

**REFERENCE:**

Customer Equipment Problem Program (EPP) report (p.2)

**PREAMBLE TO IR (IF ANY):**

Manitoba Hydro is considered a monopoly utility that provides electricity and natural gas to Manitobans. Although Manitoba Hydro currently provides a “no charge labor service” to the customers of Manitoba

**QUESTION:**

What is the average cost that each Manitoba natural gas customer has to pay for burner tip weather they use the service or not?

**RESPONSE:**

In 2017/18, the average annual cost per SGS customer was \$4.92.

**REFERENCE:**

Customer Equipment Problem Program (EPP) report (p.2)

**PREAMBLE TO IR (IF ANY):**

Since Manitoba Hydro has taken over Centra Gas Inc. they have changed the name of “Burner Tip Service” to the “Customer Equipment Problem Program (EPP)

**QUESTION:**

- a) If there is no change to the burner tip service (EPP) why has this report been submitted?
- b) What was the list of burner tip services provided upon purchase of Centra Gas Inc.?
- c) What is provided today under the Equipment Problem Program (EPP)?

**RESPONSE:**

- a) Centra would like to clarify that “Burner Tip Service” was not renamed. The program was called the “Customer Equipment Problem Program” prior to the purchase of Centra by Manitoba Hydro.

Centra compiles annual statistics on the Customer Equipment Problem Program (“CEPP”). Since CEPP has been a topic of discussion at the Quarterly Communication Meetings with the Public Utilities Board (“PUB”), the Corporation has submitted the report to illustrate the trends over the last few years.

- b) At the time of acquisition, Centra provided safety inspections, safety related adjustments and/or repairs to the gas burning portion of all residential appliances and commercial appliances under 400,000 Btu/h (422 MJ/h). For further information, please see page 6 of Appendix 12.4.
- c) As discussed on page 5 of Appendix 12.4, and in Attachment 1 to PUB/MH 154 a-d, the CEPP was amended by the PUB in Orders 85/13 and 89/13 to limit the service provided under this program to primary space heating and water heating appliances. A listing of

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the core appliances (namely boilers, central heating, conversion burners, ranges and water heaters) that are serviced under the CEPP is provided on Page 6 of Appendix 12.4.

**REFERENCE:**

Customer Equipment Problem Program (CEPP) report (p.2)

**PREAMBLE TO IR (IF ANY):**

The natural gas utility of Manitoba has always provided burner tip service to Manitobans. This has resulted in an excellent safety record considering there can be up to a 9 month heating season for Manitobans

**QUESTION:**

- a) Can a gas leak and/or a carbon monoxide call that is reported by a customer be a result of gas appliances not working properly?
- b) Can a gas leak and/or carbon monoxide call reported by a customer end up as a burner tip call? Are these calls recorded in your CEPP report and if not why?
- c) Can a burner tip service call turn into a safety call involving carbon monoxide or gas leaks? Are these calls recorded in your CEPP report and if not why?
- d) What type of paper work is issued to a customer when there is a safety concern with their natural gas equipment?
- e) How many Inspection Notices (IN) were issued to customers that have requested burner tip service over the last 10 years?

**RESPONSE:**

- a) Yes.
- b) Gas leak or carbon monoxide calls are attended as safety calls and are not counted as CEPP calls or recorded in the report as such.
- c) A Service Person may attend a CEPP call that through the investigation is determined to be a result of a lack of equipment maintenance or improper air exchange. The Service Person then issues an Inspection Notice to address any underlying issues and deficiencies. These initial calls are counted in the CEPP report but any subsequent inspection notices are not.
- d) Inspection Notices are issued and require a homeowner to have deficiencies corrected.

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- e) Over the last ten years, 8,817 Inspection Notices (approximately 7% of the total orders) have been issued. The Inspection Notices are not all safety related. Inspection notices typically include code deviations and required maintenance.

**REFERENCE:**

Customer Equipment Problem Program (CEPP) report (p.4)

**PREAMBLE TO IR (IF ANY):**

When the service orders were scanned and it was found that 10% was referred to the dealer

**QUESTION:**

What is the percentage that would fall under the CEPP criteria?

