

ONTARIO ENERGY BOARD

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

AND IN THE MATTER OF an Application by Enbridge Gas Distribution Inc. for an order or orders approving its proposal for open billing services.

AND IN THE MATTER OF an Application by Enbridge Gas Distribution Inc. for an order or orders amending or varying the rates charges to customers for the sale, distribution, transmission and storage of gas commencing as of January 1, 2019

INTERROGATORIES

FROM THE

HVAC COALITION

1. [Ex. A/2/1, p. 3] The Application seeks a two year extension to the end of 2020, but also refers to the next application being for the period “beyond December 2021”. Please reconcile.
2. [A/2/1, p. 3] Please provide an itemized list of the specific approvals requested from the Board in the current Application.
3. [B/1/1, p. 1] The OBA Contract provides that the Company can provide billing services for Billers where those being billed are not distribution customers of the Company. Please advise how many of those non-customers currently being billed under the program, if any, are customers in the Union Gas rate zone. Please confirm that no additional customers in the Union Gas rate zone will be added in the proposed two year extension period.
4. [B/1/1, p. 2] Please provide a table showing, for each year since the program’s inception, the gross revenues of the OBA Services initiative (broken down into billing services and bill inserts), the actual costs of the OBA Services initiative (broken down into major cost categories), the embedded credit to customers, and the sharing of any additional net revenues between the Company and the customers. For each such year, please include in the table the total number of Billing Fees (as that term is defined in the Agreement) charged for the year, broken down between the bills with distribution charges, and those without. If the actual costs of the OBA Services for a year are different from the deemed costs as agreed and ordered in the relevant previous proceedings, please provide details on how that difference has been accounted for as between customers and Company.
5. [B/1/1, p. 2] Please provide the same information as in the previous question, but on a forecast basis for 2019 and 2020.

6. [B/1/1, p. 2] Please provide details of the process used to update the OBA Contract, and track what actually occurred to the provisions of the Agreement. Please provide copies of all notices and explanations provided to the participants of the process, or any of them, including memoranda, letters, presentations, and any other communications. Please describe the key differences between this process and the process used to produce settlements the last two times this program was presented to the Board for approval.
7. [B/1/1, p. 5] What steps, if any, has the Applicant taken to develop and roll out an Open Bill Access program in the Union Gas territory? What consultations has the Applicant carried out to determine the interest by customers and other stakeholders for the program? Please provide any analyses, memoranda, or other documentation in the possession of the Applicant or either of its predecessor companies relating to the pros and cons of the Union Gas (no external companies on the bill) and Enbridge (open bill access) approaches to the utility bill, including, without limiting the generality of the foregoing, the internal documentation at Union Gas leading to its decision not to follow the lead of Enbridge in allowing access to its utility bill.
8. [B/1/1, p. 6] Attached to these interrogatories is a spreadsheet, provided by the Company to HVAC Coalition, listing the 108 companies or other entities enrolled in the Open Bill program. With respect to those enrolled in the program:
 - a. Please provide, for each month of 2018, the number of Billers:
 - i. Who had charges appearing on at least one of the Company's bills.
 - ii. Who added new charges on at least one of the Company's bills in that month.

When counting the number of Billers with charges or adding new charges, please count all companies or other entities that are Affiliates (as that term is defined in the revised OBA Contract) as a single Biller.

- b. Please provide a table of the top ten Billers (by number of charges on bills during 2018), with their number of charges billed, and the type of items being billed (e.g. service plans, monthly or other periodic payments to purchase equipment, monthly or other periodic rental payments, etc.), in each case grouping Affiliates together as one Biller. If the Company believes the identity of the top ten Billers should be confidential, please provide the information without information identifying the names of those Billers.
- c. With respect to all of the other Billers, not in the top ten, please provide a table showing the number of such Billers who in 2018 had a monthly average number of charges on bills of:
 - i. 0;
 - ii. 1-2;
 - iii. 2-5;
 - iv. 5-10;
 - v. 10-50;
 - vi. More than 50.

