EB-2024-0063

# ENBRIDGE GAS INC - PHASE 2

# EB-2024-0111

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**VECC COMPENDIUM PANEL1**

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**December 16, 2024**

# TAB 1

Ontario Energy Board | Commission de l'énergie de l'Ontario

Ontario

# DECISION AND ORDER

# EB-2022-0200

# ENBRIDGE GAS INC.

**Enbridge Gas Inc. Application for 2024 Rates – Phase 1**

**BEFORE:** **Patrick Moran**
Presiding Commissioner

**Emad Elsayed**
Commissioner

**Allison Duff**
Commissioner

**December 21, 2023**

A summary of Enbridge Gas's historic TRMA performance is provided below:[196]

**Table 8**
**TRMA Actual Performance to Target (2019 to 2022)**

| Target | Actual | Actual | Actual | Actual |
|---|---|---|---|---|
| | **2022** | **2021** | **2020** | **2019** |
| 100% | 93.8% | 97.0% | 97.3% | 97.0% |

Enbridge Gas explained that it experienced challenges meeting the TRMA metric and Enbridge Gas and its predecessors historically have not met the metric. Enbridge Gas stated that this is despite its ongoing efforts to try and improve the results, and that the 100% target is unreasonable and impractical as it does not account for factors like emergency response (e.g., redirecting technicians to emergency calls), human error (e.g., record keeping errors) or technical error (e.g., telecommunication outages). Neither Enbridge Gas nor the legacy utilities have ever met the TRMA metric.

Enbridge Gas's mitigation plans to improve performance on the TRMA include:[197] (a) aligning existing process for identifying attempts to reschedule appointments; (b) leveraging technology to add additional customer contact options; (c) enhancing reporting of results and corrective action processes; and (d) ongoing communication of process to reschedule appointments.

A summary of Enbridge Gas's historic MRPM performance is provided below:[198]

**Table 9**
**MRPM Actual Performance to Target (2019 to 2022)**

| Target | Actual | Actual | Actual | Actual |
|---|---|---|---|---|
| | **2022** | **2021** | **2020** | **2019** |
| 0.5% | 4.1% | 5.0% | 4.4% | 0.7% |

Enbridge Gas explained that it experienced challenges meeting the MRPM metric since 2019 for several reasons including COVID-19 resulting in closed businesses, increased customer sensitivity to contact with meter readers, access issues during periods of

[196] EB-2023-0092, Exhibit G, Tab 1, Schedule 1.
[197] Enbridge Gas's mitigation plans aim to achieve a standard of 98% of customer appointments rescheduled within one business day for TRMA.
[198] EB-2023-0092, Exhibit G, Tab 1, Schedule 1.

lockdown, staffing issues attributable to quarantine/isolation periods and labour resource shortages.

Enbridge Gas also lost a key meter reading vendor in 2019 resulting in the need to onboard a new vendor. Meter reading vendors experienced hiring challenges with the attrition rate and level of absenteeism for meter reading personnel being the highest Enbridge Gas has experienced. Enbridge Gas also stated that 27 weather events in the 2020 to 2021 period limited the ability to safely access meters.

Enbridge Gas's mitigation plans to improve performance on the MRPM include: (a) working with meter reading vendors to increase hiring and conduct meter reading campaigns; (b) educating customers of the importance of meter reading and providing assistance to read their own meters; (c) customer outreach on arranging for meter reads and submitting customer meter reads; (d) field operations to support meter access; and (e) continuous improvement to support meter reading attainment and efficiency processes.

Enbridge Gas stated that the OEB should grant its request for a partial GDAR exemption for the CASL, TRMA and MRPM for the following reasons:

- The performance standards were established more than 15 years ago and are not reflective of current customer behaviours and expectations. For example, customer calls are more complex in nature as customers can use web-self-service options and chatbot features for less complex inquiries.
- There is a lack of alignment with the Distribution System Code performance standards:
    - The Rescheduling a Missed Appointment measure is an attempt to contact the customer prior to the appointment and an attempt to reschedule within one business day compared to the TRMA requirement to reschedule within two hours of the end of the original appointment.
    - The Telephone Accessibility measure requires 65% of calls answered in 30 seconds compared to the CASL requirement of 75% of calls answered in 30 seconds.
    - The Distribution System Code contains a force majeure provision that allows a utility to be relieved of obligations for events beyond its reasonable control and the GDAR does not.
- There are continuing impacts of external factors such as residual pandemic-related issues, labour market shortages, extreme weather events, global energy and climate change dynamics and the economic environment.

