Aiken & Associates
578 McNaughton Ave. West
Chatham, Ontario, N7L 4J6

Phone: (519) 351-8624
Fax: (519) 351-4331
E-mail: raiken@xcelco.on.ca

Feb. 6, 2009

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
Suite 2700
Toronto, Ontario, M4P 1E4

Dear Ms. Walli:

Re: EB-2008-0106 – BOMA & LPMA Interrogatories for the Gas Marketer Group

Please find attached the interrogatories of the Building Owners and Managers Association of the Greater Toronto Area (BOMA) and the London Property Management Association (LPMA) in the above noted proceeding.

Sincerely,

Randy Aiken
Aiken & Associates

cc: Ric Forster, Direct Energy

EB-2008-0106

IN THE MATTER OF a proceeding initiated by the Ontario Energy Board to determine methodologies for commodity pricing, load balancing and cost allocation for natural gas distributors.

INTERROGATORIES OF THE
BUILDING OWNERS AND MANAGERS ASSOCIATION OF THE GREATER TORONTO AREA ("BOMA")
AND
THE LONDON PROPERTY MANAGEMENT ASSOCIATION ("LPMA")
TO
THE GAS MARKETER GROUP ("GMG")

Interrogatory #1

Ref: Exhibits E8, E14, E19, Appendix A, Schedule M-1

a) For each line in this schedule, please indicate where the figures shown in column A (Previous Period Adjustment) would be derived from.

b) For each line with a non-zero figure in column A (Previous Period Adjustment), please provide all the information and calculations used to derive the non-zero figures, including any forecast and actual information used.

Interrogatory #2

Ref: Exhibits E8, E14, E19, Appendix A

a) Please explain how the methodology shown in Appendix A would operate assuming that the monthly consumption is as shown in the various schedules, but the amount of gas forecast to be purchased in each of November through January is equal to 150 TJ/day.

b) Please indicate how the methodology shown in Appendix A would need to be modified if some of the gas consumed in the winter is purchased in the previous summer and injected into storage until it was needed.

c) Please indicate how the methodology shown in Appendix A would need to be modified if some of the gas consumed in the winter is purchased in the following summer to make up for gas drafted in the winter.

Interrogatory #3

Ref: Exhibits E8, E14, E19, page 3

The evidence indicates that "the default Supply Provider (DSP) should calculate a default price that is reflective of real, short-term market prices" and the GMG is proposing a Monthly Rate Adjustment Mechanism (MRAM).

Given that the utilities do not purchase the same volumes as they sell to system gas customers each month due to the high load factor use of upstream transportation and the use of regulated cost based storage for annual load balancing, please provide the GMG's views on the following.

a) If the default price is based on real short-term market prices on a monthly basis, how is the default price linked to actual costs?

b) Should the default price be linked to costs?

c) What mechanism, if any, should be in place to deal with the difference in costs incurred versus revenues collected on a monthly basis due to the different volumes purchased and sold each month?

d) Has the GMG done any analysis of the potential volatility in prices that may result from the differential in costs and revenues caused by the volumes purchased and sold being different each month? If not, why not?

Interrogatory #4

Ref: Exhibits E8, E14, E19, page 12

The evidence states "The benefit of the estimated MRAM price for customers is that the price charged by the utility more accurately reflects the cost of the commodity at that time".

a) Please define what is meant by the "cost of the commodity at that time".

b) If the gas consumed by a customer in a winter month is a combination of gas being purchased and delivered to the utility in the current month and gas being withdrawn from storage that was purchased and delivered to the utility in a previous time period, what is the cost of the commodity consumed by the customer in that winter month?

c) Did the GMG consider a Weighted Average Cost of Gas In Inventory (WACOGII) methodology that could automatically adjust the price on a monthly basis based on the weighted average cost of gas in storage, along with a cost of gas forecast for purchases

and deliveries in the month? Would this not constitute a more accurate reflection of the cost of the commodity at the time that it is consumed by the customer? If not, why not?