

Contract Harmonization

Question and Answers

General

Is Ontario Energy Board (OEB) approval required to harmonize contracts?

No. The OEB approves rates and the content of the rate handbook. These contracts do not require OEB approval.

Is the OEB aware of the contract harmonization initiative?

Yes. The initiative was described in the evidence filed in the rebasing proceeding (EB-2022-0200, Exhibit 8, Tab 5, Schedule 1). This information was filed in the fall of 2022 and was available for review by the OEB and other participants in the proceeding.

Is there a blackline comparison of the harmonized documents to current documents available?

No. A blackline comparison would not be useful because the originating structures differed, and much of the content was rearranged to arrive at common documents. Blackline comparisons to the currently posted harmonized contract documents will be prepared if there are further changes made in finalizing the documents.

What are the benefits of this contract harmonization initiative?

This initiative is another step in operating the amalgamated Enbridge Gas as one integrated utility. It will provide more consistency and simplification for customers, particularly those that operate in multiple rate zones, using Enbridge Gas' contracted distribution and direct purchase services.

Scope

When does Enbridge Gas expect to harmonize its Gas Distribution Access Rule (GDAR) Agreements and Collection Service Agreements?

GDAR Agreements and Collection Service Agreements are not in scope for this initiative. The GDAR Agreements and Collection Service Agreements are separate agreements and will continue to be effective based on the respective rate zones.

Generally, these agreements are aligned in that they work from a common template. Where they differ is in the daily and monthly processes in respect of financial assurance and remittances. Aligning these processes will require changes in the underlying business systems. Further details around process and timing for these changes, and the resulting impact on the GDAR Agreements and Collection Service Agreements, will be provided in the future. In the meantime, customers will continue to transact under the respective GDAR Agreements and Collection Service Agreements, processes, rules and systems in the application of distributor consolidated billing.

Why were EGD rate zone long-term unbundled contracts left out of scope?

All customers currently taking unbundled service in the EGD rate zone entered into long-term contracts with the first contract renewing in 2028. These contracts rely on extensive terms and conditions outlined in the Rate 125 rate schedule in addition to those outlined in the unbundled contract. It is expected that these contracts will transition to the new harmonized structure upon the implementation of service harmonization.

General Terms & Conditions (GT&C)

What is meant by billing disputes and how does it relate to the elimination of the 12-month limit currently in the Union rate zones?

Section 4.6 of the harmonized General Terms and Conditions outlines the procedure followed when a customer disputes their invoice from Enbridge Gas for contracted distribution or direct purchase service. Currently, customers in the Union rate zones must identify their concern within 12 months from when the invoice was issued, whereas this limit does not exist in the EGD rate zone. Removing this limit provides a consistent process for customers in both the EGD and Union rate zones.

What is a crystallization clause?

The crystallization provision set out in Section 10 of the harmonized General Terms and Conditions attaches a dollar value equivalent of a gas deficiency or surplus in a customer's balancing account.

Implementation

Will customers be asked to sign the harmonized contracts, or will these new contracts just start to be "in effect"?

Will contracts have to be re-signed annually? In the past, only changes to the schedule were signed off on, but the underlying original contract remained.

Enbridge Gas plans to implement the harmonized contracts with as little disruption to customers as possible. As noted in the webinar, the harmonized General Terms and Conditions document is generally consistent with current contract documents. It should also be noted that the Transaction Rules are for current services and reflect current rules, policies, and procedures specific to each of those services.

After the harmonized contract documents have been finalized, customers will be informed as to what has changed in those documents. Enbridge Gas will also provide notice of the effective date for the new General Terms and Conditions document at least 2 months prior to that effective date. This process is the same as previously used for updating the Union rate zones. As of the implementation date, all in-scope customers' contracts will be subject to the new contract structure along with the underlying General Terms and Conditions and Transaction Rules.

After the implementation date, just like current contracts, customers will receive the new Schedule to sign and to give effect to parameter changes as contracts renew or are amended in the normal course, just like today under the current contract structure.

Would the specific wording on system expansion in a contract still be in effect during and after implementation of the harmonized contract structure? What will the impact be to long-term contracts?

Implementation of the harmonized contract structure will update the General Terms and Conditions and Transaction Rules common to all distribution and direct purchase contracts. Any additional unique wording or terms agreed to in either a capital expansion agreement in the EGD rate zone, or in the short form contract in the Union rate zones will not be "overwritten" through this implementation and will remain in effect.

If we currently have a Southern Bundled T contract, which harmonized contract should we be reviewing?

A customer with Southern Bundled T service will be subject to the **General Terms and Conditions – Applicable to Distribution and Direct Purchase Services** and **Transaction Rules** documents and will receive a **Direct Purchase Service Schedule – Union Rate Zone** document when their contract is initially set up and as its parameters change in the normal course.

If a contract rate exists in the EGD rate zone and not in the Union rate zones, can we assume no change?

Yes. The contract structure and General Terms and Conditions are being harmonized through this initiative. Enbridge Gas will continue to operate with its existing services in each rate zone until changes to those services are approved by the OEB (phase 3 of the rebasing proceeding).

Miscellaneous

Does Enbridge Gas' rebasing proceeding have any impact on this initiative?

No. This new contract structure would support harmonized services, should the proposed changes to the current services be approved by the OEB.

How is Enbridge Gas addressing the current load balancing fees since the amalgamation of the utilities? Does Enbridge Gas intend to change these fees at some point?

Enbridge Gas' proposals for harmonization of costs, rates, and services will be addressed in phase 3 of the rebasing proceeding (EB-2022-0200) with the OEB. These proposals have no impact on this contract harmonization initiative.

There had been talk of moving Empress delivery points to Dawn/Parkway. Is that still being considered and, if so, how far in advance will customers be notified? Any idea when this will happen and go into effect?

Enbridge Gas has proposed to move Empress delivery points to Dawn in its rebasing proceeding with 2 years notice to customers in its service harmonization evidence in the rebasing proceeding with the OEB. The service harmonization proposals will be addressed in phase 3 of the rebasing proceeding. These proposals have no impact on this contract harmonization initiative.

Does the recent OEB phase 1 rebasing decision have any impact on this contract harmonization initiative?

No. The phase 1 rebasing decision has no impact on this initiative.

Will energy marketers be involved, or work on behalf of customers, in the review of account adjustments where the energy marketers are involved as a third party?

Enbridge Gas takes its customers' privacy of information seriously. These privacy measures, at times, will create some challenges for third party representatives.

Currently, energy marketers work through the direct purchase representatives to assist with billing inquiries. However, we are aware this is not an efficient process for our customers, energy marketers or Enbridge Gas. The current process is under review to determine whether a more efficient process can be created to establish a path that would allow energy marketers better access to support billing inquiries.