

BOARD STAFF INTERROGATORIES

UNION GAS LIMITED 2013 RATES EB-2011-0210 TRANSCANADA EVIDENCE

Interrogatory #1

Ref: TransCanada Evidence

Preamble: TransCanada listed the following four options as alternatives that would meet Union's requirements at Parkway in an LCU situation:

1. Union can contract for TransCanada's Short Term Firm Transportation Service (STFT) from Empress to Union CDA, thus securing LCU protection at Parkway;
2. Existing TransCanada compression facilities can be moved to the TransCanada system at Parkway in order to provide Union with LCU protection;
3. TransCanada can move existing compression facilities to transport gas from Kirkwall to Parkway in order to provide Union with LCU protection; or
4. The TransCanada and GLGT systems can be used to transport gas from Dawn to Parkway as required.

Questions / Requests:

- a) Where not previously provided, please provide an estimate of cost savings resulting from the options recommended by TransCanada as compared to Union's LCU proposal.
- b) Please discuss which option TransCanada most strongly recommends and provide the rationale.

Interrogatory #2

Ref: TransCanada Evidence

Preamble: TransCanada noted that Union has proposed major capital expenditures for compression facilities at TCPL (Parkway), citing the reliability of service into the TransCanada system as the reason for these facilities. Union also proposed major capital expenditures for a duplicate tie-in to the Enbridge Gas Distribution system at Parkway, again citing the reliability of service as the rationale for these expenditures.

TransCanada noted that it is prepared to work with Union to develop alternative options to those suggested by Union which would address Union's reliability concerns at lower

overall costs. TransCanada stated that until this consultation takes place, Union and the Board, cannot have confidence that the best solution for Ontario gas consumers is being proposed.

Questions / Requests:

- a) Please confirm that TransCanada is suggesting that the Board delay a decision on the noted capital projects at this time.
- b) When does TCPL propose that this consultation be held and when would the results / proposals from the consultation be provided to the Board? Would this consultation be between Union and TransCanada only, or would other interested parties be invited to join the discussion?
- c) Has TransCanada ever undertaken discussions/negotiations with interested parties in developing its capital expenditure plans? If so, please provide examples of the nature and the results of those discussions.