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January 28, 2020

VIA RESS, EMAIL and COURIER

Christine Long
Board Secretary
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, Ontario, M4P 1E4

Dear Ms. Long:

Re: Enbridge Gas Inc. (Enbridge Gas)
EB-2018-0319 – Open Bill Access Services

On January 16, 2020 the Ontario Energy Board (Board) issued Procedural Order (PO) No.10 for the above noted proceeding. In that PO the Board directed parties planning to cross-examine witnesses at the oral hearing to provide their initial positions on the two unsettled items.

Pursuant to PO no. 10 enclosed please find the response to HVAC interrogatory #30 which sets out Enbridge Gas' initial positions on the two unsettled items.

Also enclosed is the examination-in-chief for the witness panel Enbridge Gas will be presenting at the oral hearing. Enbridge Gas believes the provision of the examination-in-chief at this time will be of assistance to the Board and parties at the oral hearing.

Please contact the undersigned if you have any questions.

Yours truly,

(Original Signed)

Joel Denomy
Technical Manager, Regulatory Proceedings

ENBRIDGE GAS INC.

Answer to Interrogatory from
HVAC Coalition ("HVAC")

Interrogatory

Reference:

[Ex. B/2/1, p. 1]

Question:

Please advise the position of Enbridge with respect to each of the two unsettled items. If Enbridge has no position, please advise. If Enbridge supports a particular position, please explain the rationale behind that position.

Response

Enbridge Gas believes that the OBA program is functioning well. It is the result of years of extensive consultation amongst billers, consumer groups and Enbridge Gas.

Enbridge Gas does not believe that OBA customers should direct the addition of third party charges on their Enbridge Gas Bill through the OBA services. This would be administratively burdensome and expensive, taking into account that there are approximately 1.4 million OBA customers.

Enbridge Gas would support an updated approach to the current OBA complaint and dispute management process (described at Exhibit B, Tab 2, Schedule 2). This updated approach would harmonize the duration of the dispute resolution process, so that all disputes would be resolved by the Biller within 15 days failing which the disputed charge(s) would be credited back to the customer and charged back to the Biller and the charge and Bill Type Code would be blocked from future billing. Additionally, if a customer contacted Enbridge Gas after a dispute was reported as resolved, and indicated this is not the case, then the disputed charge(s) would be credited back to the customer and charged back to the Biller and the charge and Bill Type Code would be blocked from future billing.

Enbridge Gas believes that this updated approach strikes an appropriate balance between customer control and the effective operation of the OBA program. Advantages of this updated approach include the following:

- Provides customers with quicker resolutions to their disputes;
- Ensures that most disputes will be resolved within one billing period;
- Maintains the opportunity for Billers to resolve misunderstandings and minor disputes and continue to use the OBA program to bill customers;
- Removes the requirement for Enbridge Gas to identify disputes as CPA vs non-CPA; and
- Minimizes changes and associated costs to OBA program back office processes.

Enbridge Gas does not believe that restrictions are necessary to limit Billers from charging post termination amounts associated with the contracts their customers have signed. Enbridge Gas believes that customers will have adequate protection from the updated complaint and dispute management process that will allow customers to have disputed charges removed from the bill within 15 days if no resolution is reached with the Biller.

Enbridge Gas Inc.

**Application for approval to continue the existing
financial terms associated with offering Open Bill
Access services for the years 2019 and 2020**

EVIDENCE IN CHIEF OF ENBRIDGE GAS INC. (ENBRIDGE GAS)
JANUARY 30, 2020

The following is an outline of the evidence in chief that the Enbridge Gas witness panel plans to provide at the outset of its testimony at the oral hearing for the unsettled items in this proceeding.

1. Please explain your role with the OBA program

a. Tracy Lynch

My title is Director, Large Volume Contracting and Policy and
I am responsible for the overall management of the OBA program.

b. Amir Hasan

My title is Supervisor, Third Party Programs.
I am responsible for the day to day operations of the Open Bill Program.

c. Scott Foster

My title is Advisor, Third Party Programs.
I am responsible for Biller relationships and compliance management of
the OBA program.

*2. On behalf of the witness panel, Ms Lynch can you please confirm that the
evidence prepared in this proceeding related to the OBA program, including
interrogatory responses, was prepared by you or under your direction, and that to
the best of your knowledge it is accurate, and that you adopt it for the purpose of
your testimony.*

Confirmed.

3. *Please provide us with a brief description of the OBA program.*

The Open Bill Access or “OBA” program provides billing and collection services to third parties for their non-gas products and services through the Enbridge Gas bill.

The services provided through the OBA Program include:

- Billing of products and services, including bill processing and delivery;
- Collection of Biller charges and remittances;
- Basic Call Centre support; and
- Customer Dispute Tracking.

The program is funded through fees paid by Billers and it currently provides an annual net benefit of \$5.389 million to ratepayers in the Enbridge Gas rate zone. This is included in rates until the end of 2023.

