Union Gas Limited – 2013 Rates Rebasing

EB-2011-0210

BOMA Technical Conference Questions

Parkway Panel

<u>JB.1-1-2(a)</u>

- (a) You stated in the IR reply that Union owned and operated "custody transfer measurement" at the interconnections with Enbridge at Parkway and Lisgar, and that Union owned and operated "check measurement" at the interconnection with TCPL. Can you explain the two types of measurement systems, comparing:
 - Their physical configurations.
 - The purpose of the measurement equipment.
 - Cost.
 - The extent to which they satisfy requirements of the Weights and Measures Act; other legislation, or regulations.
 - Significance, if any, on what side of compressor station they are located.
 - Their susceptibility to breakdown which would cause an outage.
 - Will the metering facilities for new Parkway West facilities be check measurement or custody transfer measurement, and why?

Please relate comments to the second paragraph of your reply to J.B-1-16-13.

- (b) Please explain the function that "Headers" perform. How do they relate, if at all, to metering facilities. Give examples of where they are used in the gas transmission system. What is the cost range for headers; what are the cost drivers?
- (c) Are all Union's gas transmission lines and distribution mains bi-directional? If not, which ones are? Are additional costs required to make them so? For example, is gas moved physically from Kirkwall/Parkway to Dawn, or is it done by displacement, backhaul?
- (d) Will Union's compressors A and B at Parkway require upgrades to meet environmental standards soon? Please discuss.

JB.1-13-4, Page 5

At (b)(i), you state that a "compressor outage <u>may or may not</u> impact deliveries to either Parkway (Consumers) or Lisgar, as those volumes are delivered from the suction side of Parkway compression. Union does not have any other urban centre as large as the GTA served through similar facilities" (our emphasis).

- (a) Why might Union compressor failures at Parkway impact deliveries to Parkway (Consumers) or Lisgar? In what way could/would they impact?
- (b) What are you intending to convey by the last sentence in the quote? Please explain.

Page 7, (g)(ii)

How will the Parkway West capital expenditures be dealt with for ratemaking? Will it be a separate application in 2014, a Z-factor? Will the Union IRM application propose an IRM requirement that will explicitly accommodate it?