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December 1, 2011

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-2011-0327 - Interrogatories of London Property Management Association

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

Sincerely,

Randy Aiken

Randy Aiken
Aiken & Associates

Encl.

cc: Marian Redford, Union Gas Limited (e-mail)

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an application by Union Gas
Limited seeking approval of its 2012-2014 Demand Side
Management plan.

INTERROGATORIES OF THE
LONDON PROPERTY MANAGEMENT ASSOCIATION

Interrogatory # 1

Ref: Exhibit A, pages 15 & 16

Please update Table 1 to reflect the Q3, 2011 GDP-IPI inflation factor.

Interrogatory # 2

Ref: Exhibit A, pages 17 & 18

Union proposes to allocate the low-income DSM budget to rate classes in proportion to the most recent Board-approved allocation of rate base. Table 2 shows this allocation.

- a) Would any DSM incentive arising from the low-income DSM programs be allocated using the same methodology? If not, please explain the allocation of the incentive.
- b) Did Union consider any other allocation methodologies, such as distribution revenue? If not, why not?
- c) How are income taxes allocated to rate classes?
- d) Please provide a table, similar to Table 2, but only including the total low-income DSM budget (including inflation) that shows the allocation to rate classes based on rate base and distribution revenues.

Interrogatory # 3

Ref: Exhibit A, pages 22 & 23

- a) What evidence does Union have of the relationship between funding above the DSM budget with the increase above the target?
- b) What evidence does Union have that would suggest that increases above the target are only associated with an increase in spending over and above the DSM budget?
- c) Is Union's proposal consistent with the Guidelines which indicate that performance will be evaluated using balanced scorecards? Please explain.
- d) Please explain how Union determined that a multiplier of 1.25 was appropriate in relation to the 15% maximum above the DSM budgets?
- e) Please provide a comparison for each of the relevant scorecards between that proposed by Union and those proposed by Enbridge in EB-2011-0295 in terms of how the targets have been set for the 50% and 150% levels, along with the weights applied to each target.

Interrogatory # 4

Ref: Exhibit A, page 24

Is there a correlation between the number of deep measures and the cumulative natural gas savings? Is this relationship elastic or inelastic? In other words, if the number of deep measures increases by 1%, does the cumulative natural gas savings increase by more or less than 1%?

Interrogatory # 5

Ref: Exhibit A, page 25

Does the percentage of customers participating metric result in Union overemphasizing number of participants rather than emphasizing deep measure savings at a lower number of participants? If not, why not?

Interrogatory # 6

Ref: Exhibit A, page 40 & Table 3

- a) Is the eligibility to access the incremental 15% above the Board-approved DSM budget noted at line 13 related to the overall DSM budget or to the individual budgets for resource acquisition, low-income, and market transformation budgets shown in Table 3 on page 19?

b) If the resource acquisition scorecard has achieved its overall target of 100% on a pre-audited basis but the other scorecards have not met their targets, and Union is eligible to access the incremental 15% above its Board-approved budget, could this additional expenditures be spent on only resource acquisition programs, or could additional amounts be spent on market transformation and/or low-income programs, despite neither of these programs meeting their targets?

Interrogatory # 7

Ref: Exhibit A, page 41, Schedule 2

Please provide a version of Schedule 2 that includes costs associated with the DSM incentive, assuming that the full incentive of \$10.45 is achieved, and allocated to rate classes based on the DSM budgets as proposed by Union.