4. *Please describe the current status of the OBA program*

Enbridge Gas currently has contracts with 117 Billers. Approximately 1.4 million customers are billed through the program each month. The response to HVAC interrogatory #29 provides a history of the number of Billers using the OBA program and the number of bills issued by Enbridge Gas on behalf of those Billers.

Over 100 products and services can be billed through the program, such as water heaters, air conditioners, furnaces and protection plans. A full list of the products that can be billed through the OBA program can be found in Appendix B of the OBA Manual which is provided in the response to HVAC interrogatory #26.

5. *Can you please briefly explain the regulatory approvals for the OBA program over the past years.*

The current OBA program was first approved by the Ontario Energy Board (Board) in 2007, and since that time the Board has approved several settlements reached through the collaborative efforts of Enbridge Gas, Billers, customer groups and other interested parties.

These settlements have resulted in a number of positive improvements to the OBA program and in each proceeding, all parties agreed to the continuation of the OBA program and the related financial terms.

6. *Please describe Enbridge Gas' application in this proceeding*

Enbridge Gas applied in December 2018 for approval to extend the existing financial terms of the OBA program for 2 years, until the end of 2020. Enbridge Gas indicated that it would file a longer-term application after that time.

Early on in the process, HVAC Coalition indicated that they were reserving the right to challenge the ongoing operation of the OBA program. That led to a first Partial Settlement in March 2019 which set out a process for the Board to determine HVAC's issue and allowed the OBA program to continue in the meantime.

Following Board approval of the March 2019 Partial Settlement, Enbridge Gas answered more interrogatories and the interested parties met for a series of ADR sessions in June, July, September and October of 2019.

7. *We know that the parties were able to reach a settlement on most aspects of Enbridge Gas' application. Can you please summarize the settlement that was reached.*

The ultimate result was the development of a Supplementary Partial Settlement Proposal (Supplementary Settlement) in October 2019 which was filed with and approved by the Board.

Key aspects of the Supplementary Settlement include:

- Continuation of OBA program until the end of Enbridge Gas' deferred rebasing period (December 31, 2023);
- Continuation of existing financial terms of the OBA program;
- Commitment by Enbridge Gas to providing information about the OBA program and customer rights and obligations;
- Initiation of annual meetings of OBA stakeholders, and ongoing provision of information about program performance by Enbridge Gas to interested parties; and
- Agreement by Enbridge Gas to re-negotiation of the OBA Contract between Enbridge Gas and Billers.

8. *What remained outstanding after the October 2019 Supplementary Settlement?*

The parties to the Supplementary Settlement identified two discrete items to be determined by the Board. Those are the only items left to be determined.

These unsettled items are specifically described as follows:

1. What level of control should OBA customers have over the addition, removal and reinstatement of third party charges on their Enbridge Bill through the OBA Program?
 2. What restrictions, if any, should be placed on billing OBA customers for penalties, exit or termination fees, or similar charges through the Enbridge bill?
9. *Can you please summarize Enbridge Gas' current practices for the first unsettled item.*

Enbridge Gas filed Supplementary Evidence in November 2019 (marked as Exhibit B, Tab 2, Schedule 2) describing its current practices. Subsequently, Enbridge Gas answered interrogatories on this supplementary evidence.

For the first unsettled item, Enbridge Gas currently provides a tracking service for disputes between Billers and Customers. It is the Biller's responsibility to manage customer relations and resolve conflicts.

As shown in Table 1 of Enbridge Gas' Supplementary Evidence the number of disputes in relation to the total number of bills is quite small and has ranged from 0.15% to 0.18% over the past few years.

In the current OBA dispute management process, an OBA customer can call Enbridge Gas to dispute a charge. They can also create a dispute through the Enbridge Gas website if they have an online account.

In either case, the dispute is logged in the Enbridge Gas Dispute Tracker. It is then reported to the Biller in the daily dispute report. Depending on the details provided, the dispute is logged as Consumer Protection Act "CPA" or "non-CPA".

A sample dispute report can be found in the response to VECC interrogatory #6.

Billers have the responsibility to communicate the status of each Customer Billing Dispute to the Enbridge Biller Hotline by email, on or before the due date. For CPA disputes the Biller has 15 days to resolve the dispute. For non-CPA disputes they have 45 days. The majority of the dispute process between Enbridge Gas and the Biller is automated.

Customer Billing Disputes are deemed closed in the disputes tracking system if either of the following occurs:

- Enbridge Gas will close the dispute if it is not closed in the tracking system by the Biller by the due date identified in the Dispute Report. Enbridge Gas then credits the disputed charge(s) from the bill and blocks that product from being billed to that customer from that Biller going forward; or
- The dispute is closed in the tracking system by the Biller if they have resolved the dispute with the customer - for example, the customer agrees to pay, or agrees to a credit to settle the dispute, or the Biller has advised the customer that they will remove and credit the charge.

If the customer calls again to say the dispute is not resolved, the dispute is reinstated, and the process starts again. However, the Biller only has until the original due date to resolve the dispute.

