

INTERROGATORIES FOR UNION GAS - EB- 2010-0039

FROM THE CONSUMERS COUNCIL OF CANADA

RE: 2009 Earnings Sharing & Disposition of Deferral Account and Other Balances

1. (A/T1/p. 2) Union has indicated that the average historical impact of not truing up deferral account balances has been \$320,000 to the benefit of the ratepayer. Please provide the variance in each year since the IRM has been in place. What are the challenges for Union in terms of truing up the balances? Why shouldn't the actual balances be cleared?
2. (A/T1/pp. 5-8) For each of the storage services please provide a detailed explanation as to why the balances are significantly above the Board approved levels . Specifically how did Union earn \$22.8 million on Short-term Services and \$50.9 million in Long-term Peak Services?
3. (A/T1/p. 12) Please explain to what extent the amounts in the DSMVA are affected by the outcome of the 2009 DSM Audit process.
4. (A/T1/P. 20) Please provide a detailed breakdown of each element of the IFRS Conversion costs for 2008 and 2009.
5. (A/T4) In determining the cost allocation methodology to be applied to Union's regulated and unregulated storage businesses did Union retain an independent consultant to assist with the study? If so, please provide copies of any reports prepared by the consultants. If not, why not?
6. (A/T4/p. 15) Please provide a detailed breakdown of each of the cost elements in Table 3 (Unregulated Storage O&M by Activity) For example, for Storage Operations please list all elements of that budget and the costs associated with those elements. Please include all assumptions.