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October 31, 2016

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

Dear Ms. Walli,

RE: EB-2016-0245 - Union Gas Limited 2017 Rates Application – Interrogatories of London Property Management Association

Please find attached the interrogatories of the London Property Management Association in the above noted proceeding.

Yours very truly,

Randy Aiken

Randy Aiken
Aiken & Associates

c.c. Chris Ripley (Union Gas)

INTERROGATORIES OF THE LONDON PROPERTY MANAGEMENT ASSOCIATION

Interrogatory #1

Ref: Exhibit A, Tab 1

Please provide a version of the "Detail Change in Revenue" section of Table 1 that provides the same breakdown of the $46,074 increase as shown in lines 4 through 9, but does so at the rate class level.

Interrogatory #2

Ref: Exhibit A, Tab 1, page 8 & Working Papers, Schedule 12

a) Please provide details on the reasons for the decrease in NAC for each of the rates shown, including, for example, the amount or percent due to weather, the amount or percent due to the leap year, and other drivers.

b) Please provide the weather data, consumption by rate class and underlying working papers in support of the NAC values shown in Schedule 12.

Interrogatory #3

Ref: Exhibit A, Tab 1, pages 8-10

Does the proposal related to the Union North Cost Allocation and Rate Design Implementation have any impact on Union South Rates? If yes, please explain fully what these impacts are.

Interrogatory #4

Ref: Exhibit A, Tab 1, pages 10-11 & Working Papers Schedule 20

The evidence indicates that the cost of the PDCI will be $16.6 million for the January through December, 2017 period.

a) Please provide the historical PDCI costs for 2014 through 2016 comparable to the $16.6 million.

b) Please provide the PDCI credit that was included in 2016 rates by rate class and the PDCI credit that will be included in 2017 rates, again by rate class.

c) What is the impact of customers moving from direct purchase to system sales on the PDO and the PDCI? For example, what happens to delivery rates for a particular rate class if a significant amount of gas deliveries switch from direct purchase to system gas relative to that forecast by Union? Please explain fully.

d) What is the date of the most recent information used by Union for the PDCI and PDO that reflects customers moving to and from system supply from direct purchase? If this date is not November 1, 2016, please explain why this date was not used.

Interrogatory #5

Ref: Exhibit A, Tab 4

a) What is the expected impact on Union revenues of the CMS proposal for rate T2 in the absence of the Monthly Billing Adjustment?

b) Does Union plan on offering a similar CMS to other rate classes? If yes, please indicate which rates. If no, please explain why not.

Interrogatory #6

Ref: Exhibit A, Tab 4, Table 1

a) Please confirm that under the 3 scenarios shown in Table 1 (other than the existing T2 service), Union will receive the same amount of revenues as under the existing T2 service with the Monthly Billing Adjustment in place. If this cannot be confirmed, please indicate the variance in revenues for each of the 3 scenarios shown.

b) Please indicate the variance in T2 revenues from the existing T2 service for each of the 3 scenarios assuming that the Monthly Billing Adjustment is not in place.

c) Does Union propose to continue to use the Monthly Billing Adjustment beyond the current IRM term? Please explain fully.

Interrogatory #7

Ref: Exhibit A, Tab 4, Table 1

a) The amount of firm storage space used differs in each of the 3 scenarios shown in Table 1 from the status quo, with two of the scenarios showing a reduction in the amount first storage space and one showing an increase. For each of the scenarios (less and more storage space), please explain how the change in the firm storage space would impact other rate classes and how it would impact the amount of cost-based storage space available to be marketed.

b) Please explain the treatment of the excess utility storage that would be generated if some T2 customers use the CMS service, as noted on page 11.

Interrogatory #8

Ref: Exhibit A, Tab 4, Table 1

All 3 scenarios shown in Table 1 show a reduction in the amount of planned storage withdrawal on peak day as compared to the existing T2 service.

a) Please explain what Union would or could do with the apparent increase in storage withdrawal on peak day because of the introduction of the T2 CMS service.

b) Would Union be able to generate additional revenues because of the potential reduction in storage withdrawals on peak day allocated to the T2 customers that choose the CMS service?

c) Would Union be able to generation additional revenues on non peak days as a result of the reduction in storage withdrawals available to T2 customers that select the CMS service? Please explain fully.

d) Would any additional revenues, whether from in-franchise or ex-franchise customers on either an interruptible or firm basis that result from T2 customers moving to the CMS service during the remainder of the IRM term accrue solely to Union or would they accrue all or in part to Union ratepayers? Please explain fully.

Interrogatory #9

Ref: Exhibit A, Tab 4, page 14

a) Please explain the treatment of any storage overrun revenues associated with the Daily Variance Account.

b) Are these revenues over and above the revenues from a T2 customer, including the Monthly Billing Adjustment?

c) Has Union included in any forecast of overrun revenues in its calculation of revenues from T2 customers using the CMS service with or without the Monthly Billing Adjustment? If yes, please provide the forecasted figure.

Interrogatory #10

Ref: Exhibit A, Tab 4, Appendix D

Does the Monthly Billing Adjustment also reflect changes in storage space or does it only reflect changes in the annual firm storage injection/withdrawal rights? If the latter, please explain why the potential change in storage space is not also reflected in the Monthly Billing Adjustment.