



July 12, 2012

Ontario Energy Board
2300 Yonge Street
Suite 2700
Toronto, Ontario
M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

**RE: EB-2011-0210 – Union Gas Limited – 2013 Rates Application – Day 1
Undertaking Responses**

Dear Ms. Walli,

Please find attached Union's responses to the undertakings from Day 1 of the oral hearing for EB-2011-0210 with the exception of J1.3.

Yours truly,

[original signed by Joanne Trinca for]

Chris Ripley
Manager, Regulatory Applications

cc: Crawford Smith, Torys
EB-2011-0210 Intervenors

UNION GAS LIMITED

Undertaking of Mr. Aiken
To Mr. Gardiner

Please provide percentage of weights on a station-by-station basis.

South HDD Weighting

ACTUAL HEATING DEGREE DAYS (18 C MINUS MEAN TEMPERATURE)

| | Windsor | Sarnia | London | Delhi | Waterloo | Hamilton | Total Company |
|----------------|---------|--------|--------|-------|----------|----------|---------------|
| Weights | 19.6% | 4.9% | 21.5% | 7.9% | 14.9% | 31.2% | 100% |

North HDD Weighting

ACTUAL HEATING DEGREE DAYS (18 C MINUS MEAN TEMPERATURE)

| | Intl. Falls (Manitoba) | Thunder Bay (Western) | KAP (NDA) | Timmins (NDA) | North Bay (NDA) | Sudbury (NDA) | S.S. Marie (S.S. Marie) | Muskoka (Central) | Kingston (Eastern) | Total Company |
|----------------|------------------------------|-----------------------------|--------------|------------------|-----------------------|------------------|----------------------------|----------------------|-----------------------|------------------|
| Weights | 1.3% | 20.0% | 8.9% | 8.9% | 8.9% | 8.9% | 8.3% | 7.9% | 26.8% | 100% |

UNION GAS LIMITED

Undertaking of Mr. Aiken
To Mr. Gardiner

Please provide equation and regression statistics for the forecast of 3,599 degree days for the south region.

Filed in 2013 REGN DATA FILE_Apr30 2012 (Content Sheet Added).xlsx
 in Tab 4 Actual Weather vs Normal

SUMMARY OUTPUT: SOUTHERN FRANCHISE AREA 1991 TO 2010 TREND FOR 2013

| <i>Regression Statistics</i> | |
|------------------------------|--------|
| Multiple R | 33.2% |
| R Square | 11.0% |
| Adjusted R Square | 6.1% |
| Standard Error | 251.00 |
| Observations | 20 |

ANOVA

| | <i>df</i> | <i>SS</i> | <i>MS</i> | <i>F</i> | <i>Significance F</i> |
|------------|-----------|-----------|-----------|----------|-----------------------|
| Regression | 1 | 140,312 | 140,312 | 2.227 | 0.153 |
| Residual | 18 | 1,133,988 | 62,999 | | |
| Total | 19 | 1,274,300 | | | |

| | <i>Coefficients</i> | <i>Standard Error</i> | <i>t Stat</i> | <i>P-value</i> | <i>Lower 95%</i> | <i>Upper 95%</i> |
|-----------|---------------------|-----------------------|---------------|----------------|------------------|------------------|
| Intercept | 32,839.3 | 19,471.415 | 1.687 | 11% | 8,069 | 73,747 |
| Time | - 14.5 | 9.733 | - 1.492 | 15% | 34.974 | 5.923 |

UNION GAS LIMITED

Undertaking of Mr. Aiken
To Mr. Gardiner

Please provide 2013 forecast for commercial old Rate M2 and the industrial Rate M2 consistent with table on page 2 of LPMA compendium.

Normalized Average Consumption by Rate \$ Service Class (m³ / year)
All NACs weather normalized according to the 2013 20Year Declining Trend weather normal