**RESPONSE:**

All of the service orders referred to dealers were associated with the CEPP.

**REFERENCE:**

Customer Equipment Problem Program (EPP) report (p.7-16)

**PREAMBLE TO IR (IF ANY):**

The following questions are related to the information provided in this section combined with Table 1

**QUESTION:**

- a) Can you provide the calculation used to get the percentages for Table 1 Active Gas Customers Utilizing the Customer EPP Service?
- b) How many gas customers are there in Manitoba?
- c) How many gas customers are considered to be in Winnipeg?
- d) How many of Winnipeg gas customers have “Core Goods” that qualify for the EPP service?
- e) How many gas customers are considered to be in the Rural?
- f) How many of Rural gas customers have “Core Goods” that qualify for the EPP service?

**RESPONSE:**

- a) The calculation to arrive at the percentages in Table 1 is as follows:  
Number of Unique CEPP Customers / the number of active gas customers.  
Note: A customer that calls in multiple times is considered one unique customer
- b) In 2017, there were 280,821 active gas customers in Manitoba.
- c) In 2017, there were 216,232 active gas customers in the City of Winnipeg.
- d) The majority of these customers would have an appliance that would be considered a “core good”.
- e) In 2017, there were 64,589 active gas customers in Rural Manitoba.

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- f) The majority of these customers would have an appliance that would be considered a “core good”.



**REFERENCE:**

Customer Equipment Problem Program (EPP) report (p.7-16)

**PREAMBLE TO IR (IF ANY):**

Manitoba Hydro has indicated that a small percentage of natural gas customers are using the EPP also known as Burner Tip Service. The following questions are related to the information provided in this section and combined with Tables (2, 3) and Figures (1, 2, 3, and 4)

**QUESTION:**

- a) How does Manitoba Hydro advertise their burner tip service?
- b) How is the incoming EPP service calls tracked?
- c) What is the question process for the contact center to deal with EPP or burner tip service calls?
- d) Are people, that require EPP or burner tip service, turned away and referred to the dealer because the customer did not ask or answer the questions properly?
- e) Are all burner tip calls logged even if a work order is not generated?
- f) Out of the 10,996 calls in 2017 how many calls were taken at the call center that was referred to the dealer?
- g) How many contact center representatives were at the contact center before the purchase of Centra Gas Inc.?
- h) What were the hours of the contact center that would handle safety related calls and burner tip service calls during the heating season before the purchase of Centra Gas Inc.
- i) How many contact center representatives were trained to answer safety related calls and burner tip service calls before the purchase of Centra Gas Inc?
- j) What were the wait times for customers calling in safety calls or requiring burner tip service before the purchase of Centra Gas Inc?
- k) What are the hours of the contact center today at Manitoba Hydro?
- l) How many contact center representatives are there today trained to answer natural gas safety related calls and EPP calls?

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- m) What priority schedule has Manitoba Hydro introduced to sort EPP and burner tip service calls that come in through the call center?
- n) What year was this Priority Schedule introduced?
- o) How has the priority schedule recently changed?
- p) Why are the completed Burner Tip Service Orders more stable over the last 12 years in relation to Winnipeg?

**RESPONSE:**

- a) Manitoba Hydro communicates the program through its external website ([www.hydro.mb.ca](http://www.hydro.mb.ca)).
- b) CEPP service calls are tracked by the creation of a service order. Inquiries that do not result in a service order are not tracked.
- c) The question process with respect to CEPP calls is as follows:
  - Determine if the customer turned off their pilot or had someone do it for them. If the customer states they did not turn off their pilot light a service order is created. If the customer states they turned off their pilot light (or had someone do it for them) direct them to a dealer of their choice to have their pilot light lit.
  - If the customer has a high efficiency furnace, advise the customer to ensure their venting is free and clear of snow.
  - If the customer has a digital thermostat, advise the customer to ensure they check their batteries.
  - Calls to disconnect or reconnect appliances are referred to dealers by staff.
  - Manitoba Hydro services appliances for space heating, water heating and cooking. All other appliances are referred to contractors. Before referring a customer to a contractor, staff ask if their other gas appliances are working. If the other appliances aren't working, a service order is created and notes are added including that all appliances are not working.
- d) Manitoba Hydro does not turn customers away and or refer customers to a dealer because the customer did not ask or answer the questions properly. Rather, Manitoba Hydro staff follow a progressive line of questioning to accurately assess a situation and determine the appropriate required response. They create service orders and document pertinent information that is useful for the Service Person.

