Ontario Energy Board P.O. Box 2319 27th Floor 2300 Yonge Street Toronto ON M4P 1E4 Telephone: 416- 481-1967 Facsimile: 416- 440-7656 Toll free: 1-888-632-6273 Commission de l'énergie de l'Ontario C.P. 2319 27e étage 2300, rue Yonge Toronto ON M4P 1E4 Téléphone: 416- 481-1967 Télécopieur: 416- 440-7656 Numéro sans frais: 1-888-632-6273



BY E-MAIL

January 28, 2019

Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street, 27<sup>th</sup> Floor Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: Enbridge Gas Distribution Inc. (Enbridge)

**Application for Open Bill Access Services** 

**OEB Staff Interrogatories** 

Ontario Energy Board File Number: EB-2018-0319

In accordance with Procedural Order No. 1, please find attached OEB staff's interrogatories in the above noted proceeding. Enbridge and all intervenors have been copied on this filing.

Enbridge's responses to interrogatories are due by February 8, 2019.

Yours truly,

Donald Lau

Doubt Low

Project Advisor – Rates Major Applications

Attach.

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Original Signed By

Donald Lau Project Advisor – Rates Major Applications

Attach.

# OEB Staff Interrogatories Application for Open Bill Access (OBA) Services Enbridge Gas Distribution Inc. (Enbridge) EB-2018-0319 January 28, 2019

# 1-Staff-1

**Billing Fees Increase** 

Ref: Exhibit B - Tab 1 - Schedule 1, p. 2

Enbridge stated that the Billing Fees for 2019 and 2020 will be based on the Billing Fees applicable at the end of 2018, subject to annual increases equal to the annual percentage change in the Canadian Consumer Price Index (CPI).

- a) Please provide the following: the proposed CPI for 2019; the method used to calculate the CPI; and the source of the data for the CPI.
- b) Please provide the CPI used from 2014 to 2018.
- c) Please provide a table of all the Billing Fees over the last five years.

### 1-Staff-2

**Ongoing Operation of Open Bill Access** 

Ref: Exhibit B - Tab 1 - Schedule 1- Attachment 1, p. 7-8

The settlement agreement stated the following:

"Enbridge should be evaluated for each year from 2016 to 2018 on the level of market participation within the Bill Insert program. In the event that any one Bill Insert customer provides more than 75% of the Bill Insert revenues during any of those years, then Enbridge will either discontinue the Bill Insert program, or make application to continue the Bill Insert program in a manner that will allow it to obtain greater market participation."

- a) Please provide the percentage of Bill Insert revenues from the largest customer within the Bill Insert program for 2016 to 2018.
- b) If the largest customer's Bill Insert revenue is more than 75% of the Bill Insert revenues does Enbridge plan to continue the Bill Insert program?
- c) Has there been any changes to the rules and procedures related to the Bill Inserts since the 2014 OBA settlement agreement?

## 1-Staff-3

Financial Consequences of the OBA Program

Ref: Exhibit B – Tab 1 – Schedule 1- Attachment 1, p. 8

Ref: Exhibit B - Tab 1 - Schedule 1- Attachment 1, p. 11

The settlement agreement stated the following:

"All parties have agreed that the base credit amount of \$5.389 million each year for ratepayers from the net revenues from the OBA program will continue for the years from 2014 to 2018, subject to adjustment through the Open Bill Revenue Variance Account. There will, however, be an update to the contractual mechanism by which Billing Fees to be charged for billing services each year are determined, and updates to the costs to be included for the purpose of determining OBA program net revenues. The terms of the Open Bill Revenue Variance Account will remain unchanged. The agreement in relation to the financial consequences of the OBA program runs until the end of 2018. It will be incumbent on Enbridge to seek approval of financial consequences for future years as part of a future rate or other proceeding."

- a) Please provide a table of the yearly actual revenue, costs, net revenues, and Enbridge's earnings share for the Billing Services from 2014 to 2018.
- b) Please compare the actual costs of providing the Billing Services to the costs set out in attachment 1 p. 11 for Billing Services from 2014 to 2018 and comment on the variances.
- c) Please provide the methodology for calculating the "cost per shared bill", "cost per standalone bill", and "bill insert cost per bill" shown in attachment 1 p.11.
- d) Has Enbridge achieved any cost efficiencies in operating the program since 2007.
- e) Please provide a forecast of the revenue, costs, and net revenues for the Billing Services in 2019 and 2020.
- f) Please provide the closing balances of the Open Bill Revenue Variance Account for 2014 to 2018.

# 1-Staff-4

## **OBA Contracts**

Ref: Exhibit B - Tab 1 - Schedule 1, p. 6

Enbridge stated that it is currently processing and executing new OBA contracts, which will be effective as of January 1, 2019.

a) Please confirm the number of executed contracts for the OBA program and the forecasted contracts for the OBA program for 2019.

b) Please provide the number of executed contracts from 2014 to 2018.