



**uniongas**

A Spectra Energy Company

September 5, 2007

Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

**Re: Multi-Year Incentive Rate Regulation for Natural Gas Utilities  
EB-2007-0606**

Dear Ms. Walli:

Enclosed, please find:

- Exhibit C13.11 CORRECTED

Yours truly,

[original signed by]

Connie Burns, CMA, PMP  
Manager, Regulatory Initiatives

Enclosure

cc: All Intervenors  
Michael Penny, Torys

UNION GAS LIMITED

Answer to Interrogatory from  
Industrial Gas Users Association ("IGUA")

Reference: Ex. B, Tab 1, page 12 of 48

*Issue 14 - Adjustments to Base Year Revenue Requirements and/or Rates*

*14.1 - Are there adjustments that should be made to base year revenue requirements and/or rates?*

*14.2 - If so, how should these adjustments be made?*

**Question:**

*Union proposes that its current board approved weather forecasting methodology be changed from the 55% 30-year average and 45% 20-year declining trend blended method ("55/45 Blend") to the 20-year declining trend.*

- a) Please provide, in a chart, the degree day forecast for the 2007 Base Year calculated by the following methods: the 55/45 blend, the 20-year declining trend method, the naïve method, the 10-year moving average method, the 20-year moving average method, the DeBeaver method, and the DeBeaver with trend method.*
- b) For each of the methods set out in (b), please set out the estimated adjustment to the rate base that would result from Board approval.*

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**Response:**

a) and b)

Union Gas Franchise Area - Weather Normal Estimates  
Year 2007

Line No.	Normal Method	Southern Operations Area			Northern & Eastern Operations Area		
		HDD	Difference	General Service Rate Impacts (\$)	HDD	Difference	General Service Rate Impacts (\$)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Blended 55:45	3,822	-	-	5,090	-	-
2	20 Year Declining Trend	3,705	(117)	4,000,954	4,931	(159)	2,195,741
3	Naïve (Actual 2004)	3,786	(36)	1,230,780	5,148	58	(800,964)
4	10 Year Moving Average	3,773	(49)	1,675,170	5,051	(39)	538,579
5	20 Year Moving Average	3,838	16	(547,502)	5,154	64	(883,822)
6	Leo de Bever	3,888	66	(2,257,229)	5,184	94	(1,298,114)
7	Energy Probe (LdeB w/trend)	3,803	(19)	650,485	5,096	6	(82,858)

Question: August 23, 2007

Answer: September 5, 2007 - CORRECTED

Docket: EB-2007-0606 / EB-2007-0615