- Planned activities to align systems and meet industry standards (such as for cyber-security, Green Button and harmonization of rates and services) may impact metric performance.

OEB staff did not oppose Enbridge Gas's request for a partial exemption from GDAR performance measures related to the CASL, TRMA and MRPM for the 2024 calendar year. However, OEB staff submitted that the OEB should not grant a perpetual partial exemption from GDAR requirements. If Enbridge Gas believes that a partial exemption of GDAR beyond the calendar year 2024 is necessary, OEB staff suggested that this should be accomplished through a generic review of the SQR-related GDAR requirements for gas distributors.

As the power to create or amend natural gas rules (such as GDAR) rests with the OEB's Chief Executive Officer, OEB staff submitted that any request to amend GDAR should be dealt with outside of the current proceeding (and no determinations with respect to amendments to GDAR are appropriate in the current proceeding).

If the OEB agrees with OEB staff's position that any changes to the SQR-related targets are best addressed in a GDAR amendment-related process, OEB staff suggested that Issue 58[199] (to be heard in Phase 2 of this proceeding) can be limited to any scorecard additions, removals, or changes that are not set out in GDAR.

Many intervenors (BOMA, CCC, FRPO, LPMA, Pollution Probe, SEC and VECC) submitted that the OEB should reject Enbridge Gas's request for partial exemption from meeting GDAR performance measures.

BOMA opposed Enbridge Gas's request for a partial exemption from meeting the MRPM target with respect to commercial buildings. BOMA submitted that Enbridge Gas should be required to conclude its Advanced Metering Infrastructure pilots and develop its strategy, budget and implementation plan for commercial buildings by March 31, 2024. BOMA also submitted that Enbridge Gas should implement advanced metering for 20% of commercial buildings by the end of 2025, and for all commercial buildings by the end of 2026.

CCC, FRPO and SEC noted that in the MAADs proceeding, Enbridge Gas committed to generate savings without impacting reliability and service quality. As the OEB relied on these commitments when approving the amalgamation, the OEB should hold Enbridge Gas to its commitment.

[199] Are the proposed scorecard Performance Metrics and Measurement targets for the amalgamated utility appropriate?

In particular, CCC opposed an exemption from the MPRP and the CASL performance metric. CCC noted that the OEB and ratepayers expected that after the amalgamation, Enbridge Gas at a minimum would maintain and potentially enhance customer service levels. CCC stated that it was not appropriate to change the performance standards simply because Enbridge Gas is unable to meet them. CCC argued that COVID-19 and consolidation of the billing systems should not be an issue anymore and Enbridge Gas should be capable of meeting the metrics.

FRPO was “surprised and disappointed” by Enbridge Gas’s response to service quality issues that have arisen since amalgamation. Unbeknownst to FRPO, the OEB had engaged Enbridge Gas regarding these issues culminating in an Assurance of Voluntary Compliance. Further, FRPO criticized Enbridge Gas for requesting lower performance standards at the same time requesting recovery of integration capital spent to create the systems.

LPMA submitted that the value of the savings achieved through the merger has been reduced due to a deterioration in the levels of customer service. LPMA noted that these are customer-focused metrics and Enbridge Gas is essentially requesting a reduction to outcomes that impact ratepayers directly. LPMA submitted that any changes to performance levels should be done in the context of a full review of all metrics included within GDAR.

Pollution Probe argued that it is not in the public interest to grant such exemptions and that such exemptions would dilute performance rather than ensuring that a certain level of performance is maintained or improved.

SEC was specifically concerned with the request for a partial exemption from the MRPM performance target. SEC noted that the OEB had received several complaints from customers regarding estimated meter reads and large bills to catch up with actual consumption. SEC added that a number of its member schools have been negatively impacted by the high number of estimated bills, particularly in the former Union South rate zone. Increasing the existing target from 0.5% to 2.0% of meters with no read for four or more consecutive months would only exacerbate the problem of estimated bills and would provide relief to the company for poor performance. Accordingly, SEC submitted that the OEB should send a clear message to Enbridge Gas and deny the request to lower its service quality obligations.

