

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

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**VECC COMPENDIUM**

**JANUARY 30, 2020**

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## **TAB 1**

ENBRIDGE GAS INC.

Answer to Interrogatory from  
Ontario Energy Board Staff ("Staff")

Interrogatory

Reference:

Biller User Manual

EB-2018-0319 Supplementary Evidence – Exhibit B – Tab 2 – Schedule 2 – Table 1

EB-2018-0319 Supplementary Evidence Attachment 2, p. 2

Question(s):

Enbridge Gas provided in Table 1 the total number of disputes per year. The Biller User Manual contemplated three scenarios where a Customer Billing Dispute (CBD) can be deemed "closed". The Biller may close the CBD if the Biller has resolved the dispute with the customer; or the Biller has advised the customer that the Biller will remove the charge from the OBA service; or the CBD has not been resolved by the specified timeline.

- a) Please breakdown the total number of disputes in Table 1 to the three scenarios where the CBD can be closed.
- b) Please breakdown in each of the three scenarios if the CBD was classified under the Consumer Protection Act (CPA) or non-CPA.
- c) For the breakdown where the Biller has resolved the dispute with the customer please provide a further breakdown of the number of reinstated disputes. If there are multiple reinstated disputes for the same CBD, please show the number of times the reinstated dispute reoccurred
- d) Please explain what evidence is required from the Biller to prove that the dispute has been resolved with the customer.
- e) Is there a limited number of times a dispute can be reinstated before Enbridge Gas closes the CBD?
- f) Of the total number of bills provided in Table 1, please provide the number of times Enbridge Gas disconnected a customer as a result of an unresolved

dispute.

- g) Of the total number of bills provided in Table 1, please provide the number of times Enbridge Gas disconnected a customer as a result of arrears that included non-payment of OBA charges.
- h) Please add in Table 1 the number of customers billed under the OBA program for each year.

### Response

Please see the response to Summit interrogatory #2.

- a) Enbridge Gas does not track the information in the categories requested. The high level outcomes set out at Exhibit 2, Tab 2, Schedule 2, page 2 are tracked in the following way: High level outcomes i. and iii. are tracked together. Enbridge Gas does not differentiate between the Biller resolving a bill or the customer agreeing to the charges on the bill.

	2014	2015	2016	2017	2018	2019 (Jan-Sep)
Resolved By Biller or Customer	25,458	26,509	24,606	22,407	21,520	18,039
No Resolution – Charge Removed From Bill	2,214	4,635	2,205	3,044	5,159	1,232
Total	27,672	31,144	26,811	25,451	26,679	19,271

- b) Enbridge Gas' system did not expressly track disputes as "CPA" or Non-CPA" prior to May 21, 2019. All dispute cases were created as CPA and the back office team reviewed each dispute case and updated the due date as necessary. The table below shows the number of disputes with a resolution time limit equivalent to 15 days for CPA disputes and those with a time limit equivalent to the 45 days for Non-CPA disputes.

	2014	2015	2016	2017	2018	2019 (Jan-Sep)
CPA	1,956	1,882	1,698	1,642	3,059	3,884
Non-CPA	25,716	29,262	25,113	23,809	23,620	15,387
Total	27,672	31,144	26,811	25,451	26,679	19,271

- c) Please see the table below.

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019 (Jan-Sep)</b>
Resolved By Biller or Customer	25,458	26,509	24,606	22,407	21,520	18,039
Dispute Reinstated Once	1,936	1,774	2,174	2,547	3,013	1,679
Dispute Reinstated Twice	132	165	105	182	317	173

- d) No evidence is required from a Biller to prove that the dispute has been resolved with the customer.
- e) When a dispute is reinstated for a second time Enbridge Gas removes the charge, blocks the billing of the product and credits the disputed charges.
- f) See response to part (g) below. A customer will not be disconnected due to an unresolved dispute for OBA charges. Enbridge Gas is not aware of any instance where a customer has been disconnected due to an unresolved dispute.
- g) Enbridge Gas will only disconnect a customer where that customer is in arrears on gas charges. Enbridge Gas does not track the number of customers disconnected where both gas charges and OBA charges are in arrears.
- h) The table below shows the number of OBA customers each year, calculated as the monthly average number of OBA bills issued each year. Enbridge Gas would note that the requested information is comparing an annual value (Total Disputes) to a monthly average (Average Number of Customers). This comparison will make the number of disputes relative to the number of customers appear higher.

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019(Jan-Sep)</b>
Total Disputes	27,672	31,114	26,811	25,451	26,679	19,271
Average Number of Customers	1,436,253	1,434,901	1,422,615	1,412,113	1,402,877	1,390,936
Dispute as a Percentage of Average Number of Customers	1.93%	2.17%	1.88%	1.80%	1.90%	1.39%

## **TAB 2**

ENBRIDGE GAS INC.

Answer to Interrogatory from  
Ontario Energy Board Staff ("Staff")

Interrogatory

Reference:

Historical Disputes

EB-2018-0319 Supplementary Evidence – Exhibit B – Tab 2 – Schedule 2 –  
Table 1

EB-2018-0319 Supplementary Evidence Attachment 3, pp. 2-5

Question(s):

Enbridge Gas provided in Table 1 the total number of disputes per year and the total number of bills per year. In Attachment 3, the total number of disputes are broken down by bill type code.

- a) Please provide a breakdown of the total number of bills with the same bill type code.
- b) For each bill type code, please express, as a percentage, the total number of disputes compared to the total bills.
- c) There is a significant increase in number of disputes for Rental Adjustments in 2018 compared to 2017, even though the number of transactions decreased significantly. Please provide an explanation.
- d) Enbridge Gas stated in Attachment 3 that it investigates whether the Biller has complied with its obligations under the OBA Agreement. Please provide by year and bill type code, the number of times Enbridge Gas has started an investigation and a further breakdown as to whether or not the charge was removed as a result of the investigation.
- e) Please provide the number of Billers Enbridge Gas has removed from the OBA program as a result of the Biller not meeting its OBA obligations.

Response

- a) Enbridge Gas does not track the number of bills with specific Bill Type Codes. Enbridge Gas can provide a list of the number of transactions for each Bill Type Code for each year. Please see the table below. Data is included up to the end of September 2019.