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- e) If a work order is not generated, a call would not be tracked as a CEPP call; however, the phone call will be tracked as a part of the phone call statistics that are maintained by the Corporation.
- f) None of the 2017 calls were referred to a dealer by the call center. A Manitoba Hydro Service Person would attend all of these calls. In 2017, , the Service Person had referred approximately 12% of these calls to a dealer based on the significance of the repairs required.
- g) Centra does not have the requested information.
- h) Centra does not have the requested information.
- i) Centra does not have the requested information.
- j) Centra does not have the requested information.
- k) Contact centre staff respond to natural gas calls from 7:00am to 8:00pm Monday to Friday. After hours, gas dispatch staff respond to the calls.
- l) Thirty-two contact centre representatives are trained to answer natural gas safety related calls and CEPP calls.
- m) Centra utilizes its Customer Service Priority Schedule.
- n) The Customer Service Priority Schedule was introduced in 2002 to provide guidance to staff whom schedule and dispatch company work.
- o) The Customer Service Priority Schedule has been updated from time to time. It was most recently updated in April 2017 to provide flexibility in calling in additional resources.
- p) As shown on page 9 of Appendix 12.4, there has been a steady decline in Burner Tip calls in Winnipeg over the last 12 years of approximately 44%. The reduction in calls correlates with the installation of replacement furnaces installed in Winnipeg during this period. Please refer to UNIFOR/CENTRA I-7b for furnace replacement statistics.

**REFERENCE:**

Customer Equipment Problem Program (EPP) report (p.7-16)

**PREAMBLE TO IR (IF ANY):**

The following questions are related to the information in this section combined with Table 4

**QUESTION:**

- a) What kind of new furnace incentives and programs were given to customers during this 12 year period?
- b) How many customers in Winnipeg and Rural have replaced their furnace over this time frame?
- c) Have the parts to be replaced in the burner tip service agreement been updated to reflect the new EPP core good appliances worked on today?
- d) What was the Burner Tip Service “Parts to be Replaced” list prior to the purchase of Centra Gas Inc.
- e) What is the Customer EPP “Parts to be Replaced” list today?
- f) Could this decline in “Parts to be Replaced” correlate to the hours reduced criteria of things allowed to be worked on?

**RESPONSE:**

- a) Manitoba Hydro has provided a number of programs to finance new high efficiency natural gas furnaces.

From 2005 to 2009, Manitoba Hydro offered residential customers incentives for upgrading their natural gas furnaces to high efficient models. This initiative provided an incentive of \$245 on the customer’s natural gas bill and helped to convert standard efficient furnaces in the market to high efficient models.

In addition to the Residential Natural Gas Furnace Program, Manitoba Hydro also offered financing to help customers with the cost of replacing their heating system.

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Since March 2001 the Home Energy Efficiency Loan (previously Power Smart Residential Loan) has provided convenient on bill financing for the purchase of a high efficiency natural gas furnace to customers with approved credit. Customers can finance up to \$5,500 over a maximum 15 year term.

The Affordable Energy Program, which was launched in December 2007, assists homeowners and tenants with a limited income in upgrading their standard efficient natural gas furnace to a high efficiency natural gas furnace for \$9.50 per month for five years.

Launched in November 2012, Pay As You Save (“PAYS”) Financing offers extended financing terms for upgrading standard efficiency natural gas furnaces to high efficiency natural gas furnaces. PAYS Financing allows customers to use the energy savings from their upgrade to make the monthly payment, which means customers should not see an increase to their monthly energy bill.