VECC maintained that Enbridge Gas’s problems related to system integration and the COVID-19 pandemic should not be considered as sustainable reasons for not meeting certain metrics. VECC submitted that there should no temporary exemptions for performance metrics that were previously attainable by the legacy utilities, but which have not been met recently due to either cost reduction measures or the inability of

Enbridge Gas to successfully integrate its systems. In reply, Enbridge Gas dismissed the claims by some intervenors that its underperformance relative to certain SQRs were within its control or caused by mismanagement of integration activities. In fact, the main factors for not meeting the SQRs are unrelated to the amalgamation and were outside the control of Enbridge Gas.

Enbridge Gas reiterated that despite its best efforts to meet SQRs through comprehensive mitigation plans, there remain ongoing challenges. Enbridge Gas noted that the residual impacts of the COVID-19 pandemic are continuing with respect to the labour market, specifically with respect to meter reading providers and call centre staff. In addition, customers working from home has increased access problems for meter readers. Enbridge Gas rejected FRPO's "naïve" assertion that Enbridge Gas should overcome access issues through customer service measures. Enbridge Gas submitted that despite its best efforts, access issues continue to account for approximately 1-3% of the total MRPM. While the more pronounced impacts of the pandemic have passed, Enbridge Gas noted that it continues to experience the residual impacts and this is expected to continue for the next several months.

Enbridge Gas claimed that the predecessor utilities have been unable to meet the TRMA and the 100% SQR target has always been unrealistic.

Enbridge Gas opposed BOMA's submission reiterating that it is conducting pilots for Advanced Metering Infrastructure but will not be in a position to bring forward a proposal for any group of customers within the next several months. Enbridge Gas further clarified that it does not track MRPM for different group of customers or for commercial buildings.

Enbridge Gas agreed with LPMA that a full review of GDAR is required. However, Enbridge Gas submitted that it needs a partial exemption in the interim period, otherwise it will not be in compliance with the OEB's GDAR requirements.

**Findings**

The OEB approves the partial exemption request to change the TMRA target metric to 98%. The OEB denies the partial exemption requests to change the CASL and MRPM target metrics.

In principle, a TRMA metric based on meeting a target 100% of the time appears impractical. Enbridge Gas's performance over the last four years is close to meeting the requested 98%, except in 2022 where the actual performance was 93.8%. The OEB is satisfied that setting the metric at 98% is appropriate and will continue to drive

# TAB 2

*1.2 Meter Reading Performance Measurement Target*

10. In Phase 1 of the Application, Enbridge Gas requested a partial exemption for three performance standard metrics, one of which is the MRPM, beginning in 2024 for the rebasing period or until the OEB orders otherwise. Enbridge Gas proposed that no more than 2% of meters have a consecutive estimate for four months or more.

11. The MRPM is calculated as the total number of meters without a meter read for four consecutive months or more, divided by the total number of active meters to be read. This measurement shall not exceed 0.5% on a yearly basis. The metric does not consider why Enbridge Gas has not read a meter.

12. Enbridge Gas cited various reasons for not meeting the MRPM in EB-2022-0200 Exhibit 1, Tab 7, Schedule 1, page 10. In 2019, the main reasons for not meeting the target included extreme weather conditions and a key vendor exiting the meter reading market and ending its contract with Enbridge Gas. In 2020 and 2021, additional challenges tied to the pandemic prevented Enbridge Gas from meeting the MRPM, and this included public concerns about the safety of meter reading activities, closed businesses, increased customer sensitivities and access issues.

13. In the Phase 1 Decision, the OEB denied the exemption request to change the MRPM target to 2% of meters, maintaining the 0.5% target.[3] Further, the OEB noted, "changing the metric to 2% would lock in the adverse performance levels that occurred in unusual circumstances. The OEB finds that there are no unusual circumstances persisting in 2023, beyond Enbridge Gas's control."[4]

[3] EB-2022-0200 Decision and Order, December 21, 2023, p. 135.
[4] Ibid.

