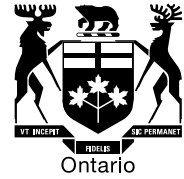


**Ontario Energy Board**  
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**BY EMAIL**

December 14, 2016

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

Dear Ms. Walli:

**Re: Union Gas Limited (Union)  
January 1, 2017 QRAM Application  
Board File No. EB-2016-0334**

I am writing on behalf of OEB staff in regard to the above noted QRAM matter.

OEB staff has the following questions:

- 1. Ref: Tab 1 / p. 10  
Tab 2 / p. 11 / Table 3**

Union provided the average Dawn Price for the last four QRAM periods as follows.

<b>QRAM Period</b>	<b>Price (\$/GJ)</b>
January, 2016	\$ 3.430
April, 2016	\$ 3.146
July, 2016	\$ 3.511
October, 2016	\$ 3.935

Union noted that the January 1, 2017 Dawn Reference Price is \$4.151 / GJ

- a) Please provide the average Dawn Price in the same format as provided at Tab 1 / p.10 for an additional 4 quarters (beginning January 2015).
- b) Please provide any long-term forecasting that Union has obtained, or developed, for the Dawn Price.
- c) Please provide the average Empress price in the same format as provided at Tab 1 / p. 10 for the period January 2015 to January 2017.
- d) Please compare the average Dawn price to the average Empress price over the same period as requested in the questions above (i.e. January 2015 to January 2017).
- e) Please provide Union's understanding of the reasons for any material changes in the spread between the Dawn and Empress prices over the above noted period.
- f) Please provide an explanation of the differences in the bill impacts related to the implementation of the Dawn Reference Price Settlement as between originally filed (in EB-2015-0181) and Updated (in the current proceeding) for the North East Zone (set out at Tab 2 / p. 11 / Table 3 / Lines 14-15). If applicable, please specifically illustrate the effects of the change in the spread between Dawn and Empress.

**2. Ref: Tab 1 / Schedule 1**

- a) For the record, please explain why there are no volumes forecast to be purchased for the Union North West Zone for the period April 2017 to October 2017 (inclusive).

**3. Ref: Tab 1**

- a) Please confirm that: (i) the Alberta Border Reference Price will only be used as the reference price for the NPGVA until December 31, 2016; (ii) as of January 1, 2017, there will be no further balances recorded in the NPGVA; and (iii) the NPGVA will remain open until December 31, 2017 in order to conclude the disposition of the existing balances in the account.
- b) Please confirm that: (i) the Alberta Border Reference Price will only be used as the reference price for the North Transportation Tolls and Fuel – Northern and Eastern Operations Area deferral account until December 31, 2016; (ii) as of January 1, 2017, there will be no further balances recorded in the account; and

(iii) the North Transportation Tolls and Fuel – Northern and Eastern Operations Area deferral account will remain open until December 31, 2017 in order to conclude the disposition of the existing balances in the account.

- c) Please confirm that beginning January 1, 2017, the Alberta Border Reference will be used as the reference price for the following accounts: (i) Union North West PGVA; (ii) Spot Gas Variance Account for spot purchases at Empress.
- d) Please advise whether the Alberta Border Reference Price will be used as the reference price for: (i) North West Transportation and Fuel Account; and (ii) any other accounts or purposes that should be referenced in the OEB's order.
- e) Please confirm that beginning January 1, 2017, the Dawn Reference Price will be used as the reference price for the following accounts: (i) SPGVA; (ii) Union North East PGVA; and (iii) Spot Gas Variance Account for spot purchases at Dawn.
- f) Please advise whether the Dawn Reference Price will be used as the reference price for: (i) North East Transportation and Fuel Account; and (ii) any other accounts or purposes that should be referenced in the OEB's order.

*Original signed by*

Lawrie Gluck  
Case Manager

cc: Vanessa Innis, Union Gas Limited  
Crawford Smith, Torys  
Vincent DeRose, BLG  
Ian Mondrow, Gowlings