- b) 96,171 furnaces have been replaced in Manitoba between 2006 and 2017; 82,336 were in Winnipeg and 13,835 were non-Winnipeg (‘rural’).
- c) The standard parts list covers space heating, water heating and cooking appliances, which is consistent with the PUB’s direction in Order 85/13 to limit this service to primary space heating, water heating appliances and ranges.
- d) As per Order 49/95, Centra was required to provide the following list of components on gas furnaces and hot water heaters:
  - High limits;
  - Pressure temperature relief valves;
  - Gas valves;
  - Regulators manifold;
  - Thermocouples;
  - Ignitors;
  - Flame Monitoring components;
  - Unitrols;

- Single pole thermostats;
- Fan controls;
- Transformers; and
- Millivolt relays

e) The current list of parts to be replaced include the following:

- Ignitors
- Flame sensors
- Thermocouples
- Pilot Generator
- Pilot Burner
- Gas Valves (Standing Pilot Only)
- Transformers
- Millivolt Relays
- Heat Only Thermostats (non- digital)

f) Centra believes the reduction in hours worked on CEPP calls is directly correlated to the installation of new natural gas high efficiency furnaces across the Province.

**REFERENCE:**

Customer Equipment Problem Program (EPP) report (p.7-16)

**PREAMBLE TO IR (IF ANY):**

The following questions are related to the information provided in this section combined with Tables (6, 7, and 8) and Figures (5, 6, 7, and 8)

**QUESTION:**

- a) Why is there a low income section in this report?
- b) Is there an agenda by Manitoba Hydro to reduce Customer EPP service to Low Income Measure families?
- c) Is there an agenda to segregate the Manitobans who do not fall into the Low Income Measure chart by providing fewer services to them?

**RESPONSE:**

- a) Centra included information on the Low Income Measure as part of the section on Program Data and Trends to provide information on usage by area and income level of customers utilizing the program.
- b) No, Centra is not requesting changes to the program.
- c) No, Centra is not requesting changes to the program.

**REFERENCE:**

Customer Equipment Problem Program (EPP) report (p.7-16)

**PREAMBLE TO IR (IF ANY):**

The following questions are related to the information provided in this section combined with Table 10

**QUESTION:**

Are Manitoba Hydro gas licensed representatives expected to inspect new installations and recognize safety concerns with ALL of the appliances listed in table 10?

**RESPONSE:**

Yes.



**REFERENCE:**

Customer Equipment Problem Program (EPP) report (p.7-16)

**PREAMBLE TO IR (IF ANY):**

The following questions are related to the information provided in this section combined with Table (11, 12)

**QUESTION:**

- a) What are the reasons for service personnel referring calls to the dealer?
- b) How many of the service calls referred to dealers are due to the equipment being under warranty?
- c) How many of the service calls referred to the dealers is a result of the core good appliance not falling into the Customer EPP criteria?

**RESPONSE:**

- a) Service personnel may refer calls to dealers for a variety of reasons including if repairs do not fall under the scope of the CEPP, if the required parts are not contained within Centra's standard parts list, if the underlying cause of a call requires more extensive maintenance such as cleaning the fan compartment or if the required work is covered by warranty.
- b) Centra does not specifically track calls referred to dealers due to equipment being under warranty.
- c) Centra does not specifically track inquires that fall outside of CEPP and are referred to dealers.

**REFERENCE:**

Customer Equipment Problem Program (EPP) report (Appendix A - Furnace)

