

August 1, 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 –  
Undertaking Responses**

Dear Ms. Walli,

Please find attached Union's responses to the following undertakings of the EB-2011-0210 proceeding.

J6.5, J7.13, J10.2, J10.3, J10.4, J10.5, J11.1, J11.2, J11.3, J11.4, J11.5, J11.6, J11.11, J12.2, J12.5, and J12.6,

Yours truly,

*[original signed by]*

Chris Ripley  
Manager, Regulatory Applications

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

UNION GAS LIMITED

Undertaking of Ms. Cameron  
To Mr. Quinn

Please advise where Union directed annualized assignment of gas for each month between November 2009 and March 2012; to multiply the demand charge to the Eastern Zone versus where the gas was directed, and to advise the difference in cost between those places for any of those months; and if there is a difference, if any of the Eastern Zone gas has been directed to another zone, to provide the difference in demand charge between the respective zones, and to multiply that by the number of units delivered for that month.

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The attachment provides the contracted delivery areas applicable to annual capacity assignments of Empress to EDA transportation.

In all months, Union purchased supplies at Empress on behalf of sales services customers. Union also met the custom requirements in each delivery areas as planned.

With respect to capacity assignments, Union arranged for delivery of the gas supplies to another location in its franchise having regard to customer need and gas supply planning. For example, in November 2009, the EDA capacity was used to serve Union's WDA.

The net value of this transaction represents the difference in demand charges between the Empress to EDA toll and the toll to the delivery point (for November, 2009 the delivery point was Empress to WDA), as shown in Column M. The actual value Union received for this transaction, net of incremental costs, is shown in Column N. The transactions using Empress to EDA capacity are a subset of the optimization of Eastern Zone capacity as described in J7.6. The net proceeds represent regulated revenue and were dependent upon the RAM program.

Even with the change in the delivery point, Union met all the demands in the EDA. Using November 2009 as an example, the deliveries of 20,000 GJ/d to the WDA reduced the need for STS withdrawals from Dawn to Union WDA. This resulted in incremental gas supplies of 20,000 GJ/d at Dawn. These additional gas supplies at Dawn were delivered to the EDA using STS withdrawals from Dawn to Union. This series of transactions facilitated the transfer of gas supplies from WDA to Dawn to EDA and met the consumption requirements in the EDA.

Empress to EDA Annual Capacity Assignments

													(m)	(n)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)		Difference in Demand Charges (\$000's)	Net Proceeds* (\$000's)
Redelivery Point (GJ/d)				Demand Charge (\$/GJ/mo)				Demand Charge (\$000's)						
WDA	NDA	SWDA (Dawn)	TOTAL	WDA	NDA	SWDA (Dawn)	EZ (EDA)	WDA	NDA	SWDA (Dawn)	EZ (EDA)			
Nov-09	20,000		20,000	\$ 16.70445	\$ 25.63374	\$ 28.08670	\$ 33.37571	\$ 334	\$ -	\$ -	\$ 668		\$333	\$76
Dec-09	20,000		20,000	\$ 16.70445	\$ 25.63374	\$ 28.08670	\$ 33.37571	\$ 334	\$ -	\$ -	\$ 668		\$333	\$69
Jan-10	20,000		20,000	\$ 23.79107	\$ 36.72520	\$ 39.79320	\$ 47.77094	\$ 476	\$ -	\$ -	\$ 955		\$480	(\$87)
Feb-10	20,000		20,000	\$ 23.79107	\$ 36.72520	\$ 39.79320	\$ 47.77094	\$ 476	\$ -	\$ -	\$ 955		\$480	(\$28)
Mar-10	20,000		20,000	\$ 23.79107	\$ 36.72520	\$ 39.79320	\$ 47.77094	\$ 476	\$ -	\$ -	\$ 955		\$480	(\$32)
Apr-10		20,000	20,000	\$ 23.79107	\$ 36.72520	\$ 39.79320	\$ 47.77094	\$ -	\$ -	\$ 796	\$ 955		\$160	\$234
May-10		20,000	20,000	\$ 23.79107	\$ 36.72520	\$ 39.79320	\$ 47.77094	\$ -	\$ -	\$ 796	\$ 955		\$160	\$241
Jun-10		20,000	20,000	\$ 23.79107	\$ 36.72520	\$ 39.79320	\$ 47.77094	\$ -	\$ -	\$ 796	\$ 955		\$160	\$238
Jul-10		20,000	20,000	\$ 23.79107	\$ 36.72520	\$ 39.79320	\$ 47.77094	\$ -	\$ -	\$ 796	\$ 955		\$160	\$242
Aug-10		20,000	20,000	\$ 23.79107	\$ 36.72520	\$ 39.79320	\$ 47.77094	\$ -	\$ -	\$ 796	\$ 955		\$160	\$238
Sep-10		20,000	20,000	\$ 23.79107	\$ 36.72520	\$ 39.79320	\$ 47.77094	\$ -	\$ -	\$ 796	\$ 955		\$160	\$240
Oct-10		20,000	20,000	\$ 23.79107	\$ 36.72520	\$ 39.79320	\$ 47.77094	\$ -	\$ -	\$ 796	\$ 955		\$160	\$242
Subtotal: Impact of Annual Capacity Assignment (\$000's):													\$3,223	\$1,674
Nov-10	10,000	10,000	20,000	\$ 23.79107	\$ 36.72520	\$ 39.79320	\$ 47.77094	\$ 238	\$ 367	\$ -	\$ 955		\$350	\$168
Dec-10	10,000	10,000	20,000	\$ 23.79107	\$ 36.72520	\$ 39.79320	\$ 47.77094	\$ 238	\$ 367	\$ -	\$ 955		\$350	\$120
Jan-11	10,000	10,000	20,000	\$ 23.79107	\$ 36.72520	\$ 39.79320	\$ 47.77094	\$ 238	\$ 367	\$ -	\$ 955		\$350	\$176
Feb-11	10,000	10,000	20,000	\$ 23.79107	\$ 36.72520	\$ 39.79320	\$ 47.77094	\$ 238	\$ 367	\$ -	\$ 955		\$350	\$115
Mar-11	10,000	10,000	20,000	\$ 32.29092	\$ 49.65158	\$ 53.88793	\$ 63.84842	\$ 323	\$ 497	\$ -	\$ 1,277		\$458	\$197
Apr-11		20,000	20,000	\$ 32.29092	\$ 49.65158	\$ 53.88793	\$ 63.84842	\$ -	\$ -	\$ 1,078	\$ 1,277		\$199	\$191
May-11		20,000	20,000	\$ 32.29092	\$ 49.65158	\$ 53.88793	\$ 63.84842	\$ -	\$ -	\$ 1,078	\$ 1,277		\$199	\$204
Jun-11		20,000	20,000	\$ 32.29092	\$ 49.65158	\$ 53.88793	\$ 63.84842	\$ -	\$ -	\$ 1,078	\$ 1,277		\$199	\$196
Jul-11		20,000	20,000	\$ 32.29092	\$ 49.65158	\$ 53.88793	\$ 63.84842	\$ -	\$ -	\$ 1,078	\$ 1,277		\$199	\$203
Aug-11		20,000	20,000	\$ 32.29092	\$ 49.65158	\$ 53.88793	\$ 63.84842	\$ -	\$ -	\$ 1,078	\$ 1,277		\$199	\$209
Sep-11		20,000	20,000	\$ 32.29092	\$ 49.65158	\$ 53.88793	\$ 63.84842	\$ -	\$ -	\$ 1,078	\$ 1,277		\$199	\$203
Oct-11		20,000	20,000	\$ 32.29092	\$ 49.65158	\$ 53.88793	\$ 63.84842	\$ -	\$ -	\$ 1,078	\$ 1,277		\$199	\$197
Subtotal: Impact of Annual Capacity Assignment (\$000's):													\$3,253	\$2,179
**Nov-11			-	\$ 32.29092	\$ 49.65158	\$ 53.88793	\$ 63.84842	\$ -	\$ -	\$ -	\$ -		\$0	\$0
Dec-11			-	\$ 32.29092	\$ 49.65158	\$ 53.88793	\$ 63.84842	\$ -	\$ -	\$ -	\$ -		\$0	\$0
Jan-12			-	\$ 32.29092	\$ 49.65158	\$ 53.88793	\$ 63.84842	\$ -	\$ -	\$ -	\$ -		\$0	\$0
Feb-12			-	\$ 32.29092	\$ 49.65158	\$ 53.88793	\$ 63.84842	\$ -	\$ -	\$ -	\$ -		\$0	\$0
Mar-12			-	\$ 32.29092	\$ 49.65158	\$ 53.88793	\$ 63.84842	\$ -	\$ -	\$ -	\$ -		\$0	\$0

