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Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Walli:

RE: EB-2016-0186

Union Gas Limited ("Union") application for approval to construct a natural gas pipeline in the Township of Dawn Euphemia, the Township of St. Clair and the Municipality of Chatham-Kent and approval to recover the costs of the pipeline

We are counsel to the Association of Power Producers of Ontario (**APPrO**) in the above-noted proceeding. Pursuant to Procedural Order No. 2, please find enclosed a list of questions and areas of interest that APPrO intends to pursue with Union at the Technical Conference on October 4, 2016.

APPrO also requests that Union file updated interrogatory responses in response to APPrO's questions in Attachment 1 in order to ensure that the Board has a full, current, and satisfactory understanding of the matters being considered in this proceeding.

All of APPrO's proposed questions are contingent on coordination and/or streamlining based on the questions of other intervenors.

Yours truly,

Lisa (Elisabeth) DeMarco

ATTACHMENT 1

Union Gas – Panhandle Reinforcement

Technical Conference Questions

1. Reference: APPrO.2c) and IGUA.1.

Please update the table provided in Union's response to APPrO.2c) to include a line for estimated annual net cost of alternative fuel. Please use an estimate of the wholesale cost of gas that would have been incurred if the customer were using natural gas, using the daily spot price of gas at Dawn to calculate the estimated annual net cost of alternative fuel, and provide any other assumptions that Union believes are appropriate to estimate the cost of gas. Please state all other assumptions and the reasons Union used them, if other assumptions are used.

2. Reference APPrO.3c).

If new customers serviced from Union's Panhandle system were to deliver their new supplies at Ojibway, would this alleviate the need for the new facilities? Please provide, quantify, and discuss what other costs would continue to be incurred if new facilities were not required.

- a. Union indicated that the concept of not requiring new customers to deliver their supplies at Ojibway was dismissed due to the risks associated with Ojibway being a non-liquid trading point.
 - i. Please describe and provide a table quantifying Union's stated risk and provide any and all related risk data with respect to (i) price; (ii) availability; (iii) term; (iv) supply; and (v) any and all other risks related to Ojibway being a non-liquid trading point.
 - ii. Please confirm whether, to the best of Union's knowledge, Rover and/or its shippers are seeking to use upstream Panhandle Pipeline capacity to deliver incremental supplies to or through Ojibway.

3. Reference APPrO.4a) i).

Please provide the capacity that is currently committed under a long term binding precedent agreement.