14. With respect, Enbridge Gas's evidence shows that in fact, these unusual circumstances are persisting in 2023 and 2024 and they are expected to continue into the foreseeable future. This has and will continue to significantly impact the ability of Enbridge Gas to meet the MRPM target. Meter access issues are especially concerning as gaining access is beyond the control of Enbridge Gas where customers do not respond to Enbridge Gas's reasonable attempts to gain access or obtain a reading directly from the customers. Until these customers provide Enbridge Gas with access to the meter or service is discontinued at these premises, these inaccessible meters remain as part of the total number of unread meters. Unless the OEB allows Enbridge Gas to remove these inaccessible meters from the unread meter total, the effect is that Enbridge Gas will continue to be penalized for customer behaviour that is beyond the control of Enbridge Gas. This is neither fair nor appropriate.

15. Enbridge Gas anticipates that some parties may take the view that Enbridge Gas should have requested a review of the OEB's Phase 1 Decision with respect to the MRPM exemption. To the contrary, Enbridge Gas believes that it is more appropriate and efficient to make this updated proposal as part of Phase 2 of this proceeding, given the scope of the performance scorecard issue in Phase 2 and the fact that Enbridge Gas continues to experience extraordinary meter access issues despite its extensive mitigation efforts.

## 2. Meter Reading Performance Metric Proposal

### *2.1.* Proposal

16. Enbridge Gas proposes to continue the current metrics and measurement targets from 2024 to 2028, with the exception of the calculation of the MRPM metric, which falls under the customer focus category. Enbridge Gas is not challenging the OEB's

Phase 1 Decision to maintain the 0.5% target, however, the Company does not agree that inaccessible meters should be included in the calculation of the metric. Enbridge Gas is proposing that all meters with access issues caused by or within the control of the customer to address be excluded from the MRPM calculation for the purposes of the scorecard measure. Enbridge Gas therefore defines inaccessible meters as those meters to which the Company has not been able to obtain access to read the meter for 4 or more consecutive months because of customer-driven conditions that are beyond Enbridge Gas's control.

17. Enbridge Gas acknowledges that in effect, this proposal could be viewed as an exemption request under Section 1.5.1 of the GDAR related to the MRPM. In this case, because evidence shows that the inaccessible meters are beyond the control of Enbridge Gas even through active mitigation efforts, it is appropriate for Enbridge Gas to make this request in relation to this issue in Phase 2. It is simply not fair for the OEB to hold Enbridge Gas accountable for customer behaviour that amounts to denying access to read the meter.

18. It is a term in the Enbridge Gas Conditions of Service for both rate zones that the customer shall provide access to Enbridge Gas to read the meter and failure to do so may result in the discontinuation of service.[5] It is within the authority of Enbridge Gas to discontinue service in these circumstances, subject to the disconnection requirements set out in the GDAR and the Conditions of Service. In some instances, it may be necessary for Enbridge Gas to eventually take this step. However, consistent with the OEB's restrictions related to service disconnection (e.g., disconnection ban during the winter season), Enbridge Gas will only resort to

[5] Enbridge Gas Inc. Conditions of Service. https://www.enbridgegas.com/Conditions-of-Service. Section 4.5, p.7.