- d. Please provide details of all steps, if any, taken by the Company since the 2014 OBA Settlement to improve the ability of smaller companies to participate in OBA Services program.
9. [B/1/1, Attach. 3, p. 1] Please confirm that the new agreement will be entered into by Enbridge Gas Inc.
10. [B/1/1, Attach 3, p. 3] Please explain why the Trust Agreement has been terminated, and the impacts on the Billers, potential Billers, and customers.
11. [B/1/1, Attach. 3, p. 13] Please describe all steps taken by the Company, including but not limited to consultations with non-Billers, to ensure that changes to the OBA Contract being provided to the Board in this Application would not present additional barriers to any participation by any category of stakeholders who may otherwise wish to participate.
12. [B/1/1, Attach. 3, p. 17 and Appendix E] Please provide a table showing the current 2019 month by month “forecast of the number of Service Bills to be sent to the Customers by the Company” for each of the currently enrolled Billers. Identities of the Billers can be redacted if the Company wishes. An Excel spreadsheet of the output would be appreciated, as it will save time.
13. [B/1/1, Attach. 3, p. 19] Please provide details of any incremental costs the Company will incur as a result of the addition of Section 2.6.2. Please advise the extent, if any, to which this clause makes it more difficult for smaller stakeholders to rely on larger financing companies for the financing component of their transactions.
14. [B/1/1, Attach. 3, p. 24 and Appendix H] Please confirm that, as a result of new Section 4.2.5 and Appendix H:
- a. Billers who have standard General Security Agreements or Assignments of Book Debts with their bankers will have to have their bankers approve and sign Appendix H in order to participate. If confirmed, please advise what steps the Company has taken to ensure that the form of Appendix H has been approved by the major banks.
 - b. Billers will have to disclose details of their credit arrangements with their bankers to the Company in order to participate in the Open Bill program, including allowing the Company to review their security documentation with their bank (Appendix H, Section 3).
 - c. The consent of a Secured Party to participation by a Biller, their customer, in the Open Bill program will cause the Secured Party to be jointly liable with the Biller for any costs the Company incurs as a result of defaults by the Biller. If this is not the case, please provide details and copies of any legal opinions.
 - d. The Secured Party loses their security in receivables, not just after the Company collects from the customer and pays the Biller, but also in the 21-day period between the billing date and the date the Biller is paid, during which period the Company has no financial interest in the receivable.
 - e. The Company must give permission to the bank or other Secured Party to transfer its rights to the Biller’s receivables to a third party.

- f. The bank or other Secured Party must give the Company permission to use the name of the bank or other Secured Party in performing the Billing Services (H(4)(b)).
- g. All costs of obtaining compliance by the Biller's bank or other Secured Party, including the costs of the Company, will be borne by the Biller.

Please provide all memoranda, letters, presentations, emails or other documents or communications in the possession of the Company dealing in whole or in part with the effects of the above changes, if any, on participation by Billers, potential Billers, or any identifiable category of potential Billers.

- 15. [B/1/1, Attach. 3, p. 25] Please provide copies, with all information identifying Biller name and address suitably redacted, of the Monthly Statements described in Section 4.5 issued in October through December, 2018, broken down by month.
- 16. [B/1/1, Attach 3, p. 30] Please advise whether the term Service Bills in Section 6.1(c) includes all distribution bills rendered by the Company in a billing cycle, or only those bills rendered in that billing cycle that include Customer Services provided by Billers. Based on the answer to that question, please advise the current total number of Service Bills that have to include a particular Customer Service for the 0.5% threshold to be met.
- 17. [B/1/1, Attach. 3, p. 41] Please advise whether the inclusion of the Union Gas rate zone in the Open Bill program would generate the Company's right to terminate under Section 8.5. Please advise if Section 8.5 allows the Company to require Enbridge Billers to agree to the terms of any Union Gas Open Bill contract.
- 18. [B/1/1, Attach. 3, p. 43] For each of the last three years, please provide the number of Billers who were in default under Section 8.6(d) of the Prior Agreement. For the same period, please provide the number of Billers who would have been default under Section 8.7(e) of the 2019 Agreement, if it had been in effect during those three years. Please confirm that all of the Billers in both cases would have been in the bottom quartile of Billers by number of charges on bills.
- 19. [B/1/1, Attach. 3, p. 51] Please provide evidence that the Company has an insurance policy that, compliant with Section 9.4.2, lists all Billers as additional insureds. Please advise the additional cost to the Company, if any, of having the Billers so listed.
- 20. [B/1/1, Attach. 3, p. 56] Please explain the circumstances in which it would be appropriate for the Company to assign the OBA Contract, or the rights, entitlement, duties and obligations under the OBA Contract, to an Affiliate. Given that the Company is not seeking the approval of the Board for the OBA Contract, please explain the nature of any application to the Board for approval for such an assignment, and the jurisdiction of the Board to hear it.

Respectfully submitted on behalf of the HVAC Coalition this January 29, 2019.

Jay Shepherd
Counsel for the HVAC Coalition