Bill Type Code	Bill Type Code Description	2014	2015	2016	2017	2018	2019 (Jan-Sep)
0001	Merchandise	46,744	45,958	45,273	50,396	57,015	42,758
0002	Forced Air Furnace	19,621	11,441	9,185	21,749	36,292	24,278
0004	Account Set-up	413	4,839	1,164	1,088	557	954
0005	Comm. / Ind. Equipment	1,622	1,653	1,091	6	0	11
0007	Dishwasher	32	36	24	32	12	4
0010	Air Conditioning	24,863	35,882	41,032	45,228	51,020	34,177
0011	Energy Audit	0	0	6	2	3	0
0013	Water Heater	254,393	289,172	291,781	283,828	264,738	194,744
0014	Humidifier	527	1,487	2,520	3,435	7,107	7,350
0016	Swimming Pool Heater	459	444	379	323	296	210
0020	Back Up Generator	70	1,357	2,014	2,023	1,927	1,430
0021	Fireplace	570	548	522	430	472	353
0022	Air Cleaner	1,034	2,193	8,989	44,917	91,296	70,781
0025	Chimney Liner Charge	390	505	489	535	487	383
0026	Ducting / Piping Charge	1,608	1,129	1,357	1,329	1,202	833
0028	Air Filter Program	0	1	0	670	5,044	3,016
0030	Energy Eff. Products	33,555	23,223	37,939	17,895	9,366	7,149
0031	Smart Thermostat	51,094	77,385	73,817	76,915	67,490	46,126
0032	Roof Replacement	714	356	475	473	474	326
0035	Connected Home	0	0	0	10,223	31,753	38,385
0036	Hydronic Htg. Equip.	913	1,275	1,486	1,311	1,200	873
0037	Home Energy Monitoring	0	0	158	2,601	2,241	1,397
0038	Reduce Carbon Emissions	0	0	142	2,813	165	0
0040	Water Conserv. Prod.	0	0	153	753	849	630
0041	Home Security System	668	706	948	883	890	750
0042	Home Improvements	2,948	4,143	18,441	37,227	36,861	24,591
0044	Gas Boiler	958	1,319	1,774	2,239	2,800	2,272
0045	Window / Door	16,695	16,968	18,519	20,352	21,547	15,150
0046	Attic Insulation	803	656	607	476	393	1,319
0047	Account Settlement Rental HVAC	2,439	2,056	2,407	2,349	3,453	2,097
0048	Acct Settlement Rental Other	2,965	872	438	531	538	1,134
0049	Electrical Protection	20	25	27	50,216	133,165	125,070
0050	Kitchen Appliances	12	12	82	203	261	132



0051	Water Heater	15,526,909	15,374,071	15,093,167	14,886,117	14,710,139	10,999,483
0052	Water Heater	201,274	172,087	147,804	121,117	100,136	62,349
0053	Space Heater	390	397	414	420	389	243
0054	Conversion Burner	10,006	7,195	5,796	1,331	459	312
0055	Rental Discount	0	0	16	11	3	1
0056	Space Conditioner	24,790	24,845	23,504	22,997	18,488	12,569
0057	Make-Up Air	369	287	246	189	151	97
0059	Heat Exchanger	26	53	185	524	421	344
0060	Furnace	300,061	351,521	372,599	360,135	330,943	237,188
0061	Res. HVAC	104,349	186,566	314,328	437,107	542,815	466,440
0062	Comm. HVAC	21,376	21,996	23,485	24,352	26,126	20,369
0063	Fireplace	35	30	24	26	51	24
0064	Unit Heater	14	24	24	44	111	64
0065	Air Conditioner	104,307	124,827	144,009	149,002	138,924	99,561
0066	Balance Adjustment	10	21	22	25	43	14
0067	Commercial Water Heater	230,354	212,582	198,593	186,111	171,720	123,391
0068	Commercial Conversion Burner	3,950	3,478	3,038	2,687	2,331	1,539
0069	Commercial Space Heater	633	548	521	440	353	221
0070	Supplemental Equipment	14,680	14,625	14,578	14,352	14,489	10,954
0072	Commercial Space Conditioner	792	660	489	461	352	223
0073	Home Services	29	301	398	357	398	344
0074	Water Softener	26,130	60,433	105,568	129,412	144,474	94,246
0075	Drinking Water System	122,334	149,651	189,812	216,126	251,443	160,582
0076	Heating Protection Plan	1,655,483	1,630,001	1,537,012	1,456,652	1,425,075	1,038,928
0077	Water Heater Protection Plan	2,010	1,855	1,681	1,509	1,321	964
0078	Rooftop Protection Plan	1,279	1,300	1,201	1,073	983	697
0079	Make-Up Air Protection Plan	395	457	512	524	531	405
0080	Unit Heater Protection Plan	5,532	5,163	4,780	4,164	3,312	2,074
0081	Plumb / Drains Protection Plan	483,961	527,231	547,527	600,659	667,385	491,930
0084	Total Home Protection Plan	979,537	931,344	887,401	819,939	771,699	582,996
0087	Boiler Protection Plan	3,830	3,523	3,283	2,974	2,773	1,841
0088	Cooling Plan	309,228	349,169	351,501	424,091	465,248	368,750
0089	Duct Cleaning Plan	61,787	64,320	63,083	47,454	39,031	25,522
0090	Filter Protection Plan	5,569	5,933	6,047	5,410	4,812	2,289
0091	Carbon Offset	210,550	134,519	102,998	88,890	96,714	79,359
0093	Carbon Credit	9	3	8	0	0	0
0094	Inspection	10	0	0	0	0	0
0095	Misc Products / Serv.	18,443	7,371	733	349	473	261
0096	Service Visit Adjustment	5,057	4,749	2,673	2,409	2,089	1,542
0097	Service Visit	29,366	28,444	26,115	25,459	26,916	19,437
0098	Miscellaneous	737	44,093	8,962	5,800	5,646	4,694
0100	Payment Protection Plan Prem.	56,848	50,683	45,258	40,302	36,475	25,106

0104	Plan Assistance Premium	47,945	42,181	37,579	32,852	29,247	19,938
0105	Plan Assistance Premium Adj.	95	55	40	27	29	19
0106	Heating Maintenance Plan	1,373,031	1,374,273	1,332,158	1,249,401	1,190,223	861,157
0107	Cooling Maintenance Plan	683,206	721,153	749,945	759,615	744,906	556,554
0108	Fireplace Maintenance Plan	96,151	107,647	128,341	140,756	151,572	112,887
0109	Total Home Plan	17,984	20,619	16,654	11,476	12,938	12,107
0110	Protection Plan Adjustment	4,129	5,260	7,316	7,830	6,354	4,883
0112	Extended Service Plan Adj.	6	9	6	19	8	381
0115	Customer Service Sales Adj.	39	31	20	34	27	27
0116	Heating Protection Plan Adj.	15,331	14,836	9,626	7,777	6,416	4,335
0117	Cooling Protection Plan Adj.	3,100	3,199	2,269	2,009	1,959	1,560
0118	Heating Maintenance Plan Adj.	28,328	35,368	28,471	20,808	17,991	13,102
0119	Cooling Maintenance Plan Adj.	9,832	13,198	9,911	8,952	8,840	6,855
0120	Fireplace Maint. Plan Adj.	926	1,066	821	773	847	565
0121	Plumbing/Drain Plan Adj.	2,264	2,114	10,621	1,614	1,820	1,214
0122	Total Home Plan	5,242	4,266	3,402	2,496	1,960	1,759
0123	Account Settlement Merchandise	317	201	279	193	170	130
0124	Acct Settlement Prot. Plan	10,684	7,444	10,051	11,153	12,226	4,884
0125	Account Settlement Rentals	31,141	26,003	27,718	37,667	39,569	34,034
0126	Account Settlement Service	1,362	1,715	1,494	944	1,044	1,137
0127	Customer Relations Adjustment	1,325	1,685	3,464	3,244	4,140	4,196
0128	Rental Buyout	7,147	9,839	8,412	9,348	9,583	6,902
0129	Rental Removal	2,366	2,927	3,378	3,319	2,899	1,137
0130	Rental Adjustment	433	1,871	4,507	126,825	7,097	7,915
0139	Discount	1,250,564	1,252,457	1,105,173	1,105,245	1,162,101	885,231
<b>Grand Total</b>		<b>24,581,527</b>	<b>24,671,414</b>	<b>24,294,290</b>	<b>24,308,829</b>	<b>24,250,122</b>	<b>18,128,945</b>

b) Please see the table below. Data is included up to the end of September 2019.