# TAB 3

# EGI OEB Scorecard 2014 - 2023

| # | Performance Measure | Target | Actual 2023 EGI | Actual 2022 EGI | Actual 2021 EGI | Actual 2020 EGI | Actual 2019 EGI | Actual 2018 EGD | Actual 2018 UNION | Actual 2017 EGD | Actual 2017 UNION | Actual 2016 EGD | Actual 2016 UNION | Actual 2015 EGD | Actual 2015 UNION | Actual 2014 EGD | Actual 2014 UNION |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **CUSTOMER FOCUS (Service Quality & Customer Satisfaction)** | | | | | | | | | | | | | | | | |
| 1 | **Reconnection Response Time (# of days to reconnect a customer)**<br>(# of reconnections completed within 2 business days/# of reconnections completed) | 85.0% | 99.3% | 98.1% | 96.9% | 98.9% | 98.1% | 97.3% | 90.7% | 96.2% | 90.5% | 93.8% | 86.2% | 94.6% | 90.1% | 94.0% | 91.9% |
| 2 | **Scheduled appointments met on time (appointments met within designated time period)**<br>(# of appointments met within 4hrs of the scheduled date/# of appointments scheduled in the month) | 85.0% | 96.3% | 95.4% | 94.5% | 98.8% | 98.5% | 94.7% | 98.8% | 94.3% | 99.0% | 94.8% | 98.9% | 95.2% | 98.8% | 95.1% | 97.7% |
| 3 | **Telephone calls answered on time (call answering service level)**<br>(# of calls answered within 30 seconds / # of calls received) | 75.0% | 89.5% | 75.9% | 64.3% | 75.2% | 79.0% | 82.0% | 77.6% | 82.5% | 79.2% | 82.4% | 80.1% | 79.7% | 79.1% | 79.0% | 73.6% |
| 4 | **Customer Complaint Written Response (# of days to provide a written response)**<br># of complaints requiring response within 10 days / # of complaints requiring a written response | 80.0% | 100.0% | 90.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 95.5% | 100.0% | 100.0% | 100.0% | 93.3% | 100.0% |
| 5 | **Billing accuracy**<br>'The requirement states that utilities should complete manual checks of their bills to verify data when a meter read demonstrates excessively high or low usage.' | | 331,489 manual checks completed as per QAP | 390,246 manual checks completed as per QAP | 384,858 manual checks completed as per QAP | 427,524 manual checks completed as per QAP | 429,386 manual checks completed as per QAP | 224,316 manual checks completed as per QAP | 218,700 manual checks completed as per QAP | 494,330 manual checks completed as per QAP | 167,075 manual checks completed as per QAP | 453,326 manual checks completed as per QAP | 171,381 manual checks completed as per QAP | 478,248 manual checks completed as per QAP | 173,132 manual checks completed as per QAP | 462,936 manual checks completed as per QAP | 154,888 manual checks completed as per QAP |
| 6 | **Abandon Rate (# of calls abandon rate)**<br>(# of calls abandoned while waiting for a live agent / # of calls requesting to speak to a live agent) | 10.0% | 1.4% | 7.1% | 16.0% | 5.4% | 2.50% | 1.9% | 2.6% | 1.8% | 3.4% | 1.8% | 3.6% | 2.4% | 4.0% | 1.9% | 4.7% |
| 7 | **Time to Reschedule Missed Appointments**<br>(% of rescheduled work within 2 hours of the end of the original appointment time) | 98.0%[1] | 97.8% | 93.8% | 97.0% | 97.3% | 97.0% | 98.7% | 99.8% | 96.8% | 99.9% | 94.2% | 99.8% | 94.8% | 99.8% | 95.5% | 99.9% |