If it is after the original due date the Biller is given five business days to resolve the dispute. If the dispute is not resolved by the new due date, Enbridge Gas will close the dispute, credit the disputed charges and block the billing.

If a dispute is reinstated a second time, the process does not start again. Enbridge Gas will close the dispute, credit the disputed charges and block the billing.

10. Can you please summarize Enbridge Gas' current practices for the second unsettled item.

For the second unsettled item, Enbridge Gas' current practice is to allow charges for approved Bill Type Codes as set out in appendix B of the OBA Manual. The OBA Manual is provided in the response to HVAC interrogatory #26. These Bill Type Codes include end of contract charges.

The expectation is that Billers are only billing charges that are allowed under the Customer Services Agreement with their customer. This requirement is set out in section 7.1 (d) of the OBA Agreement.

11. Does Enbridge Gas propose any changes to its current practices?

As set out in its response to HVAC Interrogatory #30, Enbridge Gas believes that the OBA program is functioning well. The program is the result of years of extensive consultation amongst Billers, consumer groups and Enbridge Gas.

For unsettled item #1, Enbridge Gas does not believe that OBA customers should direct the addition of third party charges on their Enbridge Gas Bill. This would be administratively burdensome and expensive, considering there are approximately 1.4 million OBA customers.

Enbridge Gas would support an updated approach to the current OBA complaint and dispute management process.

In the response to HVAC interrogatory #30 Enbridge Gas proposes to harmonize the duration of the dispute resolution process.

Under this approach all disputes would be resolved by the Biller within 15 days, failing which the disputed charge(s) would be credited back to the customer and the charge and Bill Type Code would be blocked from future billing.

If a customer contacts Enbridge Gas after a dispute was reported as resolved, and indicates this is not the case, then the disputed charge(s) would be credited back to the customer and the charge and Bill Type Code would be blocked from future billing.

Enbridge Gas believes that this updated approach strikes an appropriate balance between customer control and the effective operation of the OBA program.

Advantages of this proposed approach include:

- Providing customers with quicker resolution to their disputes;
- Ensuring that most disputes will be resolved within one billing period;
- Maintaining the opportunity for Billers to resolve misunderstandings and minor disputes and continue to use the OBA program to bill customers;
- Removes the requirement for Enbridge Gas to identify disputes as CPA vs non-CPA; and
- Minimizes changes and associated costs to OBA program back office processes and system changes.

For unsettled item #2 Enbridge Gas does not believe that restrictions are necessary to limit Billers from charging post termination amounts associated with their customer contracts.

Enbridge Gas believes that customers will have adequate protection from the proposed update to the complaint and dispute management process, which will allow customers to have disputed charges removed from the bill within 15 days if no resolution is reached with the Biller.

12. In their evidence, HVAC Coalition and Vista Credit have made alternate proposals to address the unsettled items.

- a. First, each of HVAC Coalition and Vista Credit have proposed that Enbridge Gas discontinue its current dispute process and instead simply remove any OBA charges from the bill immediately upon a customer complaint. Does Enbridge Gas support this proposal?*

No. Enbridge Gas does not feel that this is a balanced approach for both customers and Billers, and it creates an additional administrative burden on the OBA program.

In addition, this takes away the opportunity for customers and Billers to resolve issues that may simply require a clarification between the parties.

As outlined in the evidence, most disputes are resolved before being removed from the bill. As shown in the response to Staff interrogatory #9 a) the resolution rate for disputes has ranged from 81% to 94% over the past few years.

This indicates that the vast majority of disputes can be resolved between the customer and the Biller provided they are given the time to do so. This demonstrates that the dispute mechanism is working in most cases, but it could be improved with some adjustments.

Enbridge Gas' proposal results in a more expedited approach to dispute resolution, providing 15 days for all disputes, and it utilizes the system functionality that is already in place.

As previously indicated the current process is largely automated. If the dispute mechanism is removed the back office must manually make changes in the system to immediately stop billing, take off the charge and credit the customer.

Enbridge Gas is currently under a system freeze. Until such time that system changes can be made, additional administrative steps would be required to implement the changes proposed.

- b. Second, HVAC Coalition and Vista Credit propose that billers should not be permitted to include end of contract charges, such as termination and buy-out charges, on the Enbridge Gas bill. Does Enbridge Gas support this proposal?*

No, Enbridge Gas does not support this proposal for several reasons. The OBA program contemplates that Billers may include any charges allowed under their Customer Services Agreement onto customer bills. This may include end of contract charges.

Enbridge Gas expects that Billers would use other means to charge end of contract charges if they were not permitted to be included on the Enbridge Gas bill.

Enbridge Gas believes that customer convenience and choice is better accommodated by allowing the charges to be included as part of the OBA program.

Enbridge Gas' proposed update to the dispute management process will allow a customer to have any charges that are disputed removed from the Enbridge Gas bill within 15 days.

13. Thank you. I have no further questions.