Bill Type Code	Bill Type Code Description	2014	2015	2016	2017	2018	2019 (Jan-Sep)
0001	Merchandise	0.96%	0.95%	0.74%	0.55%	0.41%	0.28%
0002	Forced Air Furnace	0.09%	0.15%	0.10%	0.60%	0.68%	0.32%
0004	Account Set-up	0.00%	0.29%	0.52%	0.64%	0.72%	0.73%
0005	Comm. / Ind. Equipment	0.06%	0.06%	0.18%	0.00%	0.00%	0.00%
0007	Dishwasher	0.00%	0.00%	0.00%	6.25%	0.00%	25.00%
0010	Air Conditioning	0.40%	0.56%	0.68%	0.85%	0.81%	0.54%
0011	Energy Audit	0.00%	0.00%	0.00%	50.00%	33.33%	0.00%
0013	Water Heater	0.08%	0.09%	0.08%	0.09%	0.07%	0.09%

## **TAB 3**

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**Response**

- a) and b) Under the OBA Agreement, the Biller engages the Company to provide Billing Services in respect of amounts payable by the Customer pursuant to its Customer Services Agreement with the Biller. That may include rental buyout and other post-contract items. There are a series of covenants, representations and warranties in the OBA Agreement provided by each Biller with respect to the validity of the charges that the Biller requests the Company to bill (for example, Section 2.6 of the OBA Agreement). All charges submitted by a Biller for inclusion on the Company Bill must meet the requirements set out in the OBA Agreement (including the Manual).
- c) The billing code for a buyout is: Bill Type Code 128 – Rental Buyout. Other billing codes are set out in the table below.
- d) The table below sets out the number of disputes by billing item for the years requested. This table has been updated to remove items that have been counted more than once in the previously filed interrogatory response. /u

Bill Type Code	Bill Type Code Description	2014	2015	2016	2017	2018
0001	Merchandise	447	437	335	275	235
0002	Forced Air Furnace	18	17	9	130	248
0004	Account Set-up		14	6	7	4
0005	Comm. / Ind. Equipment	1	1	2		
0007	Dishwasher				2	
0010	Air Conditioning	100	202	279	383	411
0011	Energy Audit				1	1
0013	Water Heater	211	262	228	254	192
0014	Humidifier	7	16	7	44	198
0016	Swimming Pool Heater			3	1	1
0020	Back Up Generator		3	1	3	3
0021	Fireplace		1	2	1	
0022	Air Cleaner	1	13	103	782	1,685
0025	Chimney Liner Charge	6	5	1	6	1
0026	Ducting / Piping Charge	71	67	82	58	46

0028	Air Filter Program				2	11
0030	Energy Eff. Products	97	131	123	74	39
0031	Smart Thermostat	167	209	109	107	126
0032	Roof Replacement	2		1	3	
0035	Connected Home				30	100
0036	Hydronic Htg. Equip.	4	7	14	7	3
0037	Home Energy Monitoring				10	2
0038	Reduce Carbon Emissions				13	2
0040	Water Conserv. Prod.			3	2	1
0041	Home Security System	4	2	1	4	7
0042	Home Improvements	26	42	363	445	315
0044	Gas Boiler	4	6	6	4	5
0045	Window / Door	28	32	36	38	32
0046	Attic Insulation		1	1		2
0047	Account Settlement Rental HVAC	53	62	75	62	128
0048	Acct Settlement Rental Other	296	68	22	32	31
0049	Electrical Protection			2	56	172
0050	Kitchen Appliances					1
0051	Water Heater	6,375	6,854	4,841	4,544	4,560
0052	Water Heater	80	78	82	65	58
0053	Space Heater			1	2	3
0054	Conversion Burner	26	24	18	10	2
0055	Rental Discount			3		
0056	Space Conditioner	10	13	8	24	151
0057	Make-Up Air	6	1		1	2
0059	Heat Exchanger	1		4	12	10
0060	Furnace	792	1,328	1,427	1,175	925
0061	Res. HVAC	544	706	734	733	863
0062	Comm. HVAC	16	28	26	24	36
0063	Fireplace	1				
0064	Unit Heater				2	3
0065	Air Conditioner	338	531	666	568	461
0067	Commercial Water Heater	260	257	214	182	144
0068	Commercial Conversion Burner	4	6	1	4	2
0069	Commercial Space Heater	1				1
0070	Supplemental Equipment	6	3	1	4	8
0072	Commercial Space Conditioner		2			4

0073	Home Services		2	1	1	
0074	Water Softener	62	292	601	960	1,456
0075	Drinking Water System	201	232	542	1,076	1,649
0076	Heating Protection Plan	4,241	4,518	3,447	2,546	2,212
0077	Water Heater Protection Plan		7	2	4	1
0078	Rooftop Protection Plan	4	1	1	6	6
0079	Make-Up Air Protection Plan	1		3	2	6
0080	Unit Heater Protection Plan	7	11	10	16	22
0081	Plumb / Drains Protection Plan	895	1,079	950	830	845
0084	Total Home Protection Plan	2,184	2,360	1,947	1,491	1,072
0087	Boiler Protection Plan	10	6	4	2	6
0088	Cooling Plan	686	963	880	799	796
0089	Duct Cleaning Plan	64	92	71	42	39
0090	Filter Protection Plan	7	9	8	8	13
0091	Carbon Offset	446	341	232	310	1,005
0093	Carbon Credit	1		2		
0094	Inspection	1				
0095	Misc Products / Serv.	277	165	12	3	3
0096	Service Visit Adjustment	72	71	61	46	31
0097	Service Visit	1,631	1,615	1,149	999	880
0098	Miscellaneous	44	221	330	271	278
0100	Payment Protection Plan Prem.	39	26	17	11	9
0104	Plan Assistance Premium	37	40	27	15	12
0105	Plan Assistance Premium Adj.		1			
0106	Heating Maintenance Plan	2,298	2,809	2,328	1,713	1,330
0107	Cooling Maintenance Plan	1,208	1,522	1,404	1,123	891
0108	Fireplace Maintenance Plan	269	306	269	238	188
0109	Total Home Plan	85	101	58	71	145
0110	Protection Plan Adjustment	55	47	33	40	40
0112	Extended Service Plan Adj.					
0115	Customer Service Sales Adj.					
0116	Heating Protection Plan Adj.	52	94	49	58	40
0117	Cooling Protection Plan Adj.	12	16	14	11	8
0118	Heating Maintenance Plan Adj.	195	274	151	103	102
0119	Cooling Maintenance Plan Adj.	84	92	48	39	40
0120	Fireplace Maint. Plan Adj.	6	7	2	2	2
0121	Plumbing/Drain Plan Adj.	17	11	12	14	14

0122	Total Home Plan	57	43	18	17	28
0123	Account Settlement Merchandise	11	5	4	3	2
0124	Acct Settlement Prot. Plan	453	337	551	585	334
0125	Account Settlement Rentals	557	469	534	649	692
0126	Account Settlement Service	50	42	36	25	21
0127	Customer Relations Adjustment	8	4	8	6	21
0128	Rental Buyout	401	460	395	423	560
0129	Rental Removal	164	225	311	255	48
0130	Rental Adjustment	7	12	17	30	100
0139	Discount	500	462	222	243	191
Grand Total		<b>27,402</b>	<b>30,819</b>	<b>26,601</b>	<b>25,272</b>	<b>26,373</b>