**PREAMBLE TO IR (IF ANY):**

**QUESTION:**

- a) What would be covered under the Customer EPP service today in your “High Efficient Furnaces” example to illustrate the diversity with 6 individual Keeprite furnaces on the market today?
- b) How different are the ignition systems (flame sensors, igniters) with these 6 Keeprite high efficient furnace types?
- c) Are gas valves currently covered under the Customer EPP service?
- d) Are all core good appliance gas valves being changed?
- e) Where gas valves covered under the Burner Tip Service?
- f) In Manitoba is it a requirement for all heating dealer employees to be issued a “B” license or have written the Provincial “B” exam to install natural gas appliances?
- g) A “B” licensed fitter can have how many non-licensed apprentices under them that install natural gas equipment?
- h) Do all Manitoba Hydro employee’s working in burner tip service or inspecting natural gas appliances write the Manitoba “B” license exam?
- i) What type of license is Manitoba Hydro employee’s issued to be qualified to inspect natural gas equipment of any make or model?
- j) How many “D” licensed fitters does Manitoba Hydro employ?
- k) What type of training is provided to Manitoba Hydro employee’s in regards to burner tip service?
- l) How many classroom hours and mentorship hours are provided for employee’s, after acquiring their “D” license, which responds to burner tip calls?

**RESPONSE:**

- a) The parts which are covered under the CEPP today are listed in the response to UNIFOR/Centra I-6e). Please see the response to part b) below for further explanation.

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- b) Furnace ignition systems are more complex and have evolved over time. Manufacturers have improved the reliability and safety of their products through their proprietary designs. These changes have led to more models, different parts and the requirement for specialized skills to service the units.

One manufacturer, as illustrated in the example provided, may have many different ignition system parts which are not interchangeable. This issue grows exponentially with many different manufacturers, models and years.

- c) Yes, standard gas valves are covered.
- d) Yes, if the gas valve is a standard part it will be changed.
- e) Yes, standard gas valves have been covered under the CEPP.
- f) No, apprentices can install natural gas appliances under direct supervision of their qualified licensed journeyperson.
- g) There is a one to one ratio requirement under Apprenticeship Manitoba.
- h) All Manitoba Hydro employees performing CEPP calls and appliance inspections are required to complete a “D” license exam which is equivalent to the Provincial “B” license exam.
- i) Manitoba Hydro employees performing appliance inspections are required to have a “D” license which is equivalent to the Provincial “B” license.
- j) Manitoba Hydro employs 130 “D” licensed fitters which includes supervisors and other support departments.
- k) Manitoba Hydro employees in the Gas Trades Training progression training program receive technical and practical (“hands-on”) training in regards to CEPP service.

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Introductory technical training occurs in level B and C. Comprehensive technical training regarding CEPP service occurs in level D and includes practical training and assessments.

- l) Progression training provided by Gas Trades Training is a competency-based training program, and follows established competency-based training principles which includes 40 classroom hours (includes technical, practical 'hands-on' training and assessment). Mentorship is provided via the practical skills checklist (PSC) process, involving minimum practical exposures to all CEPP equipment currently included in the CEPP program ("core goods").

**REFERENCE:**

Customer Equipment Problem Program (EPP) report (Appendix A - Boilers)

**PREAMBLE TO IR (IF ANY):**

**QUESTION:**

What is different in regards to testing or replacing the parts under the Customer EPP when it applies to boilers?

**RESPONSE:**

Boilers typically last longer than standard furnaces. As a result, many of the older boilers continue to exist and utilize the standard parts contained in the parts list. New condensing boilers have evolved in the same manner as furnaces and pose the same challenges to obtain parts and maintain a specialized skill set to service equipment.

**REFERENCE:**

Customer Equipment Problem Program (EPP) report (Appendix A - Conversion Burners)

**PREAMBLE TO IR (IF ANY):**

**QUESTION:**

- a) Why has Manitoba Hydro decided to eliminate its conversion burner maintenance program?
- b) With many of these conversion burners still in operation in Canada and the US, what parts are difficult to obtain under the criteria of this program?

**RESPONSE:**

- a) Conversion burners were installed between 1961 and 1974 to convert from coal or oil to natural gas. The majority of conversion burners have been replaced as customers have installed newer more efficient heating systems. The age of these systems and the lack of available parts were contributing factors to ending the program.
- b) The following parts were difficult to obtain under the conversion burner maintenance program: spreader plates, runner bars, gaskets (asbestos), orifice and valve trains.

