9/Sched.1:

Please provide a breakdown of the nature of goods and services billed via open bill in the most recent year for which such data is available. Please include any information on the energy efficiency of products compared to code, and/or compared to current market average efficiency.

RESPONSE

The Company does not track third party billing information on this basis.

Witnesses: K. Lakatos-Hayward
S. McGill

GEC INTERROGATORY #4

INTERROGATORY

D - Operating Costs

Issue 11: Is the proposal for the Open Bill Access Program appropriate?

Evidence Ref. D1/Tab 9/Sched.1:

When does EGDI's contractual obligation to Direct Energy to offer billing services end?

RESPONSE

The current Open Bill Access Services Agreement between the Company and all billers will expire on the last Enbridge billing cycle day for December 2012 subject to the provision of termination transition services to be provided by the Company as contemplated in these agreements.

Witnesses: K. Lakatos-Hayward
S. McGill

GEC INTERROGATORY #5

INTERROGATORY

D - Operating Costs

Issue 11: Is the proposal for the Open Bill Access Program appropriate?

Evidence Ref. D1/Tab 9/Sched.1:

Please estimate the impacts if open bill were limited such that new items being billed (or a significant component of same) must offer significant energy efficiency improvement (or be ancillary to such improvements)? In answering this, assume that existing accounts (i.e. for products already sold) could continue to be collected whether they meet that criterion or not.

RESPONSE

This limitation would effectively put an end to the Company's Open Bill Access program. Even if existing non-qualifying products such as standard efficiency water heaters could continue to be billed on the Enbridge bill on a grandfathered basis the Company's billing clients would be forced into a position where they would need to invest in a secondary billing capability to bill charges in respect of new sales of non-qualifying products. The requirements for the secondary billing capability would destroy any economic value in the Company's third party billing service for these clients.

Witnesses: K. Lakatos-Hayward
S. McGill

GEC INTERROGATORY #6

INTERROGATORY

D - Operating Costs

Issue 11: Is the proposal for the Open Bill Access Program appropriate?

Evidence Ref. D1/Tab 9/Sched.1:

Would EGD I agree that limiting Open Bill to bundles of services and products that include significant energy efficiency improvements would encourage Billers to promote such products? Does the company agree that it would give such products a marketing advantage? Does the company expect that it could obtain financing for such customers at a rate that would give such products a cost advantage?

RESPONSE

The Company cannot agree that limiting Open Bill to bundles of services and products that include significant energy efficiency improvements would encourage Billers to promote such products, or that such a limitation would give such products a marketing advantage. This may or may not be the case, however, the Company has no information that would allow it to either validate or refute this statement.

The Company does not believe that it would be able to obtain financing for such products that would give such products a cost advantage in the marketplace. Over the past eighteen months the Company has worked along with the Canadian Gas Association (the 'CGA") and NRCan to investigate on-bill financing options. The CGA engaged a consultant to approach banks and other financial institutions to determine their interest level in offering discounted financing to support such a program. As of this time no financial institution has indicated an interest on participating in such a program on this basis.

Witnesses: K. Lakatos-Hayward
S. McGill

GEC INTERROGATORY #7

INTERROGATORY

D - Operating Costs

Issue 11: Is the proposal for the Open Bill Access Program appropriate?

Evidence Ref. D1/Tab 9/Sched.1:

Does EGD I agree that on-bill financing of energy efficiency improvements would be a cost-effective way to encourage more efficiency, to assist customers with modest capital availability, and to do so with little or no cost to other ratepayers?

RESPONSE

The Company accepts that the provision of discounted financing options applicable to energy efficient equipment combined with utility third party billing may assist in increasing the market penetration of such products. However, the Company has no information that would serve to validate whether such a program would constitute a cost effective means to promote energy efficiency. Further, if such program were dependent on the utility funding in order to achieve discounted interest rates there would be negative cost consequences for ratepayers.

Witnesses: K. Lakatos-Hayward
S. McGill