- e) and f) Enbridge Gas does not have any additional “policy” related to the determination or administration of disputes between Billers and Customers. Enbridge Gas does have a “factsheet” dealing with this topic that has been provided to its call centre provider. A copy of that “factsheet”, which includes suggested customer service representative scripts, is attached. Names of customers and Billers included in the sample documents found in the “factsheet” have been redacted.
- g) Enbridge Gas assists Customers in understanding how the dispute process works, and providing Biller contact information. Enbridge Gas does not comment on the “applicability” of the Customer Services Agreement. Enbridge Gas investigates and determines whether the Biller has complied with its obligations under the OBA Agreement in billing the Customer. For example, if the Customer alleges that there was a misrepresentation when entering into the Customer Services Agreement, Enbridge Gas will investigate to determine whether the Biller has breached its obligations under Section 2.6(b), (c) and/or (g) of the OBA Agreement. Depending on the results of Enbridge Gas’ investigation, if the charge does not comply with the Biller’s obligations under the OBA Agreement, Enbridge Gas will remove the charge from the Billing Services in accordance with the dispute resolution process in Section 7.6 of the Agreement
- h) and i) The Company’s call centre services are provided by Accenture Business Services for Utilities Inc. (“ABSU”). Enbridge Gas has been advised that ABSU does not provide call centre or customer-facing services to any Billers.

## **TAB 4**



ENBRIDGE GAS INC.

Answer to Interrogatory from  
Summit Home Services ("Summit")

Interrogatory

Reference:

EGI Ex.B, Tab 2, Schedule 3, Page 2 of 4 (7). Table 5 shows the total dollar value of rental buyout and other post contract items in relation to the total amounts billed under the OBA Program.

Question:

Please provide a revised Table 5 to include up to the end of October 2019.

Response

Please see the table below.

Table 5: Dollar Value of Transactions & Total OBA Billed Amounts

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019 (Jan-Sep)</b>
Dollar Value of Rental Buyout & Other Post Contract	\$ 4,305,121	\$ 6,963,147	\$ 8,889,255	\$ 11,642,906	\$ 11,284,175	\$ 8,687,163
Dollar Value of Total OBA Billed Items	\$ 572,097,290	\$ 605,121,258	\$ 638,927,588	\$ 666,652,480	\$ 691,822,199	\$ 535,953,202
Percentage	0.75%	1.15%	1.39%	1.75%	1.63%	1.62%

## **TAB 5**

ENBRIDGE GAS INC.

Answer to Interrogatory from  
Vulnerable Energy Consumers Coalition ("VECC")

Interrogatory

Reference:

Exhibit B, Tab 2, Schedule 2, page 3

Question(s):

- a) For each year 2014 through 2018 please show the total number of individual account disputes (that is remove from Table 1, the repeat account complaints).
- b) For each year please show the number of accounts which registered more than one complaint.

Response

- a) Please see the table below.

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Total Accounts with One Dispute	14,757	16,083	12,975	10,928	10,115
Total Number of Bills	17,235,033	17,218,806	17,071,374	16,945,352	16,834,525
Dispute as a Percentage of Bills	0.12%	0.13%	0.11%	0.10%	0.09%

- b) Please see the table below. For each account with multiple disputes, one dispute was created for each charge/product. For example, one account with two disputes would be for two different charges i.e., rental furnace & rental air conditioner. Please note that there may be more than two disputes in a "multiple dispute" scenario, which is why the sum of individual account disputes in part a) plus multiple disputes in part b) is less than the total number of annual disputes as set out in response to Staff interrogatory #9 b).

	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>
Accounts with Multiple Disputes	5,246	6,023	5,448	5,368	5,712

7. If the dispute is reinstated by the customer after the expiry of the 45 or 15 days time limit, the Biller is given 5 business days to resolve the dispute. If the dispute is not resolved then the charges are credited back to the customer (and charged back to the biller).
8. In the response to Vista interrogatory #4 Enbridge Gas provided the number of disputes by bill type code under the OBA program from 2014 to 2018. Enbridge Gas has now determined that some of the disputes noted in the table included in that response were counted more than once in certain instances. An updated interrogatory response to Vista #4 is provided in Attachment 3 to this Exhibit.
9. The number of disputes per year relative to the total number of bills issued per year is shown in Table 1. Enbridge Gas notes that the number of disputes per year as a percentage of total bills per year is very small. The information contained in Table 1 comes from the response to HVAC interrogatory #29 which is included in Attachment 4 to this Exhibit and the updated response to Vista #4 contained in Attachment 3 to this Exhibit.

Table 1: Total Disputes per Year and Total Number of Bills per Year

	2014	2015	2016	2017	2018
Total Disputes	27,402	30,819	26,601	25,272	26,373
Total Number of Bills	17,235,033	17,218,806	17,071,374	16,945,352	16,834,525
Disputes as a Percentage of Bills	0.16%	0.18%	0.16%	0.15%	0.16%

## **TAB 6**

ENBRIDGE GAS INC.

Answer to Interrogatory from  
Vulnerable Energy Consumers Coalition ("VECC")

Interrogatory

Reference:

Exhibit B, Tab 2, Schedule 2, Attachment 1, page 2

Question(s):

The Billing and Collection Services Agreement ("Billing Agreement") states *"to the extent the Biller, rather than the Company, receives notice of the Customer Billing Dispute, the Biller shall forthwith notify the Company of the existence of such Customer Billing Dispute;"*

- a) For each year please provide the total number of complaints forwarded to EGI from Billers. Please clarify if these complaints are included in the Total Dispute line of Table 1.

Response

Enbridge Gas is not aware of any instance where a Biller has notified Enbridge Gas of a dispute.

## **TAB 7**



ENBRIDGE GAS INC.

Answer to Interrogatory from  
Vulnerable Energy Consumers Coalition ("VECC")

Interrogatory

Reference:

Exhibit B, Tab 2, Schedule 2, Attachment 1, page 3

Question(s):

- a) For each year 2014 through 2018 please provide separately the number of CPA and non-CPA registered disputes
- b) For each year 2014 through 2018 please provide (i) the number of non-CPA disputes which were not resolved within 45 days; (ii) the number of CPA disputes that were not resolved within 15 days.
- c) Please provide the number of complaints in each year 2014 through 2018 in which the customer contacted EGI challenging that the Biller's suggestion that the matter was resolved.
- d) Please provide the number of "Dispute Notices" received by EGI for each of the years 2014 through 2018.

Response

- a) Please see the response to Board Staff interrogatory #9 b).
- b) Please see the response to Summit interrogatory #2 and the table below.

	2014	2015	2016	2017	2018	2019 (Jan-Sep)
Non-CPA Resolved within 45 days	23,715	24,967	23,120	21,105	19,411	14,329
Non-CPA Not resolved within 45 days	2,001	4,295	1,993	2,704	4,209	1,058
CPA Resolved within 15 days	1,743	1,542	1,486	1,302	2,109	3,710
CPA Not resolved within 15 days	213	340	212	340	950	174
Total Disputes	27,672	31,144	26,811	25,451	26,679	19,271

- c) Please see the response to Enercare interrogatory #3 b.
- d) Enbridge Gas does not believe that it has been provided with any dispute notices pursuant to section 7.7.2 of the OBA Agreement.