\* Net Proceeds represents net revenue from the capacity release/exchange transaction, less incremental costs incurred as a result of the transaction.

\*\* No annual or seasonal assignments of Empress-EDA capacity were completed for the winter of 2011/2012.

UNION GAS LIMITED

Undertaking of Mr. Thompson  
To Mr. Isherwood

Please provide the impact on revenue requirement if interruptible contracts for services were firm.

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If the M16 interruptible contracts were firm, net transportation revenue would increase by approximately \$0.8 million per year, reducing the revenue deficiency by the same amount. M16 revenues would increase by \$0.9 million. However, the firm M16 transportation contracts would reduce the firm capacity available as C1 St. Clair to Dawn transportation and result in reduced revenues. The reduction in C1 St. Clair to Dawn revenue would be \$0.1 million.

Firm M16 service is not available or practical for all current customers taking interruptible M16 service as service is limited by local market demands or would require significant storage facilities additions (i.e compressor).

UNION GAS LIMITED

Undertaking of Mr. Pankrac  
To Mr. Shepherd

Please compare increase proposed for 2013 for a user with 30,000 and a user with 2,000 cubic meters for Rates 01 and M1.

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Annual General Service Delivery Bill Impacts  
Current Approved vs. 2013 Proposed

Line No.	Particulars (\$)	EB-2010-0359 Current Approved Bill	EB-2011-0210 2013 Proposed Bill	Annual Bill Impacts	
		(a)	(b)	(c) = (b-a) (\$)	(d) = (c/a) (%)
1	Rate 01 @ 2,000 m <sup>3</sup> /year	389.47	440.58	51.11	13.1%
2	Rate 01 @ 30,000 m <sup>3</sup> /year	2,182.14	2,780.82	598.68	27.4%
3	Rate M1 @ 2,000 m <sup>3</sup> /year	311.79	330.38	18.59	6.0%
4	Rate M1 @ 30,000 m <sup>3</sup> /year	1,177.95	1,288.78	110.82	9.4%

In Rate 01, the 2013 average annual volume per customer is 2,678 m<sup>3</sup>. In Rate M1, the 2013 average annual volume per customer is 2,716 m<sup>3</sup>.

As shown at Exhibit H3, Tab 1, Schedule 1, page 1, the average delivery rate change for Rate 01 is 14.9%, while the average delivery rate change for Rate M1 is 4.4%.

Delivery bill impacts at an annual volume of 2,000 m<sup>3</sup> will be similar to the average rate change for the rate class as that volume is similar to the average annual volume per customer.

Delivery bill impacts at an annual volume of 30,000 m<sup>3</sup> will differ significantly from the average rate change for the rate class as that volume is approximately 11 times the average annual volume per customer. Based on 2010 actuals, customers with an annual volume of 30,000 m<sup>3</sup> or more represent approximately 1% of the Rate 01 and Rate M1 rate classes.

UNION GAS LIMITED

Undertaking of Mr. Pankrac  
To Mr. Shepherd

Please provide the analysis done to show customers clustered near the average.

