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**BY EMAIL**

October 11, 2012

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON  
M4P 1E4

Dear Ms. Walli:

**Re: Union Gas Limited  
2013-2014 Large Volume Demand Side Management Plan  
Board File No. EB-2012-0337  
Additional Information Request by Board staff**

Please see attached Board staff written interrogatories for the above proceeding.

Yours truly,

*Original Signed by*

Josh Wasylyk  
Advisor, Applications and Regulatory Audit  
Ontario Energy Board

- c. Marian Redford, Union Gas Limited  
Crawford Smith, Torys LLP  
Alex Smith, Torys LLP  
All Parties EB-2012-0337

## **Union Gas 2013-2014 Large Volume DSM Plan**

**EB-2012-0337**

### **Board Staff Interrogatories**

#### **Program Overview**

1. Ref: Exhibit A, Tab 1, Page 7 of 36

Union is proposing to change the customer incentive budget process for Rate T2 and Rate 100 customers to a new Direct Access budget mechanism.

- a) Please discuss how the customer incentive amount is determined for each customer.
- b) If it is determined by a Rate T2 and/or a Rate 100 customer that it is not in its best interest to use customer incentive funding in 2013, but rather that it is more prudent to do so in 2014, is this acceptable under the proposed program structure? Please discuss.

#### **Budget**

2. Ref: Exhibit A, Tab 1, Page 16 of 36

Union has removed the ability to overspend the Large Volume DSM budget by 15% in Rate T2 and Rate 100 to provide greater rate certainty for these customers. Union has maintained access to the 15% allowable overspend for Rate T1 up to a maximum of 15% of the program and portfolio budget allocated to Rate T1.

- a) Please provide the Rate T1 program and portfolio budget.
- b) Please provide the Rate T2 and Rate 100 program and portfolio budget.
- c) Please provide the maximum amount of additional funding Union can access for Rate T1 under the parameters outlined above.
- d) Please provide a table that outlines the proposed large volume DSM budget if the Board does not accept Union's proposed T2 rate structure. Within the table, provide the expected budget for T1 customers and Rate 100 customers.

## Targets

3. Ref: Exhibit A, Tab 1, Page 16

Union outlines its proposed 2013 and 2014 Large Volume Rate T1/Rate T2/Rate 100 scorecards.

- a) Please discuss if Union has presented these proposed targets to its Rate T1/Rate T2/Rate 100 customers and/or its DSM consultative. Please provide a summary of the feedback provided to Union.
- b) Please discuss the rationale for moving away from an entirely cumulative natural gas savings (m<sup>3</sup>) scorecard target as found in the 2012 Large Industrial DSM Plan.