## **TAB 8**

Filed: 2019-12-16  
EB-2018-0319  
Exhibit I.VECC.6  
Page 2 of 2

Record Type	Open_Bill_Reference_Number	Case_ID	Customer_Name	Customer_Address_Street_Num	Customer_Address_Street_Suffix	Customer_Address_Street_Name	Customer_Address_Misc	Customer_Address_City	Customer_Address_Province	Customer_Address_Postal_Code	Customer_Address_Country	Dispute_Initiation_Date	Bill_Type_Code	Bill_Print_Description	Transaction_Number	Charge_Amount	Status	Date_Of_Last_Change	Date_Dispute_Must_Be_Solved	Reinstate_Indicator	Dispute_Comments
2	OBAREFNUM1234567890000000 AAAOCC11	123456789	SANTA CLAUS	123	0	STREET NAME	0	CITY	ON	L1L1 L1L1	CA	YYYYMMDD	51	Water Heater	4001100116	0	In Process	YYYYMMDD	YYYYMMDD	0	2016/04/06 12:58 NANCY Dufour 2016/04/06 12:58 NANCY Dufour Bill Date(s) of Dispute: MAR 1/16 TO PRESENT If dispute is for more than one month include each date. Add more lines if required. Amount of Dispute: \$18.43 + TAX. Product: RWV Reason for Dispute (use full sentences avoid short forms): CX SAID THIS WATER HEATER WAS RETURNED TO COZY COMFORT ON FEB 2 2016 AND THEY BILLED HIM UP TO MAR 22/16. HE'S DISPUTING CHARGES FOR THIS TIMEFRAME AND WOULD LIKE A CREDIT. Customer Name: SANTA CLAUSE Customer Phone Number: 416-123-4567 Biller Name (for dispute): COZY COMFORT ----- 2016/04/08 02:50 Reynaldo C Jonson Updated due date to 45 days
2	OBAREFNUM1234567810000000 AAAOCC11	234567891	TOOTH FAIRY	123	0	STREET NAME	0	CITY	ON	L1L1 L1L1	CA	YYYYMMDD	44	Gas Boiler	4000410616	0	In Process	YYYYMMDD	YYYYMMDD	0	2016/04/06 17:56 Cindie Holder 2016/04/06 17:56 Cindie Holder Biller Name: COZY COMFORT CPA Dispute: No Disputed Product: Gas Boiler Disputed Amount: 20.12 x 6 + tax Oct 2015 - Thru April 2016 Reason for Dispute: Tooth Fairy was billed for Gas Boiler by Cozy Comfort which was not signed for from Oct 2015 - April 2016 billing on customer's account. Customer wants these charges reversed. Customer has contacted the biller already and charges are still being applied Customers Preferred Contact Ph and Time: Provide valid 10 digit A phone number. 4162345678 If customer prefers they can provide a contact email address. **Email Confirmation Sent: Yes/No** **Locks Added: Account Level/Item Level** **Scripting Provided to Customer: Yes/No** ----- 2016/04/07 05:15 Hazel Angelica P Purisima Updated due date to 45 days
2	OBAREFNUM1234567810000000 AAAOCC3D	345678912	ELIZABETH QUEEN	123	0	STREET NAME	0	CITY	ON	L1L1 L1L1	CA	YYYYMMDD	60	Furnace	4000992074	0	In Process	YYYYMMDD	YYYYMMDD	0	2016/04/07 14:19 Brandy Maracle 2016/04/07 14:19 Brandy Maracle Biller Name: Cozy Comfort CPA Dispute: No Disputed Product: Rental Furnace Disputed Amount: \$32.00 plus HST Reason for Dispute: Elizabeth Queen was billed for a rental water heater on her 2016/03/21 invoice while tank has not been working properly for several months. Customer wants these charges reversed and tank removed. Customers Preferred Contact Ph and Time: 416-345-6789 anytime after 5pm -----
2	OBAREFNUM1234565AD8209A56 03DCD02	456789123	WILLIAM KING	123	0	STREET NAME	0	CITY	ON	L1L1 L1L1	CA	YYYYMMDD	84	Total Home Protection Plan	200973956	0	In Process	YYYYMMDD	YYYYMMDD	0	2016/05/03 02:37 Reynaldo C Jonson 2016/05/03 02:37 Reynaldo C Jonson 2016/05/02 13:38 Angela Ndlovu 2016/05/02 13:38 Angela Ndlovu Bill Date(s) of Dispute: April 2016 If dispute is for more than one month include each date. Add more lines if required. Amount of Dispute: \$4.60 Product: Cozy Comfort Reason for Dispute (use full sentences avoid short forms): cx has always had one charge for a total home protection plan and this month has two charges, please kindly review and reverse charge, thank you Customer Name: William King Customer Phone Number: 9051234567 Biller Name (for dispute): Cozy Comfort -----

**TAB 9**

ENBRIDGE GAS INC.

Answer to Interrogatory from  
Vista Credit ("Vista")

Reference:

ExB/T2/S2/p.2, paragraph 6.Question(s):

Question(s):

- a) Would EG be able to institute a process which requires;
  - i. The customer to contact EG to verify resolution of a dispute?
  - ii. The Biller to provide EG with an acknowledgement signed by the customer to verify resolution of a dispute?In each case, please identify any concerns or impediments to implementing such a process.
- b) Would EG's systems be capable of providing, or could they be modified to provide, on-line functionality for an OBA customer to provide instructions regarding addition/deletion/reinstitution of OBA charges on their EG bill? If modification would be required, please comment on cost and time required for such modifications.

---

Response

- a)
  - i. and ii. Yes, Enbridge Gas would be able to institute a process for both instances. However, doing so would increase the cost of administering the OBA program. In either instance the number of steps required to resolve a dispute, relative to the current process, will be increased. Enbridge Gas expects that instituting the processes would result in a significant increase in call volumes, program administration and back-office work. Enbridge Gas would look to recover these costs, potentially through a per-dispute fee charged to Billers.
- b) Yes. Enbridge Gas' systems could be modified. Enbridge Gas is currently not in a position to comment on or provide details related to the costs and time required for modifications without specific details on what those modifications would be. Further, the Enbridge Gas customer information system is currently under a change freeze

## **TAB 10**

ENBRIDGE GAS INC.

Answer to Interrogatory from  
Enercare Inc. ("Enercare")

Interrogatory

Reference:

Current OBA Complaint and Dispute Management Process  
EB-2018-0319 Exhibit B – Tab 2 - Schedule 2

Preamble:

Paragraphs 1 to 9 describe the circumstances in which a charge is taken off of a bill under Enbridge's dispute resolution process. Table 1 presents the Total Disputes per Year and Total Number of Bills per Year.

Question(s):

- a) For each of 2014, 2015, 2016, 2017 and 2018, please provide the total number of charges that:
  - i. were removed from the bill under the outcome described in paragraph 5(i);
  - ii. were removed and blocked from the bill under the outcome described in paragraph 5(ii); and
  - iii. the customer agreed to pay under the outcome described in paragraph 5(iii).
- b) For each of 2014, 2015, 2016, 2017 and 2018, please provide the total number of disputes where:
  - i. the dispute process was reinstated after being recorded as resolved (as described in paragraph 6); and
  - ii. the charges were credited back to the customer after the dispute process was reinstated (as described in paragraph 7).
- c) If Enbridge does not have the information necessary to answer questions (a) and (b), please provide Enbridge's best estimate of the proportion of disputes that result in the removal of charges from the bill under Enbridge's dispute process.



Response

a) i. to iii.) Please see the response to Board Staff interrogatory #9 a).

b) Please see the table below.