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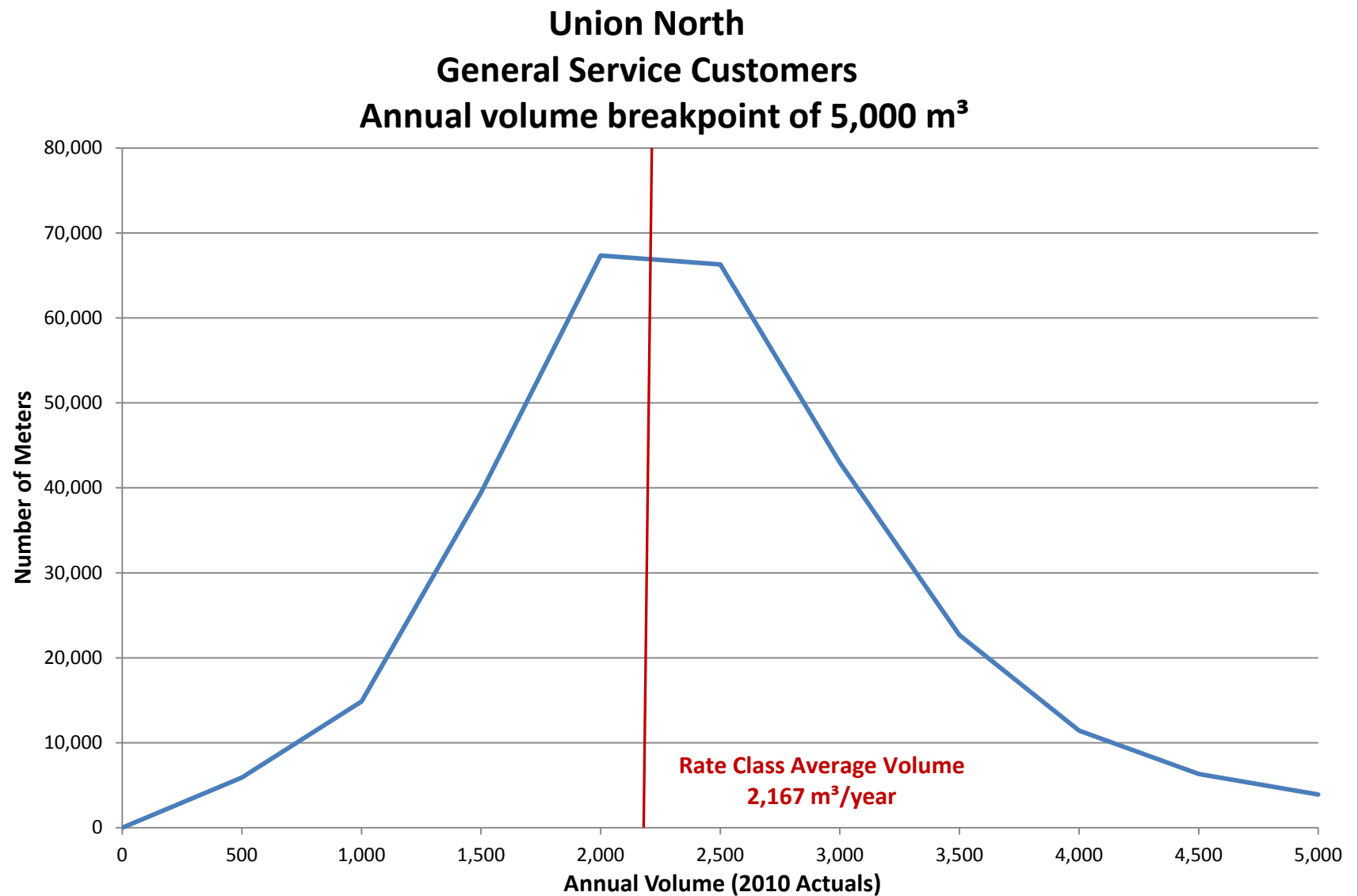
Please see Attachment 1 for Union North General Service Customers and Annual Volume Breakpoint of 5,000 m<sup>3</sup>.

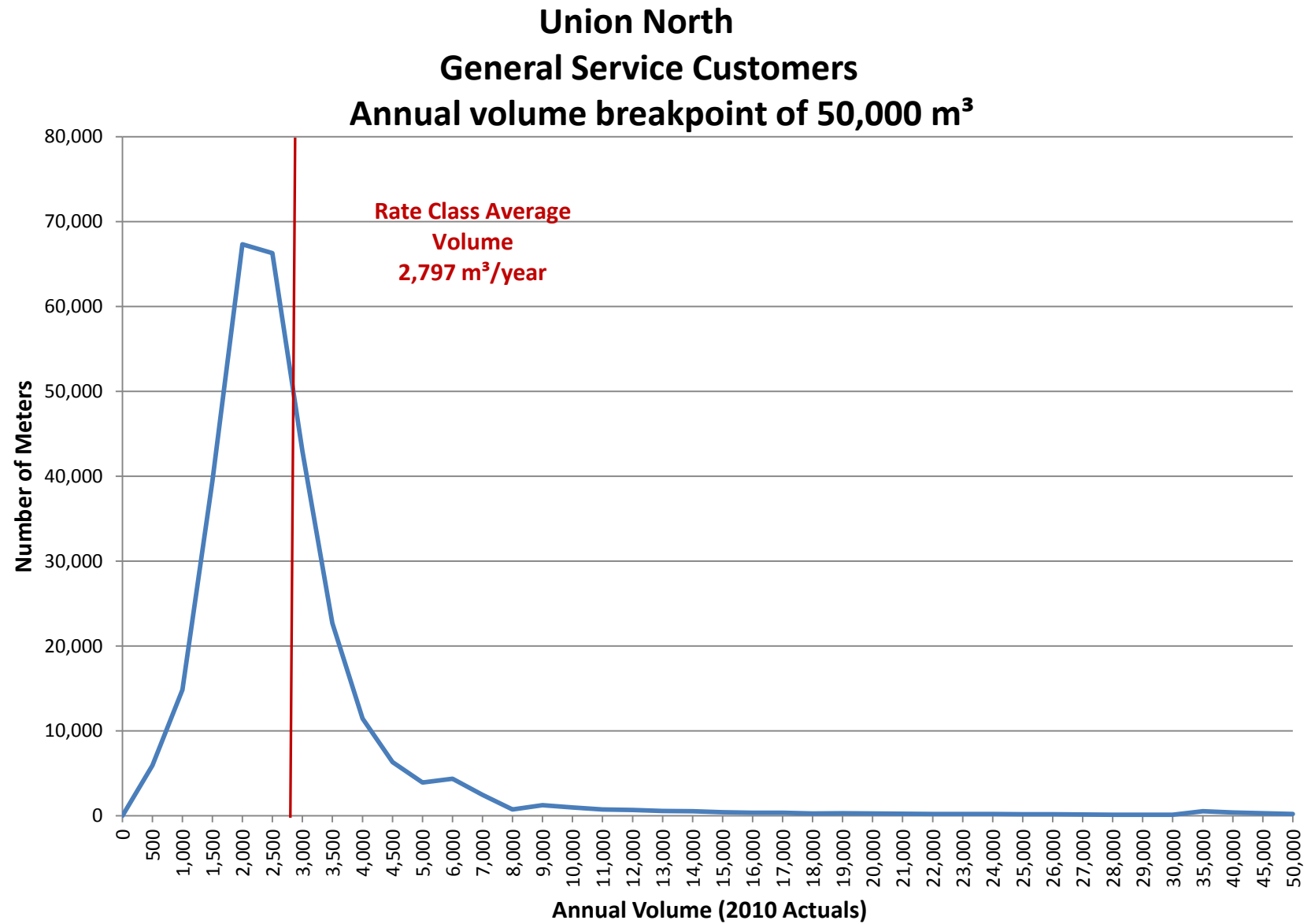
Please see Attachment 2 for Union North General Service Customers and Annual Volume Breakpoint of 50,000 m<sup>3</sup>.

