

REF: EX. A. Pages 11, 12; Ex. A., Appendix A, Section 1.2; Ex. A., Appendix G, Figure 1 and Table 2

Preamble: Lines 20 of page 11 to line 6 of page 12 state:

"To ensure the development and promotion of a Program that is of value to this customer group, Rate T1 and Rate 100 customers were asked for their input on Union's Large Industrial Rate T1/Rate 100 Program proposals. The input received from customers is consistent with proposed Program, focusing on operating and maintenance optimization incentives and process improvement studies. Respondents have indicated that they want Union to provide targeted energy management programs with experienced technical resources and support for energy efficiency initiatives. Project Managers understand the customers' production processes and equipment and, as a result, Union is able to provide not only technical expertise but business case support for energy efficiency projects that would otherwise not be considered"

1) T1/Rate 100 Program

- a) Please provide a cross-tabulation of the respective support levels of the combined T1 and Rate 100 customers in Figure 1 and the desired programs of Table 2 that provides the data on the desired programs for each classes that that have varying support levels (e.g., of those that fully support including funding, what percentage desired each of the program categories).
- b) With reference to the data in the cross-tabulated table from a) above, please explain Union's move away from equipment incentives to offset capital costs.
- c) With reference to the data, please explain Union's choice of program as being aligned with feedback from the customer class.

REF: EX. A., Page 22 and 23, Tables 4, 5 and 6

Preamble: Lines 19 of page 22 to line 3 of page 23 state:

"Union considered that it would only be reimbursed up to a maximum of 15% above its DSM budget for a given year via the DSM Variance Account. Union therefore established the multiplier for the 150% target level as 1.25 (150% target = 100% target × 1.25). Within this structure Union must achieve a 25% increase above the target with funding of only 15% above the DSM budget. Therefore, Union is challenged to drive increased participation above the 100% scorecard target level."

- 2) Establishment of the 150% target at 125%
 - a) Please provide the supporting analytics that derived the 100% target.
 - b) Please provide the range of error that Union estimates would be expected in each of the forecasted inputs to the analytical derivation of the 100% target.
 - c) What would the resulting range of error be, statistically, for the 100% target?

REF: EX. A., Page 28, Table 6, Appendix A, Section 1.3

- 3) Low-Income Scorecard - Multi-family Deep Measures
 - a) From Union Gas' customer data bases, what percentage of multi-unit residential buildings are deemed Social and Assisted Housing Multi-Family?
 - b) What market barriers has Union identified to providing DSM to privately-owned multi-unit residential buildings?
 - c) To the extent that Union desired to access the opportunity for Low-income customers residing in privately-owned, bulk-metered multi-unit residential buildings to benefit from Low-income initiatives, what changes in eligibility criteria would Union propose?
 - d) Has Union studied other jurisdictions that are providing Low-income DSM to Low-income customers in privately-owned, bulk-metered multi-unit residential buildings?
 - i) If so, beyond the eligibility criteria, what other barriers would need to be overcome to access this opportunity?
 - ii) If not, why not?

REF: EX. A. Page 31

Preamble: Lines 12 to 13 state:

"The builder metric is required to ensure a significant proportion of the production builders in Union's franchise area (defined as those that build a minimum of 50 housing starts per year) are enrolled in the Program. This will ensure the building practices promoted by the Program result in widespread change in builder practices."

- 4) New Home Efficiency Program
 - a) How many builders in Union's franchise area build a minimum of 50 housing starts per year?
 - b) Has Union surveyed those builders to determine their level of interest?
 - i) If so, what were the results?

- c) Does Union have any of these builders signed up to any expression of interest/agreements to build prototypes 15% above the efficiency standard in the 2012 OBC (pending approval of the program)?
- d) Beyond services, is Union providing any offer financial incentives to the builders during the market transformation phase?

REF: EX. A., page 37

5) Escalation of Incentive

- a) What is Union relying on to propose the appropriateness of the stated escalation?

REF: EX. A., page 40,41; Table 2

6) Rate Impacts

- a) From Union's data bases, please provide an approximate percentage of volumes consumed by multi-unit residential buildings for each of the lower volume rate classes?
- b) Given Union's response to 3a) above, please provide the estimated contribution to costs of privately-owned, multi-unit residential buildings for:
 - i) all DSM programs?
 - ii) Low-income DSM programs?

REF: EX. A., Page 41

Preamble: Lines 22 to 24 state:

"The bill impact for a typical residential customer consuming 2,600 m3 per year in the Southern Operations area will be \$3-4 per year. The bill impact for a typical residential customer consuming 2,600 m3 per year in the Northern & Eastern Operations area will be \$7-8 per year."

7) Bill Impacts

- a) Since the volumes used to compare the bill impacts of the South and Northern & Eastern areas are the same, please provide the drivers that contribute to a doubling of the bill impacts for the Northern & Eastern customers.