

VIA E-MAIL

January 27, 2022

Ontario Energy Board
Attn: Ms. N. Marconi, Acting Board Registrar
P.O. Box 2319
27th Floor, 2300 Yonge Street
Toronto ON M4P 1E4

RE: EB-2021-0148 – EGI 2022 Rates - FRPO Request for Fulsome Responses

We are writing on behalf of the Federation of Rental-housing Providers of Ontario to seek more fulsome answers in our inquiries on customer service issues that are on-going and attributable to the merger of the two utilities. EGI has refused to answer our interrogatories. In our respectful submission, awaiting deferral account proceedings of later this summer or 2023 will not provide the Board with timely information to oversee an equitable resolution of the arising issues.

Introduction

This proceeding is the second step in establishing rates under the framework approved by the Board in EB-2017-0306/0307. In that proceeding, the Board's decision stated:

"The OEB is satisfied that the proposed transaction will not lead to any adverse impact with respect to the reliability and quality of service, and the OEB finds that the no harm test is met in this regard.

The OEB accepts the applicants' position that efficiencies can be gained without compromising the ability of Amalco to maintain current levels of reliability and quality of service."¹

In the second half of 2021, it became apparent that the integration initiatives related to merging the billing systems had created significant customer service issues in the area of billing. We sought to understand the issues better and inform the Board on the scope and implications of these issues. EGI has refused to answer our questions suggesting that this type of inquiry should be done in retrospect.² In our view, by that time, unquantifiable costs will be imposed on customers while EGI increases its profits through cost cutting. We believe the Board ought to be informed about the situation and have opportunity to ensure that on-going issues are duly mitigated proactively.

¹ EB-2017-0306/0307 Decision and Order, pg. 13

² Exhibit I.FRPO.22-28

EGI was Aware of Emerging Meter Reading Issues in 2020

In the 2020 deferral accounts proceeding, Board Staff asked about the significant increase in the Meter Reading Performance metric as a much higher percentage of meters went unread for extended periods. EGI provided reasoning related to vendors and Covid.³ However, EGI did not mention that they decided to read meters bi-monthly as opposed to monthly as is evidenced in this proceeding.⁴ Factually, this is a cost reduction initiative by EGI management under its category of alignment of practices. Board staff requested EGI outline additional measures it intends to implement in order to improve the metrics.⁵ As part of its reply argument, EGI stated “the Company is working within its customer care team to contact customers through email or text to submit a meter read where required to meet this metric” and suggested that “a reset of the metric should be considered.”⁶ In our view, neither shifting the onus to the customer nor diluting the performance standard are maintaining the quality of service.

EGI 2021 Billing System Integration Potentially Exacerbates Customer Service Issue

EGI moved forward with its expected billing system integration in July 2021.⁷ In our interrogatories that EGI refused to answer,⁸ we sought evidence from the company to understand better and inform the Board of this snowballing issue. However, FRPO members have experienced problems receiving correct bills or even receiving a bill at all and their only recourse is to call a customer service number that requires the customer to be on hold for an hour. Even if customers are able to get through to a live agent, these agents have not resolved on-going issues over months of time.

EGI has Acknowledged Privately that the Billing System Issues are Not Isolated

In coming to understand the scope of this issue in late 2020, we came to understand that these issues are not isolated. In our interrogatories, we asked about customers getting zero reads. Upon further engagement with members, we have learned that it is also customers not receiving a bill.⁹ From our review, this issue has impacted 60% of FRPO’s direct purchase pools (i.e., groups) of customers providing no information or misinformation. Attached to this submission is a copy of an email issued Friday, January 21, 2022, that provides EGI’s acknowledgement.