**REFERENCE:**

Customer Equipment Problem Program (EPP) report (Appendix A - Water Heaters)

**PREAMBLE TO IR (IF ANY):**

**QUESTION:**

How many people have had to wait 3 weeks for hot water tank parts as indicated in the report over the last 5 years?

**RESPONSE:**

The comment was anecdotal and based on personal experience. Centra does not collect data on wait times for parts.

**REFERENCE:**

Customer Equipment Problem Program (EPP) report (Appendix C)

**PREAMBLE TO IR (IF ANY):**

The Customer EPP report has indicated that there are a number of companies that install natural gas equipment in Manitoba and offer warranties for that equipment. The following questions are related to the information provided in this section.

**QUESTION:**

- a) Of the 1700 heating dealers registered with MB Hydro how many operate 24/7?
- b) What is the average wait time for service?
- c) How many dealers have multiple employee's for 24/7 service?
- d) Are any calls tracked when a dealer refers a customer to Manitoba Hydro for burner tip service? Why not?
- e) How many heating dealers have more than 10 licensed fitters?
- f) How many heating dealers have pulled more than 50 permits for the year?
- g) How many heating dealers have pulled more than 200 permits for the year?
- h) How many heating dealers have pulled more than 500 permits for the year?
- i) What is the average warranty for new furnaces installed?
- j) How many companies warranty for natural gas equipment installed depend on a customer signing up for a yearly "service package"?
- k) What is the average response time for dealers providing warranty work?

**RESPONSE:**

- a) Centra does not have this information.
- b) Centra does not have this information.
- c) Centra does not collect information on the employee counts of heating dealers.
- d) Centra is not made aware when a customer is referred to Centra by a heating dealer.



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- e) Centra does not collect information on the employee counts of heating dealers.
- f) In 2018, 112 dealers had 50+ inspection service orders created.
- g) In 2018, 24 dealers had 200+ inspection service orders created.
- h) In 2018, 6 dealers had 500+ inspection service orders created.
- i) Currently manufacturers offer warranties ranging on average from 5 – 10 years for parts and labour.
- j) Centra does not collect information on the warranty agreements offered by heating dealers.
- k) Centra does not collect information on heating dealers warranty work.

**REFERENCE:**

**PREAMBLE TO IR (IF ANY):**

**QUESTION:**

Does the company have any intentions on moving away from a rate based system to a cost of service system?

**RESPONSE:**

Centra is not proposing any changes to its current rate setting methodology at this time.

**REFERENCE:**

**PREAMBLE TO IR (IF ANY):**

**QUESTION:**

When a customer requests a disputed meter, the charges were \$ 35 for a residential and \$130 for a commercial:

- a) What is the reason for the increase charge to \$110 and \$220 respectively?
- b) How many request do we get on average per year?
- c) Of those request, how many fail and pass?

**RESPONSE:**

a) The increase was applied to ensure the charge aligned with the internal costs associated with completing the meter exchange and meter testing procedures as outlined on pages 9 and 10 of 13 in Tab 12 of the Application. As noted on page 10 beginning at line 7, the fee was set below the actual cost to ensure that the fee does not act as a deterrent to having the test performed.

b) and c)

Please see the response to PUB/CENTRA I-152b.

**REFERENCE:**

**PREAMBLE TO IR (IF ANY):**

**QUESTION:**

- a) What is a “Safety Check” as indicated in the report?
- b) What does the \$50.00 charge cover?
- c) How many Manitoba hydro customers pay this fee?
- d) How many safety checks does Manitoba Hydro conduct a year?
- e) Do we advertise this service?

**RESPONSE:**

- a) A Safety Check is an inspection and tune-up of a furnace. A safety check can also include cleaning a furnace. Centra is to only perform safety checks in those rare circumstances where customer satisfaction with a dealer is a concern, consistent with the direction provided by the PUB in Order 49/95.
- b) The \$50 charge was to recover labour costs and was set in 1995.
- c) Centra has not had requests for this service and no customers have been charged.
- d) Centra has not conducted any safety checks.
- e) The safety check is not advertised.