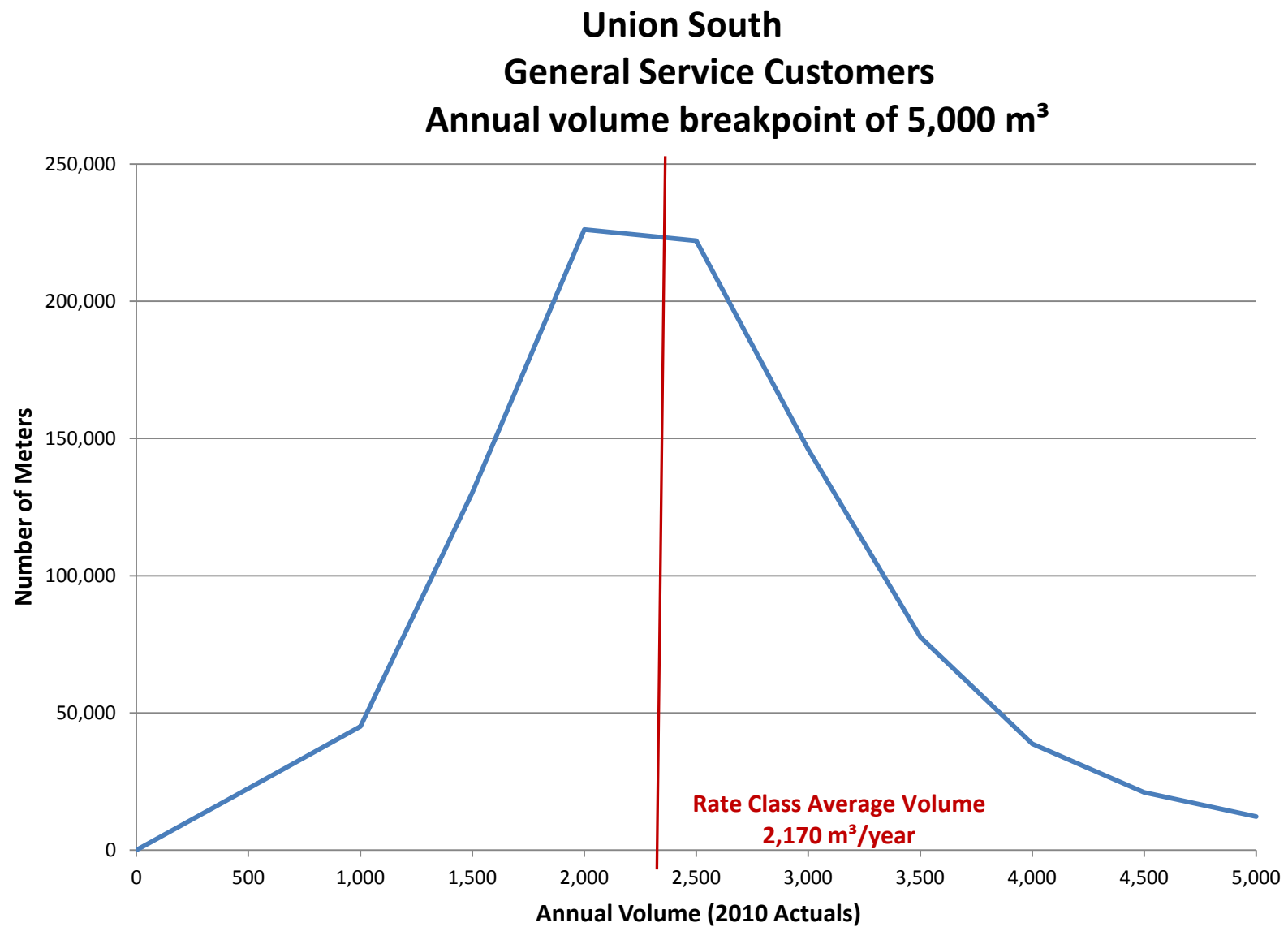
Please see Attachment 3 for Union South General Service Customers Annual Volume Breakpoint of 5,000 m<sup>3</sup>.