	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019 (Jan - Sep)</u></b>
Total Number of Disputes Reinstated	2,068	1,939	2,279	2,729	3,330	1,852
Charges Credited Back by Enbridge after Dispute Reinstated	463	694	767	1,258	1,692	533

c) Please see the responses to a) and b) above.

## **TAB 11**

4. In terms of timing, Enbridge Gas begins measuring elapsed time as soon as a dispute is logged in Enbridge Gas' Dispute Tracker. There are two scenarios:
  - a) The dispute is a non-CPA dispute. In this instance the Biller has 45 days to resolve the dispute; and
  - b) The dispute is a CPA dispute. In this instance the Biller has 15 days to resolve the dispute.
5. There are three high-level outcomes:
  - i. A charge is taken off the bill when the Biller resolves it with the customer and agrees not to bill further charges and/or credits the previous billed charges;
  - ii. The Biller does not resolve the dispute in the time specified. Enbridge Gas then removes the disputed charge(s) from the bill. Enbridge Gas also blocks that product from being billed to that customer from that Biller going forward; or
  - iii. The customer agrees to the charges and pays the bill. In this instance the dispute is resolved and the billed item remains and will continue to be charged to the customer in the future.
6. If the Biller informs Enbridge Gas that the dispute is resolved then it is recorded as resolved. If the customer calls again to say the dispute is not resolved, the dispute process restarts. In this instance, however, the Biller only has the remaining days from the original dispute start date to resolve the dispute.

7. If the dispute is reinstated by the customer after the expiry of the 45 or 15 days time limit, the Biller is given 5 business days to resolve the dispute. If the dispute is not resolved then the charges are credited back to the customer (and charged back to the biller).
8. In the response to Vista interrogatory #4 Enbridge Gas provided the number of disputes by bill type code under the OBA program from 2014 to 2018. Enbridge Gas has now determined that some of the disputes noted in the table included in that response were counted more than once in certain instances. An updated interrogatory response to Vista #4 is provided in Attachment 3 to this Exhibit.
9. The number of disputes per year relative to the total number of bills issued per year is shown in Table 1. Enbridge Gas notes that the number of disputes per year as a percentage of total bills per year is very small. The information contained in Table 1 comes from the response to HVAC interrogatory #29 which is included in Attachment 4 to this Exhibit and the updated response to Vista #4 contained in Attachment 3 to this Exhibit.

Table 1: Total Disputes per Year and Total Number of Bills per Year

	2014	2015	2016	2017	2018
Total Disputes	27,402	30,819	26,601	25,272	26,373
Total Number of Bills	17,235,033	17,218,806	17,071,374	16,945,352	16,834,525
Disputes as a Percentage of Bills	0.16%	0.18%	0.16%	0.15%	0.16%

## **TAB 12**

ENBRIDGE GAS INC.

Answer to Interrogatory from  
Vulnerable Energy Consumers Coalition ("VECC")

Interrogatory

Reference:

Exhibit B, Tab 2, Schedule 2, Attachment 1, page 3

Question(s):

- a) For each year 2014 through 2018 please provide separately the number of CPA and non-CPA registered disputes
- b) For each year 2014 through 2018 please provide (i) the number of non-CPA disputes which were not resolved within 45 days; (ii) the number of CPA disputes that were not resolved within 15 days.
- c) Please provide the number of complaints in each year 2014 through 2018 in which the customer contacted EGI challenging that the Biller's suggestion that the matter was resolved.
- d) Please provide the number of "Dispute Notices" received by EGI for each of the years 2014 through 2018.

Response

- a) Please see the response to Board Staff interrogatory #9 b).
- b) Please see the response to Summit interrogatory #2 and the table below.

	2014	2015	2016	2017	2018	2019 (Jan-Sep)
Non-CPA Resolved within 45 days	23,715	24,967	23,120	21,105	19,411	14,329
Non-CPA Not resolved within 45 days	2,001	4,295	1,993	2,704	4,209	1,058
CPA Resolved within 15 days	1,743	1,542	1,486	1,302	2,109	3,710
CPA Not resolved within 15 days	213	340	212	340	950	174
Total Disputes	27,672	31,144	26,811	25,451	26,679	19,271

- c) Please see the response to Enercare interrogatory #3 b.
- d) Enbridge Gas does not believe that it has been provided with any dispute notices pursuant to section 7.7.2 of the OBA Agreement.

## **TAB 13**



**HVAC COALITION**  
**Response to OEB Staff #3**

**Staff-HVAC-3**

**Ref 1: HVAC Evidence, p. 7**

**Ref 2: Retail Settlement Code, Revised on January 1, 2017, Section 10.5.5**

**Question:**

In the written evidence of Roger Grochmal, he suggests that if a customer says no to a third party charge then the utility would be out of the loop and the customer and third party would have to work it out directly.

In Section 10.5.5 of the Retail Settlement Code, it describes a process where a customer submits a request to its distributor and the request is to be processed in ten business days unless a customer, by way of written authorization, terminates the request.

- a) Under a similar principal as the Retail Settlement Code, if a customer requests that a third party charge be removed from the Enbridge Gas bill and the request is processed in ten business days unless a customer, by way of written authorization, terminates the request, would HVAC find this acceptable?

---

**Response:**

It is not clear to me why there should be any delay in following the customer's instructions to remove third party charges from the bill. However, if there are material administrative savings associated with a short delay to allow the customer to change their mind, most contractors would consider this a reasonable trade off.

**HVAC COALITION**  
**Response to Enbridge Gas Inc. #3**

**EGI-HVAC-3**

**Question:**

Please explain in detail your proposal for how a disputed OBA charge would be reinstated on the Enbridge Gas bill, including:

- a) The role to be played by the customer and the Biller
- b) The manner in which instructions are to be conveyed to Enbridge Gas, so there is clarity that the customer and the Biller have reached consensus about the amount and duration of the re-instated charge(s).
- c) How the proposal made is different from the current process, including (without limitation) any changes to the current authorized agent practice and procedures.
- d) How the Biller fees will be adjusted to account for the extra administration required by Enbridge Gas

---

**Response:**

HVAC believes that OBA charges, whether disputed or not, should be removed from the Enbridge bill whenever a customer so instructs Enbridge, period. This could be by telephone, online, or in writing. The issue is not whether the customer believes the charge is fair, or legal, or appropriate. The issue is whether the customer continues to consent to using the Enbridge bill to bill them for that charge. It is about billing method, not the substance of the charge.

The contractual relationship between the biller and the customer should not be Enbridge's concern, and Enbridge should not insert itself into that relationship, whether as mediator, adjudicator, go-between, or anything else. The biller and the customer should work out their own contractual relationship directly.

If the biller and the customer agree that a charge should be reinstated on the bill, Enbridge should do so only if the customer communicates that instruction directly to Enbridge by telephone, online, or in writing. Enbridge should not accept any instructions by a biller to reinstate any charge.

HVAC has no comment on whether additional charges should be levied on billers whose customers remove their charges from the bill, and/or agree to reinstate charges. We are not aware of any additional charges today when customers register disputes and billers later advise Enbridge that the charges should be reinstated.