| | **OPERATIONAL EFFECTIVENESS (Safety, System Reliability, Asset Management & Cost Control)** | | | | | | | | | | | | | | | | |
| 8 | **Meter Reading Performance**<br># of meters with no read for 4 consecutive months / # of active meters to be read | 0.5% | 1.3% | 4.1% | 5.0% | 4.4% | 0.7% | 0.5% | 0.4% | 0.5% | 0.1% | 0.4% | 0.1% | 0.5% | 0.2% | 0.7% | 0.4% |
| 9 | **% of Emergency Calls Responded within One Hour**<br>(# of emergency calls responded within 60 minutes / # of emergency calls) | 90.0% | 95.3% | 94.1% | 95.2% | 96.7% | 96.7% | 96.6% | 99.3% | 96.8% | 99.0% | 96.1% | 98.8% | 96.7% | 98.6% | 96.9% | 97.8% |
| 10 | **Compression Reliability**<br>% reliable for transmission compression | | 100.0% | 100.0% | 99.7% | 99.7% | 99.9% | NA | 99.8% | NA | 99.9% | NA | 99.7% | NA | 99.8% | NA | 99.9% |
| 11 | **Damages per 1000 locate requests** | | 2.10 | 2.31 | 1.95 | 2.22 | 1.97 | 1.85 | 2.28 | 1.83 | 2.17 | 2.19 | 2.41 | 2.46 | 2.56 | 2.49 | 2.67 |
| 12 | **Total Cost per Customer**<br>($ / Customer) | | 745.7 | 683.2 | 643.9 | 658.2 | 653.6 | 530.7 | 756.7 | 513.9 | 730.3 | N/A[2] | N/A[2] | N/A[2] | N/A[2] | N/A[2] | N/A[2] |
| 13 | **Total Cost per km of Distribution Pipe**<br>($ / km of Distribution Pipe) | | 19,079.6 | 17,480.7 | 16,639.6 | 16,928.5 | 16,735.4 | 15,123.1 | 16,947.5 | 14,739.7 | 16,109.4 | N/A[2] | N/A[2] | N/A[2] | N/A[2] | N/A[2] | N/A[2] |
| | **PUBLIC POLICY RESPONSIVENESS (Conservation & Demand Management & Connection of Renewable Generation)** | | | | | | | | | | | | | | | | |
| 14 | **Total Cumulative Cubic Meters of Natural Gas Saved (Net)**<br>(Millions) | | NA[3] | N/A[4] | 1,707.5[5] | 1,632.2 | 2,075.9 | 807.5 | 1,124.5 | 787.2 | 1,182.7 | 837.1 | 959.4 | 826.2 | 1,750.8 | 719.8 | 1,889.5 |
| | **FINANCIAL PERFORMANCE (Financial Ratios)** | | | | | | | | | | | | | | | | |
| 15 | **Current Ratio**<br>(Current Assets / Current Liabilities) | | 0.92 | 0.84 | 0.71 | 0.66 | 0.75 | 0.93 | 0.69 | 0.84 | 0.47 | 0.7 | 0.64 | 0.87 | 0.77 | 0.65 | 0.81 |
| 16 | **Debt Ratio**<br>(Total Debt / Total Assets) | | 0.39 | 0.42 | 0.41 | 0.40 | 0.40 | 0.49 | 0.51 | 0.47 | 0.49 | 0.47 | 0.47 | 0.47 | 0.48 | 0.49 | 0.45 |
| 17 | **Debt to Equity Ratio**<br>(Total Debt / Shareholders' Equity) | | 0.97 | 1.10 | 1.06 | 1.01 | 0.98 | 1.67 | 2.12 | 1.54 | 2.08 | 1.48 | 2.06 | 1.59 | 2.08 | 1.69 | 2.12 |
| 18 | **Interest Coverage**<br>(EBIT / Interest Charges) | | 1.75 | 2.54 | 2.55 | 2.34 | 2.53 | 2.52 | 2.69 | 1.96 | 2.42 | 2.07 | 2.33 | 2.18 | 2.33 | 2.3 | 2.46 |
| 19 | **Financial Statement Return on Assets**<br>(Net Income / Total Assets) | | 1.20% | 2.03% | 2.07% | 1.97% | 2.25% | 2.98% | 3.20% | 2.27% | 2.71% | 2.26% | 2.58% | 2.38% | 2.70% | 2.60% | 2.87% |
| 20 | **Financial Statement Return on Equity**<br>(Net Income / Shareholders' Equity) | | 3.00% | 5.37% | 5.32% | 4.96% | 5.56% | 10.20% | 13.25% | 7.39% | 11.43% | 7.17% | 11.39% | 8.00% | 11.71% | 8.99% | 13.43% |