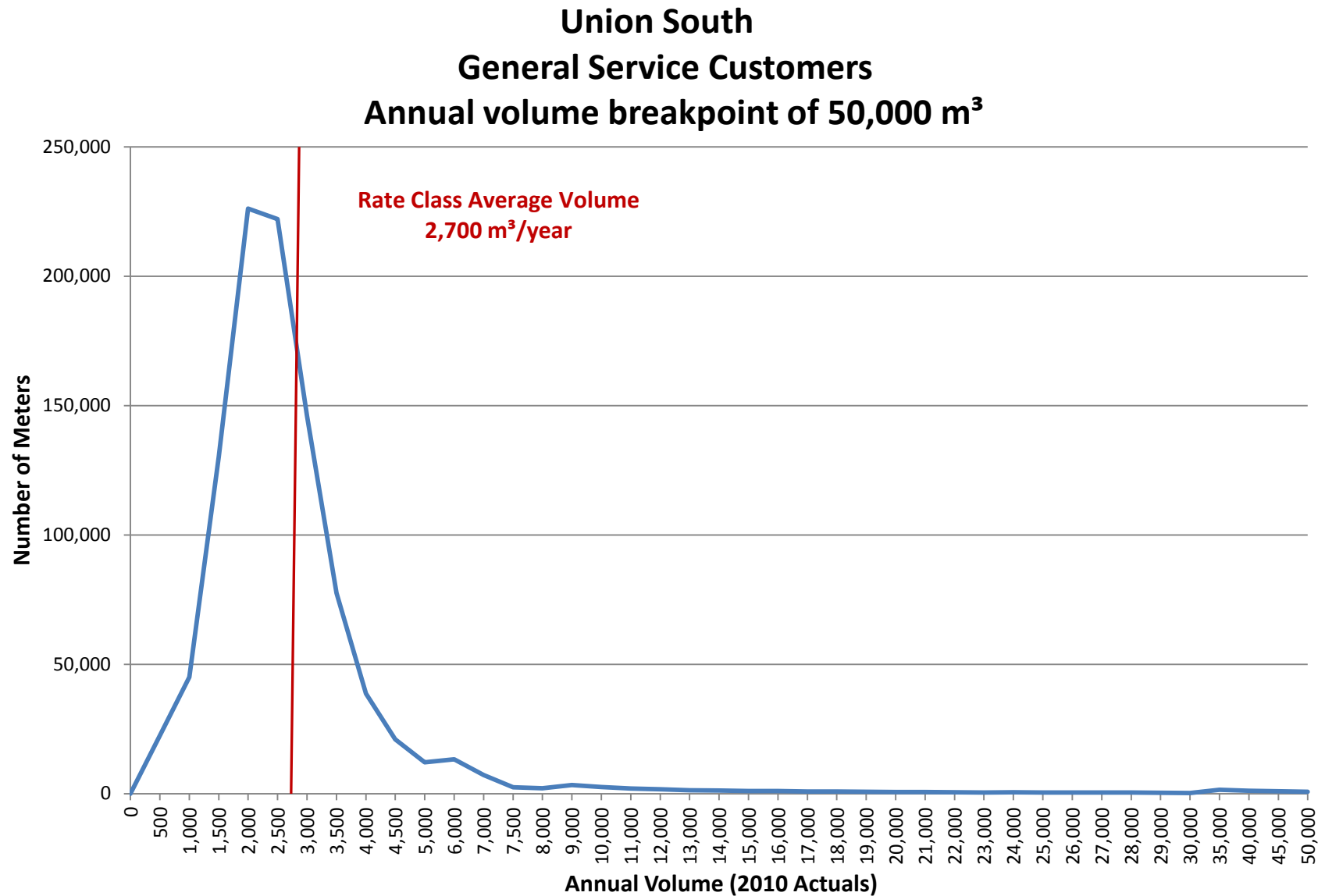
Please see Attachment 4 for Union South General Service Customers Annual Volume Breakpoint of 50,000 m<sup>3</sup>.

The charts attached demonstrate that by moving to a 5,000 m<sup>3</sup> breakpoint for both the North and South results in a more normal distribution of customers around the mean.









UNION GAS LIMITED

Undertaking of Mr. Pankrac  
To Mr. Shepherd

Please confirm in 2013 Union proposing the average delivery-related cost per m<sup>3</sup> for Rate 10 is 6.3 cents/m<sup>3</sup>, and confirm cost allocation method implies delivery-related costs are 5.8 cents/m<sup>3</sup>.

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The calculation of the average cost of 6.3 cents/ m<sup>3</sup> and 5.8 cents/ m<sup>3</sup> is confirmed. The average costs correspond with the three subgroupings indicated, however they do not correspond to Union's proposed two 2014 general service rate classes. Union's proposed rates are based on the average costs for the rate classes, not subgroupings.

UNION GAS LIMITED

Undertaking of Mr. Pankrac  
To Mr. Shepherd

Please provide sample calculation to demonstrate methodology for arriving at average rate for a class.

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The average volume-related delivery rate for each of the 2014 general service rate classes is calculated by dividing the total variable revenues by the total delivery volume for each rate class. This average price closely corresponds with the middle block(s) of each rate class.

In the case of a four block rate, such as in Rate M2 and Rate 10, the average of the middle two block prices produce a rate consistent with the average delivery rate. This approach ensures that the average volume-related delivery price closely aligns with the average volume use for each of the four 2014 proposed General Service rate classes.

Please see Attachment 1.

Updated: 2012-07-13  
EB-2011-0210  
Exhibit H3  
Tab 11  
Schedule 2  
Page 1 of 2

UNION GAS LIMITED  
Union North - Summary of Proposed 2013 and 2014 General Service Delivery Rates  
including 2014 Annual Volume Breakpoint and Rate Structure Redesign

2013 Proposed					2014 Proposed				
Line No.	Particulars	Annual Billing Units (10 <sup>3</sup> m <sup>3</sup> ) (a)	Revenue (\$000's) (b)	Rates (cents/m <sup>3</sup> ) (c)	Particulars	Annual Billing Units (10 <sup>3</sup> m <sup>3</sup> ) (d)	Revenue (\$000's) (e)	Rates (cents/m <sup>3</sup> ) (f)	
<b><u>Proposed 2013 Rate 01 Delivery</u></b>					<b><u>Proposed 2014 Rate 01 Delivery</u></b>				
1	Monthly Charge	3,832,876	80,490	\$21.00	Monthly Charge	3,602,569	75,654	\$21.00	
	Monthly Delivery Charge				Monthly Delivery Charge				
2	First 100 m <sup>3</sup> per month	253,052	24,585	9.7156	First 100 m <sup>3</sup> per month	231,257	22,229	9.6122	
3	Next 200 m <sup>3</sup> per month	285,237	26,216	9.1911	Next 150 m <sup>3</sup> per month	262,760	24,284	9.2420	
4	Next 200 m <sup>3</sup> per month	124,436	10,973	8.8184	All Over 250 m <sup>3</sup> per month	165,752	14,463	8.7256	
5	Next 500 m <sup>3</sup> per month	85,489	7,246	8.4764					
6	Over 1,000 m <sup>3</sup> per month	107,383	8,799	8.1939					
6.1					Subtotal - Delivery Volumetric	659,769	60,976	9.2420	
6.2					Delivery Price - Middle Block			9.2420	
7	Total 2013 Rate 01 Delivery	855,598	158,311		Total 2014 Rate 01 Delivery	659,769	136,630		
<b><u>Proposed 2013 Rate 10 Delivery</u></b>					<b><u>Proposed 2014 Rate 10 Delivery</u></b>				
8	Monthly Charge	24,573	1,720	\$70.00	Monthly Charge	254,880	8,921	\$35.00	
	Monthly Delivery Charge				Monthly Delivery Charge				
9	First 1,000 m <sup>3</sup> per month	23,230	1,757	7.5628	First 1,000 m <sup>3</sup> per month	188,187	12,631	6.7117	
10	Next 9,000 m <sup>3</sup> per month	125,165	7,697	6.1492	Next 6,000 m <sup>3</sup> per month	152,274	10,102	6.6340	
11	Next 20,000 m <sup>3</sup> per month	79,608	4,254	5.3430	Next 13,000 m <sup>3</sup> per month	63,469	3,800	5.9873	
12	Next 70,000 m <sup>3</sup> per month	60,460	2,918	4.8269	All Over 20,000 m <sup>3</sup> per month	108,167	5,372	4.9660	
13	Over 100,000 m <sup>3</sup> per month	27,805	798	2.8717					
13.1					Subtotal - Delivery Volumetric	512,098	31,904	6.2301	
13.2					Delivery Price - Middle Two Blocks Avg			6.3107	
14	Total 2013 Rate 10 Delivery	316,269	19,144		Total 2014 Rate 10 Delivery	512,098	40,825		
15	Total 2013 General Service Delivery	1,171,866	177,455		Total 2014 General Service Delivery	1,171,866	177,455		