**HVAC COALITION**  
**Response to Energy Probe #1**

**EP-HVAC-1**

**Reference:** HVAC Coalition Evidence, page 4

**Preamble:** *"In my view, it is unlikely that there will be increased penetration of the program in the contractor community. The administrative costs of using the Open Bill Program are significantly higher than using alternatives, including pre-authorized payments through the banks and credit cards, or even post-dated cheques. Most contractors will not offer Open Bill unless the customer specifically prefers this billing method, and this mostly happens in circumstances where the customer is already renting, and would prefer to continue with that form of monthly payment. The opportunity to take advantage of this service has been available to contractors for more than 10 years, and it has been well-promoted. I believe that those contractors and other suppliers who were inclined to incorporate the utility bill into their business model have already done so".*

**Question:**

- a) Please provide a numerical table that compares the cost of using the Open Bill Program to alternative methods of billing. Please identify any assumptions.
- b) Are contractors that use the Open Bill Program able to pass the higher administrative costs to the customers that want to be billed through Enbridge bill?
- c) Please confirm that HVAC Coalition does not support Enbridge spending ratepayer money on promotion of the Open Bill Program.
- d) Please confirm that HVAC Coalition does not consider Enbridge Open Bill Program as essential for the operation of a market for competitive gas energy services in Ontario. Please explain your answer.

---

**Response:**

- a. I have not done this analysis for several years, so I do not have a current comparison available.
- b. While rental rates are somewhat adjustable, there is a requirement to be competitive, so most vendors of HVAC goods and services are price takers. Obviously the bigger the company, the more influence it can have on market prices, but even the largest companies have to stay in touch with the competitive

market. Some or all of the additional administration costs of the Open Bill Program are therefore absorbed as a cost of doing business.

In the case of AtlasCare, we ask customers to pay a small additional charge per bill if they opt for on-bill financing, to defray part of the additional costs of the Open Bill Program. We absorb the rest of the additional costs.

- c. The Open Bill Program is designed to be self-funding, so to the best of our knowledge no ratepayer money is spent on it. HVAC sees no reason why ratepayers should subsidize the Open Bill Program. If third party billers are allowed to share the Enbridge bill, the underlying costs of the bill should also be shared, saving ratepayer money. It should not be the other way around.
- d. There is absolutely no reason to believe that the Open Bill Program is essential for the operation of a competitive market for energy services, as evidenced by the facts that a) there is no Open Bill Program in the former Union Gas territory, which has a healthy competitive market for natural gas appliances and services, and b) there is no Open Bill Program for electrical and other non-gas appliances and services, which also have healthy competitive markets throughout Ontario. That having been said, while the program is not essential to the operation of my business, the HVAC Coalition has taken the position that there is value in the service, provided the terms are consistent and fair for customers and billers of all sizes, and opportunities for abuse or negative customer impacts are prevented.

## **TAB 14**

**VISTA CREDIT CORP.**

**Response to OEB Staff #1**

**Reference:** Dispute Cases; Ref 1: Vista Evidence, p. 7.

**Question:**

Vista stated that there are other examples similar to the five cases that it provided and this illustrates the need to alter the OBA program rules and their administration.

- (a) Please provide the total number of cases similar to the ones provided in Vista's evidence for the last five years.
- 

**Response:**

- (a) The five example cases which VISTA provided illustrate instances in which a third party biller reports a dispute resolved, and a customer charge is thus maintained, in circumstances where the customer alerts VISTA that there has not in fact been a resolution. While VISTA does not keep records specific to these situations, we have been involved in hundreds of customer complaint cases over the past 5 years, many of which were similar to the example cases.

There are likely many more cases of which VISTA is unaware. Under the current OBA process there is no mechanism (despite the statements to the contrary in the Enbridge e-mails included in the cases attached to VISTA's evidence) through which the customer's duly authorized agent submitting the dispute in the first place is advised when a third party biller advises Enbridge that a previously disputed charge has been resolved. The only way that VISTA is made aware that a previously disputed charge remains on the bill despite the ongoing dispute is if the customer calls us back a second or third time to so inform us. Where a customer simply pays a previously (and perhaps still) disputed charge and does not advise VISTA we would not be aware of the third party biller's conduct. Case C referenced in VISTA's evidence is, we subsequently discovered, such an instance, and we are aware of others and suspect that there are many more of which we are not aware. Given that customers will often pay charges even if **disputed, in particular when Enbridge maintains a charge once disputed on subsequent bills, VISTA maintains the position that post-contract charges should not be allowed on the utility bill at all.**

## **TAB 15**



**VISTA CREDIT CORP.**

**Response to VECC #2**

**Questions:**

- (a) Generally speaking, what portion of customers serviced by Vista would have been previous customers of another OBA biller?
  - (b) What are the most common issues encountered when moving a retail customer from an existing service provider to a Vista service?
- 

**Response:**

- (a) With regards to the replacement water heater market, given that the two incumbent providers inherited monopoly positions through deregulation, and have purchased many major competitors (including hundreds of thousands of door to door originated customers) since that time, in nearly all cases a water heater replacement involves removing an Enercare or Reliance water heater. The balance of our business, including water heaters in new construction applications, does not involve replacing equipment provided by another OBA biller.
- (b) The primary issues customers face when moving from a pre-existing rental to a VISTA administered rental involve the return of the rental water heating equipment to one of the two incumbent providers; Enercare or Reliance. These customers face one or more of the following circumstances:
  - i. The incumbent provider refuses to accept the return of the old water heater.
  - ii. The customer is charged an exit fee or buy-out on the Enbridge bill.
  - iii. If disputing the exit fee or buy-out charge, and requesting a copy of the contract relied on by Enercare, the customer faces a \$50 retrieval fee to produce their agreement or is referred to their home purchase agreement (see examples included as Attachment B to VISTA evidence). In many cases the incumbent provider cannot produce a contract in the customer's name, or any contract at all. In many cases in which a contract is produced, the provisions of the *Ontario Consumer Protection Act* that were applicable at the time of contracting did not allow the charging of buy-out, termination or exit fees.

- iv. A disputed charge is reintroduced by the incumbent provider following its removal and without the agreement of the customer (see examples included as Attachment B to VISTA evidence).
- v. The customer may be harassed by collection agencies for the buy-out amount, and the customer's credit rating may be impacted by the collection activities.

**VISTA CREDIT CORP.**

**Response to VECC #3**

**Questions:**

- (a) At page 6 of the evidence Vista discusses the situation of a contract held by a previous home owner. Based on Vista's experience in transitioning customers of another (competing) OBA biller what portion of customers have signed contracts with their current provider?
  - (b) When homes (houses, condos etc.) change ownership how are existing Vista OBA billed services transitioned?
  - (c) In Vista's experience when a customer sells/leaves an existing premise how do other OBA service providers transition their services to the customer?
- 

**Response:**

- (a) A significant portion of VISTA's rental water heater customers did not have signed contracts with their previous provider.

The rental water heater portfolios of the incumbents, Enercare and Reliance, originated from the regulated gas distributors (then Consumers Gas Company/Enbridge Gas Distribution and Union Gas). When water heater rentals were a utility service there were generally not contracts signed with end use customers. The relationships were between the utilities and new home builders, and end use customers automatically assumed the rental payments when they purchased their new home.

After the utility rental water heater program was removed from regulation these legacy customers were provided with terms and conditions through mailings, but contracts were not signed. This practice seems to have continued until about 2010 (considering the materials posted on Enercare's website).

