

Aiken & Associates

578 McNaughton Ave. West
Chatham, Ontario, N7L 4J6

Phone: (519) 351-8624

E-mail: randy.aiken@sympatico.ca

May 18, 2012

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

Dear Ms. Walli:

RE: EB-2012-0087 - Interrogatories of London Property Management Association

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

Sincerely,

Randy Aiken

Randy Aiken
Aiken & Associates

Encl.

cc: Chris Ripley 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 for an order or orders amending or varying the rate or
rates charged to customers as of October 1, 2012.

INTERROGATORIES OF THE
LONDON PROPERTY MANAGEMENT ASSOCIATION

Interrogatory #1

Ref: Exhibit A, Tab 1, page 3

Please explain why the amount collected in rates in Union North was less than the amount included in the 2011 Board-approved rates while the amount collected in Union South was higher than the amount included in the 2011 Board-approved rates. Is the difference related solely to the difference in volumes between actual and forecasted?

Interrogatory #2

Ref: Exhibit A, Tab 1, Figure 2

The actual sale shown in Figure 2 in August, 2011 appears to be significantly below the market price. Please confirm that the sale of this storage was not to an affiliate and that it was not related to any agreement between the purchaser(s) and any affiliate of Union Gas.

Interrogatory #3

Ref: Exhibit A, Tab 1, page 25

a) Please identify the OM&A purchases that were previously exempt and for which tax credits are now restricted that resulted in the 2011 tax cost of \$0.715 million.

b) Please confirm that the increased compressor fuel cost of \$0.754 million does not include any fuel used for non-regulated activities.

Interrogatory #4

Ref: Exhibit A, Tab 2

Is the calculation of utility earnings and earnings sharing consistent with the methodology used to calculate to the 2010 earnings sharing in EB-2011-0038? If not, please explain any differences.

Interrogatory #5

Ref: Exhibit A, Tab 2, page 3

Please show the calculation of the benchmark return on equity of 8.10%.

Interrogatory #6

Ref: Exhibit A, Tab 2, pages 8-9

- a) What is Union's normalized actual return on equity for 2011?
- b) At what level would the X factor have had to been in 2011 to result in a normalized return on equity equal to the benchmark ROE of 8.10%?

Interrogatory #7

Ref: Exhibit A, Tab 3

- a) Are all of Union's allocation proposals consistent with the most recent approved allocation methodology for each account? If not, or if some accounts have not been approved for disposal before now, please provide details.
- b) Did Union consider other alternatives than those shown for the allocation of any accounts that have not previously been approved by the Board? If yes, please provide the alternatives considered and the reasons they were rejected in favour of the proposals.

Interrogatory #8

Ref: Exhibit A, Tab 1, Schedule 6

- a) Please provide the calculations and all assumptions used in the calculation of the demand related costs for the return, depreciation and income taxes shown for 2011.
- b) Please explain why each of the demand related costs shown for 2011 are the same as for 2010.

Interrogatory #9

Ref: Exhibit A, Tab 1, Schedules 6 and 7

Please explain why the total demand related costs shown on Schedule 6 at line 13 are labelled as O&M costs on Schedule 7 at line 5.

Interrogatory #10

Ref: Exhibit A, Tab 1, Schedule 7

a) Please show the impact on the calculation of the excess for 2011 of (7,930) if the Board approved figure of \$15,829 is reduced to reflect the removal of the 21% non-utility share built into base rates.

b) What is the impact on the ratepayer portion of the calculation in part (a)?