Updated: 2012-07-13  
EB-2011-0210  
Exhibit H3  
Tab 11  
Schedule 2  
Page 2 of 2

UNION GAS LIMITED  
Union South - Summary of Proposed 2013 and 2014 General Service Delivery Rates  
including 2014 Annual Volume Breakpoint Redesign

Line No.	Particulars	2013 Proposed			2014 Proposed		
		Annual Billing Units (10 <sup>3</sup> m <sup>3</sup> ) (a)	Revenue (\$000's) (b)	Rates (cents/m <sup>3</sup> ) (c)	Annual Billing Units (10 <sup>3</sup> m <sup>3</sup> ) (d)	Revenue (\$000's) (e)	Rates (cents/m <sup>3</sup> ) (f)
	<b><u>Proposed Rate M1 Delivery</u></b>						
1	Monthly Charge	12,706,802	266,843	\$21.00	12,057,495	253,207	\$21.00
	Monthly Delivery Charge						
2	First 100 m <sup>3</sup> per month	868,730	35,564	4.0938	807,714	34,437	4.2635
3	Next 150 m <sup>3</sup> per month	767,998	29,854	3.8873	703,930	27,586	<b>3.9188</b>
4	All Over 250 m <sup>3</sup> per month	1,239,684	42,134	3.3988	634,207	21,640	3.4122
4.1	<b>Subtotal - Delivery Volumetric</b>				2,145,851	83,663	<b>3.8988</b>
4.2	<b>Delivery Price - Middle Block</b>						<b>3.9188</b>
5	Total Rate M1 Delivery	<u>2,876,411</u>	<u>374,396</u>		<u>2,145,851</u>	<u>336,871</u>	
	<b><u>Proposed Rate M2 Delivery</u></b>						
6	Monthly Charge	81,451	5,702	\$70.00	730,758	25,577	\$35.00
	Monthly Delivery Charge						
7	First 1,000 m <sup>3</sup> per month	52,132	2,147	4.1184	461,452	15,280	3.3112
8	Next 6,000 m <sup>3</sup> per month	253,275	10,238	4.0421	571,592	18,425	<b>3.2234</b>
9	Next 13,000 m <sup>3</sup> per month	285,869	10,905	3.8147	288,792	9,026	<b>3.1256</b>
10	All Over 20,000 m <sup>3</sup> per month	365,375	12,941	3.5418	365,375	11,150	3.0517
10.1	<b>Subtotal - Delivery Volumetric</b>				1,687,211	53,881	<b>3.1935</b>
10.2	<b>Delivery Price - Middle Two Blocks Avg</b>						<b>3.1745</b>
11	Total Rate M2 Delivery	<u>956,651</u>	<u>41,932</u>		<u>1,687,211</u>	<u>79,457</u>	
12	Total General Service Delivery	<u>3,833,062</u>	<u>416,328</u>		<u>3,833,062</u>	<u>416,328</u>	

UNION GAS LIMITED

Undertaking of Mr. Tetreault  
To Ms. Girvan

Please reconcile numbers under Column (a) in Exhibit H3, Tab 10, Schedule 1 and Column (h) interrogatory response J.C-4-5-2.

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Please see the Attachment.

Union Gas Limited

Line No.	Particulars (\$000's)	Filed		References
		March 27, 2012	July 13, 2012	
1	2013 Forecasted S&T Revenue (Phase I filing)	173,543	173,543	As per J.C-4-5-2 column h).
2	C1 St. Clair to Dawn Revenue		2,000	As per Exhibit H1, Tab 1, page 3, Table 1, line 9.
3	Customer Supplied Fuel Revenue	30,443	27,336	As per Exhibit G3, Tab 1, Schedule 2, line 2, column b).
4	C1 Union Supplied Fuel Revenue	103	103	As per Exhibit H1, Tab 1, page 3, Table 1, line 7.
5	2013 Forecasted S&T Revenue (Phase II filing)	(1) <u>204,089</u>	<u>202,982</u>	As per Exhibit H3, Tab 1, Schedule 2, page 11, line 20, column b).
6	Add: Ex-franchise Transportation-related Revenue Deficiency	1,931	1,467	As per Exhibit H1, Tab 1, page 9, table 4, line 2 (March filing) and Exhibit H1, Tab 1, page 10, table 4, line 2 (July filing).
7	2013 Proposed S&T Revenue	(2) <u>206,020</u>	<u>204,449</u>	As per Exhibit H3, Tab 10, Schedule 1, line 17 (March filing) and line 18 (July filing), column a).

Notes:

- 1) Revenues are calculated using the Board Approved January 1, 2011 QRAM rates.
- 2) Revenues are calculated using 2013 proposed rates.

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UNION GAS LIMITED

Undertaking of Mr. Tetreault  
To Ms. Girvan

To explain possible dollar allocation options in a deferral account.