[1] Time to Reschedule Missed Appointment target was 100% prior to the Phase 1 Decision
[2] 2014 through 2016 results are not available as the metrics were not historically tracked by EGD or Union
[3] 2023 is in draft
[4] 2022 results will be available in 2024
[5] 2021 results are audited and approved in the DSM Clearance Proceeding

# TAB 4


# ONTARIO ENERGY BOARD

**FILE NO.:** **EB-2024-0111** **Enbridge Gas Inc.**

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**VOLUME:** **Technical Conference**

**DATE:** **July 24, 2024**

to contact them, notifying them that we haven't been able to read the meter. When they contact us and identify that their meter is accessible from their perspective, our call centre can document that, follow-up with the meter-reading group, and provide that information to the meter readers so they can go out and try to access the meter based on that information.

MR. LADANYI: So how would a customer know that their meter has not been read?

MR. GARNETT: In Staff-3C, in that same response, it walks through the process of how the meter reader tries to read the meter. So there are a couple of ways. The meter reader will obviously try to attempt to read the meter. They will provide a door hanger if they are unable to do so, notifying the customer. Well, first, they will attempt to knock on the door. They will leave a door hanger, notifying that we were unable to read the meter and how they can provide us with a read or contact us.

We also send marketing campaigns and reminders to folks if we haven't been able to access their meters so that they are aware.

MR. LADANYI: So they always leave a door hanger or some way of informing the customer they have tried to read the meter and they could not? They do this all the time?

MR. GARNETT: That is correct.

MR. LADANYI: Okay. How would a customer know the reason that the meter has not been read?

MR. GARNETT: The only way the customer would know the

# TAB 5

MR. GARNER: And do you have any understanding of the distinction in the number between those two things? How many of your meters are inaccessible and how many are simply missed?

MR. McGIVERY: So, if you refer to the table on the screen.

MR. GARNER: Right.

MR. McGIVERY: The total number of consecutive estimate meters, 2023 I will use as my example, 614,000. And then total number of inaccessible reads of 302,000, so the combination of those would result in consecutive estimates. However we split out the inaccessible meters which is 302,000.

MR. GARNER: I guess what I am struggling with, and I know you are trying to help me but I am struggling with, is I am trying to figure out in my own mind what am I looking at really, when I am looking at estimated meters versus inaccessible meters and what comes out of your -- the measure. And it looks to me -- just very simple -- it looks to me like half of your estimated reads come off of inaccessible and half of them come for a different reason. That probably isn't the right way to read that table, is it?

MR. GARNETT: Hello, Mark. Ian Garnett here. Couple things to think about is we are talking about consecutive estimates with respect to the meter reading performance metric. So in the table referenced here as Mike was saying, we have 614,305 for the entire year, meters that

# TAB 8


# ONTARIO ENERGY BOARD

**FILE NO.:** **EB-2024-0111** **Enbridge Gas Inc.**

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**VOLUME:** **Technical Conference**

**DATE:** **July 25, 2024**

MR. GARNETT: Hey, Mark. Ian Garnett here. So, yes, we do leverage the consecutive estimate list to try to prioritize where we might install ERTs to help with that.

MR. GARNER: Okay. So, on that, on the ERT -- and I am going to talk a -- there are a couple of questions I have about the ERT and the ERT program you have. I think, if you go to BOMA I.1.7-BOMA-2, which I believe in my document is PDF 124 -- 134. I am sorry. They had a question here, and -- about ERT and AMI meters, and the response in here actually took me all the way back to -- you have a reference to EB-2022-0200 something in there. And, you know, when I went back and I looked at that -- it would have been nice. Someone just put it in there. It was a paragraph that said:

> "AMI has emerged as an industry standard for utility meter reading --"

That's the reference that you are giving here:

> "-- thereby giving changing manufactured diaphragm metering product availability. A major North America meter supplier has ceased production of diaphragm meters and focuses on ultrasonic --"

I did a little investigation into that, and I said that has nothing to do with ERT; that actually has to do with the actual physical mechanics of the meter. ERT, as I understand, is quite different than all of that.

So I didn't really understand this question. Basically, when I did a little bit of research -- and I am

no expert -- it basically said ERTs can be had. And this response is talking about a different form of meter technology of measurements; it is not to do with ERT.

So then, as I read this thing, I went, well, I am failing to understand. What is the problem with installing ERTs? Is there some, you know, manufacturing sort of problem? Maybe you help me with that.

Is there some problem out there that I don't understand?

MR. GARNETT: Yes, Mark. So the way our supply chain folks tell us, when we were kind of referencing this, is the fact that manufacturers are not producing as many ERTs as a result of the way the industry is going with, as you stated, with AMI technology, so our ability to get them en masse to be a solution, a long-term solution, is a challenge. That is one of the challenges with respect to ERTs as a solution as it relates to inaccessible meters.

There are other complications. Of course, these are meters that we have challenges to access, so, even if we had ERTs, our ability to install them or target inaccessible meters is a challenge. And, again, inaccessible meters are spread out throughout the province, so they are not like they are 10 in a row, Mark. So there are a lot of challenges. One is the supply chain challenge, but there are a lot of other operational challenges in our ability to install them en masse for them to be a legitimate solution for inaccessible meters.

