

February 3, 2012

Via RESS and Canada Post

Kirsten Walli
Board Secretary
Ontario Energy Board
PO Box 2319
2300 Yonge Street
Suite 2700
Toronto, ON
M4P 1E4

Re: Enbridge Gas Distribution Inc., and Union Gas Limited – Renewable Natural Gas Application, Board File Numbers: EB-2011-042 and EB-2011-0283

Dear Ms. Walli,

Please find attached the interrogatories of Direct Energy Marketing Limited for both Enbridge Gas Distribution Inc. and Union Gas Limited in the above noted proceedings.

Yours faithfully,

Original signed by

Ric Forster
Director
Government & Regulatory Affairs
Direct Energy Marketing Limited

Cc: Mr. Norm Ryckman, Enbridge Gas Distribution Inc.
Mr. Chris Ripley, Union Gas Limited
Interested Parties

DIRECT ENERGY MARKETING LIMITED

Information Requests of Enbridge Gas Distribution Inc. and Union Gas Limited (collectively "the Companies") re: Renewable Natural Gas Application, EB-2011-0242/0283

DE/Companies #1

Reference: Exhibit B, Tab 1 - General

Issue: 1.0 Role of the Utilities

Please provide any legislation, Ministerial Directive, Order, or Code of the Ontario Energy Board that mandates the companies to:

- a. acquire renewable natural gas (RNG) as part of their supply portfolio;
- b. enter into long term contracts with RNG suppliers; and
- c. enable the development of a viable RNG industry in Ontario.

DE/Companies #2

Reference: Exhibit B, Tab 1 - General

Issue: 1.0 Role of the Utilities

Please provide any and all communications, presentations, business cases, project proposals, and other materials provided to the management team of each company regarding RNG. These should include but not be limited to, those communications which discuss, in the view of the companies, the short and long term benefits of RNG itself as well as the benefits that may accrue to the companies and their affiliates by entering into long term RNG contracts.

DE/Companies #3

Reference: Exhibit B, Tab 1 - General

Issue: 1.0 Role of the Utilities

Please provide any and all communications, presentations, business cases, project proposals, and other materials presented to the following individuals and/or groups prior filing of this application:

- a) Energy industry stakeholders;
- b) Bio-methane industry stakeholders; and
- c) Municipal and Provincial government representatives.

DE/Companies #4

Reference: Exhibit B, Tab 1 – General

Issue: 1.0 Role of the Utilities

Please provide any and all communications, presentations, business cases, project proposals, and draft agreements between the companies and/or their affiliates and any current or future potential RNG supplier.

DE/Companies #5

Reference: Exhibit B, Tab 1 – General

Issue: 1.0 Role of the Utilities

Please confirm if either of the companies and/or their affiliates have conducted discussions to enter into an agreement with potential RNG suppliers to assist financially through partnerships or otherwise in the construction, development, operations and maintenance of any RNG facility. If confirmed, please provide the details of such discussions including any communications exchanged between the parties and provide any draft agreements, letters of intent, or similar documentation. If not confirmed, please advise of any barriers that may prevent the companies' affiliates from entering into any such agreements after long term supply agreements with such suppliers are in place, should this Application be approved.

DE/Companies #6

Reference: Exhibit B, Tab 1, Page 2, lines 11 through 18

Issue: 2.0 Cost Consequences

Preamble:

The Companies have proposed a five year window for the contracting of 20 year RNG supply agreements.

Interrogatory:

Please confirm the cost consequences of the Companies' proposals have the potential to extend for a period of 25 years.

DE/Companies #7

Reference: Exhibit B, Tab 1, Page 11, lines 1 through 4

Issue: 2.0 Cost Consequences

- a. Please provide the number of Tcf of potential natural gas resources in EIA's (U.S. Energy Information Administration) Annual Energy Outlook for 2011 and 2012. Please also provide

the equivalent Canadian outlook from the National Energy Board's "Canada's Energy Future – Energy Supply and Demand Projections to 2035", published in November 2011.

- b. Please provide the number of years these supplies would last based on current consumption levels.
- c. Please provide current industry price forecasts for natural gas supply over the next ten years.

DE/Companies #8

Reference: Exhibit B, Tab 1, Page 11, lines 20 through 25

Issue: 1.0 Role of the Utilities

- a. Please explain how the respondents to the survey were selected.
- b. What is the percentage of respondents in the survey compared to the total combined customer base of the Companies?

DE/Companies #9

Reference: Exhibit B, Tab 1 - Page 12, lines 6 through 8; and Page 13, line 4

Issue: 1.0 Role of the Utilities

Please clarify whether the Companies' evidence should reflect the percentage of respondent's opinions, as opposed to "Ontario residential gas customers".

DE/Companies #10

Reference: Exhibit B, Tab 1, Page 26, lines 23 through 26

Issue: 2.0 Cost Consequences

Please confirm that a 20 year RNG supply contract would in fact be a long-term utility supply contract.

DE/Companies #11 (EGD Specific)

Reference: EB-2011-0242, Exhibit C, Tab1, Schedule 1, Page 2, Table 1

Issue: 2.0 Cost Consequences

- a. Please update the July 2011 delivery supply costs in the table to reflect the most current supply costs, and restate the table to include the impacts.
- b. Please advise if there are any additional costs for ratepayers that are not included in the table such as, but not limited to, any increase in revenue requirement for the cost of working capital for gas in storage associated with the procurement of RNG supplies. If additional costs for the program have not been captured, please list and provide details of any additional costs, and restate the table with a re-calculation of the incremental costs to rate payers.

- c. Following any additional costs as a result of part a. and b. above, please provide the total impact to rate payers over the potential 25 year period in which RNG supply contracts would be in effect, using the current delivery supply costs (adjusted above) as a benchmark.

DE/Companies #12

Reference: Exhibit B, Tab1, Appendix 2

Issue: 1.0 Role of the Utilities

Given the duplicative nature of the statements in most of the letters of comment, please confirm that the Companies provided a form letter to individuals and organizations to modify and return to the Companies for submission in this Application.