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If the Transportation and Exchange deferral account existed, the deferral balance would be disposed to rate classes in proportion to the actual capacity available. Union South customers would be allocated their portion of the balance based on their design day demand and Union North customers would be allocated their portion of the balance based on approved storage demand costs in approved rates.

This is consistent with the methodology used and approved by the Board before the elimination of the Transportation and Exchange deferral (account 179-69) as a result of the EB-2007-0606 Settlement Agreement.

UNION GAS LIMITED

Undertaking of Mr. Tetreault  
To Mr. Gruenbauer

Please provide the average annual load factor for the proposed T2 class or larger.

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See Transcript, Vol. 11, pg. 72.

UNION GAS LIMITED

Undertaking of Mr. Tetreault  
To Mr. Wolnik

To identify what 442,154 GJs represents on page 7 of APPrO compendium, and, if it reflects billing determinants which are not reflected, to update schedule 1 on page 3 of H3, Tab 8.

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The F24-T demands of 442,154 GJ/day provided in Union's response to interrogatory J.G-9-13-1 b) represent the contracted F24-T demands as of April 30, 2012.

The F24-T billing determinants of 356,500 GJ used in the calculation of the F24-T demand rate at Exhibit H3, Tab 8, Schedule 1 represent the 2013 forecasted demands when the evidence was developed.

Union is not proposing to update the revenue forecast associated with the change in F24-T demands.

UNION GAS LIMITED

Undertaking of Mr. Tetreault  
To Mr. Wolnik

Please confirm Union's M12 Contracts.

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For customers who have been identified as contracting for STS service with TCPL, with a receipt point of Union Parkway Belt, the following table provides the contracted M12 quantities with Union which are delivered to TCPL at the Parkway interconnect, effective November 1, 2011.

	<u>01-Nov-11</u> GJ/d
Union	399,923
GMI	287,000
Enbridge	519,088
Vermont	20,500
St. Lawrence	10,785
Kingston	<u>13,435</u>
Total	<u>1,250,731</u>

UNION GAS LIMITED

Undertaking of Mr. Tetreault  
To Mr. Wolnik

For Rates 20, 25 and 100, please provide rate increases for North and South if the revenue requirement only reflected an increase of 1 percent in equity thickness.

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As per Union's response to JT2.18, the impact of the proposed 4% increase in common equity in 2013 is a \$17.3 million increase to the 2013 revenue requirement. The revenue requirement impact associated with a 1% increase in common equity is approximately \$4.3 million.

Based on Union's March 27, 2012 filing, the delivery rate increases for Rates 20, 25 and 100 if the revenue requirement only reflected a 1% increase in Union's common equity would be:

- Rate 20 = 40.8%
- Rate 25 = 39.7%
- Rate 100 = 27.5%

UNION GAS LIMITED

Undertaking of Mr. Tetreault  
To Mr. Brett

Please provide response as to how many times Union has negotiated multi-year price with any Northern and Southern rate class, at what terms, and for what volumes

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Please see the Attachment.

Union has not negotiated any multi-year prices higher than the posted rate for in-franchise delivery services.

Union has negotiated multi-year contracts at prices higher than the posted toll for M12 and C1 transportation services. The revenues generated by the negotiated multi-year contracts shown in the Attachment are included in Union's 2013 M12 and C1 revenue forecast. Any excess revenues are captured in Exhibit H3, Tab 10, Schedule 1 and have been credited to in-franchise delivery rates.

CONTRACT	START	END	QUANTITY (GJ/d)	RATE	PATH
A	01-Nov-10	31-Oct-15	10,000	C1 Rate + \$0.61 premium	Ojibway to Dawn
B	01-Nov-10	31-Oct-15	10,000	C1 Rate + \$0.31 premium	Ojibway to Dawn
C	01-Nov-10	31-Oct-12	7,000	C1 Rate + \$0.06 premium	Ojibway to Dawn
D	01-Nov-11	31-Mar-16	20,000	C1 Rate + \$0.42 premium	Ojibway to Dawn
E	01-Nov-10	31-Oct-12	1,582	C1 Rate + \$0.62 premium	Ojibway to Dawn
F	01-Nov-03	31-Oct-06	15,000	\$3.65 Cdn/GJ/month	Dawn to Parkway
G	01-Nov-04	31-Oct-06	35,000 MMBtu/d	\$4.47 US/MMBtu/month	Dawn to Parkway
H	01-Nov-04	31-Oct-06	22,500 MMBtu/d	\$3.802 US/MMBtu/month	Dawn to Parkway
I	01-Nov-04	31-Oct-06	7,500	\$5.974 Cdn/GJ/month	Dawn to Parkway
J	01-Aug-04	31-Oct-05	10,000	\$4.258 Cdn/GJ/month	Dawn to Parkway
K	01-Nov-04	31-Oct-06	20,000 MMBtu/d	\$3.954 US/MMBtu/month	Dawn to Parkway
L	01-Nov-03	31-Oct-05	5,000	\$3.042 Cdn/GJ/month	Dawn to Parkway
M	01-Apr-07	31-Mar-13	7,065	\$4.867 Cdn/GJ/month	Dawn to Parkway
N	01-Mar-03	31-Jan-06	3,466	\$3.346 Cdn/GJ/month	Dawn to Parkway
O	01-Feb-06	28-Feb-07	3,466	\$3.346 Cdn/GJ/month	Dawn to Parkway
P	01-Jul-02	30-Jun-08	14,904	\$5.17 Cdn/GJ/month	Dawn to Parkway
Q				\$3.407 Cdn/GJ/month - 1st 3 yrs	

UNION GAS LIMITED

Undertaking of Mr. Pankrac  
To Mr. Aiken

Please refile evidence related to relative weightings.

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In Union's 2007 cost of service proceeding (EB-2005-0520), Union filed a report prepared by Navigant Consulting Inc. At page 29 of the report, Navigant stated:

"The Average Weighted Customers factor is developed by applying weights to the actual customer counts to ensure a proper allocation of costs. The weights currently used by Union are 1.0 for residential, 1.5 for commercial, and 2.0 for industrial. NCI understands that Union is currently reviewing the appropriateness of these weights."

Union could not find any other 2007 source files related to the weightings.

For 2013 rates, Union used the historical weightings as used in 2007.

UNION GAS LIMITED

Undertaking of Mr. Pankrac  
To Mr. Shepherd

Please provide Exhibit H, Tab 1, Tables 11 and 12, with an additional two columns for 2012 Actual at the existing breakpoint.