Deterioration in Service Quality has Customer Implications

These on-going issues impact service quality and transfer costs to customers. In the case of direct purchase customers in the Union South rate zone, customers must ensure delivery of gas to meet their actual consumption under the February checkpoint balancing requirement. With no consumption information, customers could receive additional elevated commodity costs from

³ EB-2021-0149 Exhibit I.Staff.26

⁴ Exhibit C, Tab 2, Schedule 1, pg. 18

⁵ EB-2021-0149 OEB_Staff_Sub_EGI_2020_DVA_20211129, pg. 9

⁶ EB-2021-0149 EGI_ReplyARG_20211206_eSigned, pg. 13

⁷ Exhibit C, Tab 2, Schedule 1, pg. 18

⁸ Exhibit I.FRPO.22-28

⁹ In our interrogatories, we asked for information about customers receiving a monthly bill with zero consumption. We would like to clarify that our interrogatory request would include customers who received no bill that month.

EGI to balance their consumption when actual meter reads are updated. Further, if consumption estimates are higher than what would have been realized with an actual read, customers may purchase gas at elevated prices only to be later informed by a meter read that the purchase was unnecessary. These issues may occur leaving the customer with no avenue for relief as no party could recreate what would have occurred without the billing problems.

In addition, as contracts have reached their annual renewals, EGI has clawed back funds paid for expected consumption because they have no record of the consumption, yet. When the eventual reconciliation occurs, EGI would not refund that money until the end of the following year.

FRPO recognizes this scope of this issue and impacts to its business because of our members' nature in running a business. This perspective provides concern for the individual general service customer who are also experiencing reduced service quality but have limited voice or power to get appropriate resolution. These are matters over which we submit the Board ought to have oversight.

FRPO Requests the Board Direct EGI to Provide Fulsome Answers to Interrogatories

FRPO requests that the Board direct EGI to respond to our interrogatories, and potentially additional questions from Board staff related to this matter. In our view, this is an issue about EGI being accountable to invest enough resources in cleaning up the mess that appears to have been created by reducing meter reading resources and the merging of the billing systems in the summer of 2021. We submit that EGI should not be able to conceal the scope of the issue and its significant impact on customers just because it falls late in their annual cycle of filing applications. Addressing it now would allow the Board input and oversight into the appropriate level of response to an issue for which management ought to have ensured was avoided. Moreover, once the scope of these issues became evident, management should be accountable to invest resources to answer customer inquiries, resolve billing matters and not pass the cost on to customers who have little power to get their concerns resolved.

All of Which is Respectfully Submitted on Behalf of FRPO

Dwayne R. Quinn
Principal
DR QUINN & ASSOCIATES LTD.

Attachment

c. R. Torul, EGIRegulatoryProceedings – EGI

From: [ONT UGL Authorizations](#)
Subject: Communication to Direct Purchase Market in the Union Gas Rate Zones Re: Billing Consumption Impact
Date: Friday, January 21, 2022 5:27:50 PM

We are reaching out to provide an update on billing issues you may have experienced since Enbridge Gas Inc.'s (EGI) integration of our customer account system for general service customers in July 2021. This may have impacted the direct purchase accounts you have or manage.

The following issues have been experienced for some customers which may have impacted the Banked Gas Account:

- Estimated meter reads spanning several months that may be higher than usual.
- End use accounts may not be receiving regular monthly bills resulting in unreported consumption for the same period

EGI's billing operations team have identified the root causes of the issue and have been working to address impacted accounts. The issue was due to data migration between the customer account systems resulting in delays in billing to a subset of customers. Each impacted account requires a detailed manual review to analyse and resolve, resulting in significant time required to address all impacted bills. Over the last several months, EGI has treated this issue with high priority and has dedicated additional resources to address it. It is our current expectation that the resolution of all known impacted accounts will be completed by the end of Q1, 2022.

We appreciate your patience as we complete this detailed review, and recognize it has taken longer than we initially expected. As a result, Enbridge will take this issue into consideration when evaluating requests for North and South balancing requirements directly impacted by this issue. Please let your Direct Purchase Customer Service Representative know if you are experiencing any issues and provide a list of your impacted accounts/contracts. The CSRs will assess each request to determine where additional flexibility can be accommodated.

If you have any questions about this communication, please contact authorizations@enbridge.com

Thank you.

Direct Purchase Contracting and Compliance