As can be seen in the Enercare e-mail correspondence included in VISTA's evidence as part of the five customer case examples, Enercare (and our experience with Reliance is generally similar) relies on the contents of residential home purchase and sale agreements in asserting assignment of obligations for rental water heaters from home sellers to home buyers. Similarly, to VISTA's knowledge, Enercare and Reliance rely on the purchase and sale agreements

between the new home builders and customers in asserting customer obligations for rental water heaters. In these circumstances, from what VISTA sees, terms and conditions, sometimes in the form of a pamphlet, are mailed or delivered to the customer after the fact, or often the customer may simply be referred to a website where terms and conditions are posted. VISTA competes with Enercare and Reliance in the new construction market, and the transactional ease of providing new home buyers with pamphlets after the fact rather than additional documents for signature is a sales feature that we have been told by builders is emphasized by these incumbents.

- (b) When VISTA's HVAC contractor partners signs a new VISTA rental customer the customer receives a welcome letter which clearly states the need for an assignment agreement for their rental appliance if their home is later sold. When there is a change in home ownership by a VISTA customer, VISTA deals with the seller's and purchaser's lawyers, usually before closing, and obtains a written assignment agreement transferring the rental to the new homeowner.
- (c) Please see response to part (a).

## **TAB 16**



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Top Stories

Local

The National

Opinion

World

Canada

Business

## Homebuyers feel duped by hot water tank rentals included in their new homes



New Ontario law fails to address buyers of new builds who are locked into equipment contracts



[Cathy Miyagi](#) · CBC News · Posted: Mar 31, 2018 4:00 AM ET | Last Updated: April 25, 2018



Homeowner Nadia Mendola was surprised to discover she's on the hook for a 14-year rental contract for a water heater in her new home. (Nadia Mendola)

Nadia Mendola didn't think she'd be signing her life away for a water heater when she bought her brand new home in Waterdown, Ont., in 2016.

She's now living with a rental contract with Enercare that lasts for the "useful life" of the appliance (an average of 14 years), paying \$56.43 per month for the water heater. She can get out of it if she buys the equipment outright at \$3,600 — three times the cost of lower-efficiency models offered in some stores, but less than she'd pay for the same model she currently has in her home.

As a first-time homebuyer, Mendola admits she didn't know how much a water heater should cost. "I was paying it for six months and my dad saw one of my bills and thought it was high."

- [\*\*Ontario man says he's out \\$20K\*\*](#)

So she called Enercare in August 2017, and was told that her expensive bills were due to having a high-end, energy-efficient tank. That's also when she learned she's locked in for 14 or possibly 18 years.

Enercare also indicates that the higher cost of renting instead of buying includes repairs and maintenance. Mendola feels she had no choice. "It's just an appliance ... Your washer and dryer are expensive items but you don't rent them. It just seems like a big scam to me."

## **Buyer seeks documentation**

Under Ontario's Consumer Protection Act, 2002, unsolicited door-to-door marketing and contracting for water heaters and HVAC equipment are banned. As of March 1 this year, suppliers are required by law to provide a cover page with contracts for such products and services.

But the law fails to address the issue at hand for buyers of new builds, like Mendola. She asked her builder for documentation about her contract, but she got a response saying that they didn't have any. Her home purchase agreement does state that a buyer executes a lease/rental agreement for the hot water tank, but her lawyer argues it doesn't confirm that she is taking it for up to 18 years.



Nadia Mendola didn't think she'd be signing her life away for a water heater when she bought her brand new home in Waterdown, Ont., in 2016. (Nadia Mendola)

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Enercare told CBC News that it expects "the purchaser or the purchaser's lawyer, to have made the necessary inquiries in respect of the rental agreement, prior to agreeing to assume it on closing" and that the wording in Mendola's contract "does not conform to Enercare's standard agreements with home builders."

Samuel On of Toronto was provided documentation during an inspection of his new town home in March 2017 but was told by the builder that he had to sign Enercare rental contracts to accept the occupancy.

- [\*\*Water-heater firm fined \\$7M for sales practices\*\*](#)



Enercare says that in their agreements with home builders, "the home builder is required to provide all the necessary rental details to the purchaser and agrees to do so as part of their legal obligations under their agreement with Enercare."

On says, "I was told to sign because that's just the vendor [the builder] chose."

Enercare adds, "A homeowner is not required to rent their equipment and can purchase it outright from the builder or otherwise negotiate with the builder." On — who had Enercare rental contracts for his hot water tank, air handler and air conditioning unit — was quoted \$5,000 for each unit if he were to buy them outright. "I did the math. It just wasn't adding up," he says.

"There's no way all this costs \$15,000."

He ended up buying out all the equipment at \$9,000 a year after he bought his home. In a response to a question from CBC News, Enercare recommends new homebuyers "engage a real estate lawyer to review their purchase agreement and explain any contractual obligations."

Mendola is now thinking of engaging a lawyer with neighbours who have similar concerns.

## **Landlord chooses to rent the equipment**

For Men-Chong Luk, frustration with Enercare started in November when her tenants couldn't get hot water due to a broken part of the hot water tank. "I was so angry," she recalls of her playing phone tag with Enercare's customer service.

As a landlord, she chose to rent the equipment to get repairs and maintenance. "If there was a problem, I don't want to have to go in and deal with it," she says.



Ontario bans unsolicited door-to-door marketing and contracting for water heaters and HVAC equipment. It requires suppliers of water heaters to provide a cover page with contracts for their products and services. (iStock)

Luk pays \$30.99 plus tax per month for her hot water tank rental. Her contract is 14 years, which means she'll have paid \$5,000 to have that tank for the life of the contract. If she were to purchase a heater today, she'd likely pay about \$1,500, she estimates. But she is OK with that premium because she thought it would buy her peace of mind in knowing that if the unit ever broke, the company would fix it quickly.

"Basically, I'm paying \$3,500 for a service program, so I'm expecting that if it breaks down, you will come and fix it and if you can't fix it, then you'll replace it for me." After numerous calls to Enercare, she learned that parts are handled by a separate division.

"Customer service can order the part but they don't track it. They put the onus on the customer to check when the part arrives," explains Luk. "Then when it arrives, you have to call Enercare back to install the part."

- **Ontario Energy Group customers facing liens**

Enercare confirms it is "not a manufacturer or parts supplier and is required to work with vendors to source the necessary parts from the manufacturer or manufacturer-approved suppliers. ... As such, it has no control over the timing of delivery of parts."

Although only a pump was broken, it was decided that the entire system would need to be replaced.

From the time Luk first contacted the company, it took four days for Enercare to fix the problem and for her tenants to get hot water again. "You want to pull your hair out," she said. "Once you're in the contract, you're stuck. There's no one else out there."

## **Rent rebates**

She ended up giving her two tenants a rent rebates of \$100 each for the inconvenience. Enercare credited her account for three months as goodwill but to Luk, that's not enough. "Who's paying me for the hours and hours of frustration?" she asks.

Mendola adds, "When you call, they always tell you that managers are not in and that they'll call you back."

Enercare claims that "whenever the company's office of the president receives customer concerns, it readily investigates and works with those customers to resolve their concerns in a timely manner." Mendola's case has been forwarded to that office.

She hopes to get out of her rental arrangement.

In Luk's case, her story ended with another twist. Weeks after the company came to fix her rented hot water tank, a package arrived on her doorstep. It was the replacement part. "I have to keep this because in case it breaks again," she says. "It's the funny, sad part."

***Correction:*** An earlier version of this story compared two different types of water heaters and implied they were both of the same quality and price. The story also said the renter was locked into a 14-year contract - there is no set term (rentals are for the "average life" of a heater," which is typically 14 years.

## **ABOUT THE AUTHOR**

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