| Line No. | Year | Residential | | Commercial | | | Industrial | | |
|----------|------|---------------------------|----------------|--------------------|----------------|----------------|----------------|----------------|-----------------------|
| | | Rate M2 (a) | Rate 01 (b) | Old Rate M2 (c) | Rate 01 (d) | Rate 10 (e) | Rate M2 (f) | Rate 10 (g) | Rate L.I.B. 10 (h) |
| 1 | 1991 | 2,940 | 3,029 | 18,696 | 10,471 | 104,964 | 73,495 | 273,591 | 2,501,299 |
| 2 | 1992 | 2,883 | 3,001 | 19,003 | 10,229 | 98,717 | 70,265 | 256,959 | 2,708,373 |
| 3 | 1993 | 2,830 | 2,914 | 18,416 | 10,000 | 98,246 | 74,784 | 269,677 | 2,933,314 |
| 4 | 1994 | 2,753 | 2,876 | 17,670 | 9,716 | 102,248 | 74,559 | 287,596 | 1,101,389 |
| 5 | 1995 | 2,782 | 2,810 | 17,799 | 9,510 | 104,512 | 73,905 | 270,517 | 1,315,339 |
| 6 | 1996 | 2,792 | 2,751 | 18,438 | 9,480 | 102,112 | 75,488 | 288,617 | 1,223,738 |
| 7 | 1997 | 2,760 | 2,741 | 18,222 | 9,454 | 99,958 | 78,169 | 242,400 | 968,749 |
| 8 | 1998 | 2,725 | 2,624 | 17,533 | 8,196 | 94,729 | 78,078 | 158,054 | 830,471 |
| 9 | 1999 | 2,689 | 2,646 | 17,572 | 7,959 | 87,960 | 82,876 | 178,165 | 982,337 |
| 10 | 2000 | 2,701 | 2,762 | 17,277 | 9,102 | 101,632 | 74,280 | 194,437 | 998,704 |
| 11 | 2001 | 2,598 | 2,575 | 17,074 | 8,794 | 91,677 | 82,091 | 204,217 | 835,453 |
| 12 | 2002 | 2,585 | 2,573 | 17,126 | 8,626 | 95,897 | 84,076 | 231,508 | 834,090 |
| 13 | 2003 | 2,535 | 2,584 | 17,052 | 8,693 | 91,545 | 83,026 | 267,897 | 877,057 |
| 14 | 2004 | 2,464 | 2,468 | 16,649 | 8,320 | 90,208 | 78,036 | 224,118 | 949,805 |
| 15 | 2005 | 2,386 | 2,417 | 16,133 | 8,126 | 88,468 | 82,054 | 245,088 | 908,018 |
| 16 | 2006 | 2,407 | 2,396 | 16,608 | 7,695 | 87,033 | 79,135 | 220,599 | 881,745 |
| 17 | 2007 | 2,392 | 2,384 | 16,324 | 7,949 | 91,365 | 81,102 | 253,843 | 889,643 |
| 18 | 2008 | 2,362 | 2,379 | 16,851 | 8,465 | 106,559 | 80,445 | 280,730 | 914,299 |
| 19 | 2009 | 2,290 | 2,328 | 16,526 | 8,350 | 105,374 | 75,122 | 310,569 | 872,901 |
| 20 | 2010 | 2,284 | 2,268 | 16,182 | 8,314 | 111,416 | 67,057 | 310,317 | 938,636 |
| 21 | 2011 | 2,264 | 2,269 | 17,213 | 8,580 | 124,714 | 73,561 | 372,911 | 1,074,867 |
| 22 | 2012 | 2,199 | 2,211 | 16,273 | 8,257 | 119,987 | 76,344 | 335,572 | 1,068,018 |
| 23 | 2013 | 2,148 | 2,160 | 16,077 | 8,153 | 120,442 | 76,058 | 336,471 | 1,108,624 |
| | | <i>forecast estimates</i> | | | | | | | |

UNION GAS LIMITED

Undertaking of Mr. Wolnik
To Ms. Van Der Paelt

To advise associated revenue for contract demand at Thunder Bay Generation plant.

| | |
|--------------------------------|-----------------------------|
| Contract Demand: | 1,880,000 m ³ /d |
| Interruptible Contract Demand: | 376,000 m ³ /d |
| Annual Revenue Forecast: | \$2.815 million |

UNION GAS LIMITED

Undertaking of Mr. Wolnik
To Ms. Van Der Paelt

To reconcile change in volume due to MAV reductions compared to J.C-3-13-1 that shows no reduction.

Below is a revised table from part b) ii) of J.C-3-13-1 to correct a change in Rate 25 MAV contract parameters and reconcile to the Northern NUG revenue reduction referenced in J.C-3-2-2.

| <u>10³ m³</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <i>R100</i> | 789,479 | 789,479 | 789,479 | 789,479 | 789,479 | 789,479 | 789,479 |
| <i>R20</i> | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| <i>R25</i> | 8000 | 8000 | 8000 | 8000 | 4,500 | 4,500 | 4,500 |
| <i>TI</i> | 1,240,997 | 1,240,997 | 1,256,837 | 1,256,837 | 1,256,837 | 1,256,837 | 1,256,837 |

Rate 25 MAV reduced June 1, 2011 as a result of revised contractual parameters for a specific customer.

UNION GAS LIMITED

Undertaking of Mr. Wolnik
To Ms. Van Der Paelt

To provide representing fuel, storage and overrun for the years 2010 through 2013 as referenced in J.C-3-13-1, Table (B) (II) (should be JT1.1).

Power Customer Revenue

| <u>Component</u> (\$ million's) | <u>2010</u> <u>Actuals</u> | <u>2011</u> <u>Actuals</u> | <u>2012</u> <u>Forecast</u> | <u>2013</u> <u>Forecast</u> |
|---------------------------------|-------------------------------|-------------------------------|--------------------------------|--------------------------------|
| Commodity | 4.8 | 4.9 | 4.0 | 3.9 |
| Demand | 21.2 | 21.0 | 21.0 | 21.0 |
| Delivery Overrun | 0.3 | 0.6 | 0.0 | 0.0 |
| Storage | 2.4 | 2.4 | 2.3 | 2.3 |
| Storage Overrun | 0.2 | 0.1 | 0.0 | 0.0 |
| Customer Supplied Fuel | 2.2 | 2.5 | 1.4 | 1.3 |
| MAV | 0.8 | 0.9 | 0.7 | 0.7 |
| Fixed Charges | <u>0.3</u> | <u>0.3</u> | <u>0.3</u> | <u>0.3</u> |
| Total | 27.4 | 27.8 | 25.7 | 25.6 |
| Total Power Revenue | <u>32.2</u> | <u>32.7</u> | <u>29.7</u> | <u>29.5</u> |

UNION GAS LIMITED

Undertaking of Mr. Wolnik
To Ms. Van Der Paelt

To confirm start time of overrun charges.

The Billing Contract Demand parameter for Halton Hills Generating Station is 1,374,000 m³/hr with a peak hourly flow parameter of 145,000 m³/hr. Operating at 100% load factor, overrun charges would commence after approximately 9.5 hours of operation.