MR. GARNER: Well, let's take that one at a time.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (VECC)

Interrogatory

Reference:

P2 Exhibit 1, Tab 7, Schedule 1, pg. 15

Question(s):

a) Please clarify how candidates for the Encoder Received Transmitter (ERT) program are chosen.

b) Please provide the annual number of ERTs installed in each year 2020 through 2023.

c) Please provide the actual and forecast budget (capital/OM&A) for ERT installation from 2019 to 2023 and the forecast budget for each year 2024 through 2028.

d) Please provide the annual number of ERT installations in each year 2019 through 2023 and the forecast annual installations for each year 2024 through 2028.

Response:

a) Candidates are selected based on the available supply of ERT meters, in conjunction with the meter exchange requirements for the government inspection program as per the Conditions of Service[1] and new installations. In addition, inaccessible meters are targeted for replacement. Please see Phase 2 Exhibit 1, Tab 7, Schedule 1, page 15, paragraph 39.

b) The annual number of ERTs installed from 2019 to 2023 are in Table 1.

[1] Enbridge Gas Inc. Conditions of Service. https://www.enbridgegas.com/Conditions-of-Service. Section 5.2, 5.2.1, p. 7.

Table 1
Number of ERT Meters installed

| Line No. | Year | ERT Meters Installed |
|---|---|---|
| | (a) | (b) |
| 1 | 2019 | 12,530 |
| 2 | 2020 | 8,543 |
| 3 | 2021 | 6,930 |
| 4 | 2022 | 8,642 |
| 5 | 2023 | 29, 976 |

c) The actual capital spend for the purchase of ERT meters from 2019 to 2024 (YTD) is provided at Table 2. Forecasting is not done for ERT installation beyond 2024. The actuals presented at Table 2 includes total costs for the ERT and the meter because the actual costs associated to the ERT alone cannot be separated out. Table 2 does not include installation costs; the response at Exhibit I.1.7-LPMA-3 provides the installation cost and the cost of a standard meter versus ERT meter by customer type.

Table 2
Capital Actuals for ERT Purchased from 2019 to 2024

| Line No. | Year | ERT meters purchased | Actual Spend ($000s) |
|---|---|---|---|
| | (a) | (b) | (c) |
| 1 | 2019 | 19,152 | 6,300 |
| 2 | 2020[2] | 1,795 | 320 |
| 3 | 2021 | 6,852 | 2,830 |
| 4 | 2022 | 5,406 | 2,230 |
| 5 | 2023 | 56,073 | 17,650 |
| 6 | 2024 Estimate | 77,020 | 22,200 |

d) Please see response at parts b) and c).

[2] 2020 actual spend is much lower as a result of only small residential ERT meters purchased. The actual spend in all other years represents a combination of small residential, large residential and commercial meters.

# TAB 6

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association (LPMA)

Interrogatory

Reference:

Ex. 1, Tab 7, Sch. 1, para. 39

Question(s):

What is the relative cost of an ERT meter (including installation) as opposed to a standard meter? If the figures are different by type of customer (eg. Residential vs. small commercial vs. large commercial, etc.), please provide comparisons by customer type.

Response:

The cost for the installation of a meter on average is $130 and installation costs are similar regardless of meter type. The cost of the meter varies by model and is dependent on the volume of gas used by a customer. The 2023 cost of meters by customer type is provided at Table 1, excluding installation costs.

Table 1
2023 Cost of Meters by Customer Type

| Line No. | Particulars ($) | Standard | ERT |
|---|---|---|---|
| | | (a) | (b) |
| | Customer Type | | |
| 1 | Small Residential | 125 | 221 |
| 2 | Large Residential/Small Commercial | 291 | 388 |
| 3 | Commercial | 1,310 | 1,373 |

# TAB 7

ENBRIDGE GAS INC.

Answer to Undertaking from
Vulnerable Energy Consumers Coalition (VECC)

Undertaking:

Tr: 29

To confirm when the Union rate zones were last read on a monthly basis.

Response:

Meters in the Union rate zones were last read on a monthly basis in November 2019. Bi-monthly meter reading started in December 2019.