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Please see Attachment 1 for Table 11 and Attachment 2 for Table 12.

Union North  
Annual General Service Delivery Bill Impacts of  
2014 Rate Proposals

Line No.	Annual Volume (m³/year)	2012 Approved (1) - Annual Volume		2013 Proposed - Annual Volume		2014 Proposed - Annual Volume		Annual Bill Impacts	
		Breakpoint of 50,000 m³		Breakpoint of 50,000 m³		Breakpoint of 5,000 m³			
		Rate 01 (\$)	Rate 10 (\$)	Rate 01 (\$)	Rate 10 (\$)	Rate 01 (\$)	Rate 10 (\$)	(\$)	(%)
1	1,800	383.49		422.31		421.12		(1.19)	-0.3%
2	2,200	411.33		458.73		457.04		(1.69)	-0.4%
3	2,600	438.84		494.80		492.79		(2.01)	-0.4%
4	3,000	466.13		530.67		528.39		(2.28)	-0.4%
5	5,000	598.23		705.54		705.23		(0.31)	0.0%
6	7,000	726.61		876.55			889.80	13.25	1.5%
7	10,000	914.59		1,128.39			1,090.00	(38.39)	-3.4%
8	20,000	1,531.22		1,957.51			1,755.24	(202.27)	-10.3%
9	30,000	2,142.17		2,780.82			2,419.31	(361.50)	-13.0%
10	50,000	3,359.60		4,422.82			3,743.64	(679.18)	-15.4%
11	80,000		4,805.71		5,899.52		5,626.55	(272.97)	-4.6%
12	100,000		5,683.78		7,037.89		6,863.64	(174.24)	-2.5%
13	200,000		9,932.35		12,571.60		12,626.80	55.19	0.4%
14	300,000		13,864.38		17,752.05		17,917.17	165.12	0.9%
15	500,000		21,371.97		27,715.09		28,150.63	435.54	1.6%

Notes:

(1) Calculated using January 2012 QRAM rates as approved by the Board in EB-2011-0382. Includes monthly customer charge and delivery commodity portions only.

Union South  
Annual General Service Delivery Bill Impacts of  
2014 Rate Proposals

Line No.	Annual Volume (m <sup>3</sup> /year)	2012 Approved (1) - Annual Volume		2013 Proposed - Annual Volume		2014 Proposed - Annual Volume		Annual Bill Impacts	
		Breakpoint of 50,000 m <sup>3</sup>		Breakpoint of 50,000 m <sup>3</sup>		Breakpoint of 5,000 m <sup>3</sup>			
		Rate M1 (\$)	Rate M2 (\$)	Rate M1 (\$)	Rate M2 (\$)	Rate M1 (\$)	Rate M2 (\$)	(\$)	(%)
1	1,800	313.37		323.12		324.97		1.85	0.6%
2	2,200	325.75		337.57		339.58		2.01	0.6%
3	2,600	338.01		351.94		354.09		2.14	0.6%
4	3,000	350.20		366.20		368.47		2.27	0.6%
5	5,000	410.12		436.44		439.21		2.77	0.6%
6	7,000	468.81		505.38			651.36	145.98	28.9%
7	10,000	556.60		608.53			749.11	140.58	23.1%
8	20,000	845.99		948.89			1,073.28	124.39	13.1%
9	30,000	1,134.90		1,288.78			1,396.41	107.64	8.4%
10	50,000	1,712.75		1,968.54			2,038.38	69.85	3.5%
11	80,000		3,730.75		4,031.07		2,987.00	(1,044.07)	-25.9%
12	100,000		4,428.16		4,804.38		3,616.58	(1,187.80)	-24.7%
13	200,000		7,761.05		8,521.82		6,720.25	(1,801.58)	-21.1%
14	300,000		10,999.89		12,148.30		9,797.39	(2,350.91)	-19.4%
15	500,000		17,381.76		19,308.57		15,922.58	(3,385.98)	-17.5%

Notes:

(1) Calculated using January 2012 QRAM rates as approved by the Board in EB-2011-0382. Includes monthly customer charge and delivery commodity portions only.

UNION GAS LIMITED

Undertaking of Mr. Tetreault  
To Mr. Thompson

Please file an equivalent Exhibit for 2007 as H3, Tab 10, Schedule 1.

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Please see the Attachment.

UNION GAS LIMITED  
Summary of S&T Transactional Margin Included In 2007 Rates

Line No.	Particulars (\$ 000's)	Total Revenue (1) (a)	Allocated Cost (2) (b)	Total Margin (c) = (a - b)	Included in 2007 Rates (d) = (c) * 90%
	Transportation & Exchange Services Acct. 179-69				
1	Transportation and Exchanges (3)	4,000	1,417	2,583	
2	M12 Transportation Overrun	-	-	-	
3	Total Transportation & Exchanges	<u>4,000</u>	<u>1,417</u>	<u>2,583</u>	<u>2,325</u>
	Short Term Storage & Balancing Services Acct. 179-70				
4	Short Term Peak Storage	13,794	847	12,947	
5	Off Peak Storage, Balancing & Loans	4,092	1,285	2,807	
6	Enbridge LBA	75	-	75	
7	Total Short Term Storage & Balancing Services	<u>17,961</u>	<u>2,132</u>	<u>15,829</u>	<u>14,246</u>
8	All Customers at Market Rates	50,028	20,653	29,375	
9	Subtract Enbridge at Market Rates	<u>15,052</u>	<u>7,082</u>	<u>7,970</u>	
10	Remaining Customers at Market Rates	34,976	13,571	21,405	
11	Add Enbridge at Cost Rates	<u>7,082</u>	<u>7,082</u>	-	
8	Total Long Term Peak Storage Services Acct. 179-72	<u>42,058</u>	<u>20,653</u>	<u>21,405</u>	<u>19,264</u>
9	Other S&T Services Acct. 179-73	895	42	853	768
10	Total	<u>64,914</u>	<u>24,244</u>	<u>40,670</u>	<u>36,603</u>

Notes: (1) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Page 10, Col (g).  
(2) EB-2005-0520, Rate Order, Working Papers, Schedule 6, Page 10, Col (e).  
(3) Cost adjusted to reflect allocated costs not recovered through fuel ratios.