

December 20, 2012

BY COURIER (2 COPIES) AND EMAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, Suite 2700
Toronto, Ontario M4P 1E4
Fax: (416) 440-7656
Email: boardsec@oeb.gov.on.ca

Dear Ms. Walli:

**Re: Environmental Defence Interrogatories for APPrO
EB-2012-0337 – Union Gas 2013-2014 Large Volume DSM Plan**

Enclosed please find Environmental Defence's interrogatories for APPrO in this matter.

Yours truly,



Kent Elson

cc: John Beauchamp, Counsel for APPrO, by email

Applicant and Intervenors, by email

Union Gas 2013-2014 Large Volume DSM Plan

Environmental Defence Interrogatories for APPrO

Interrogatories for Todd Williams (Managing Director, Navigant Consulting Ltd.)

1. Reference: Navigant Consulting, *DSM Funding Options for Large Natural Gas Customers*, pages 17 and 18
 - a) With respect to the responses to questions 4 to 10, inclusive, why do the sum of the “yes” and “no” responses for each question not add up to 100%?
 - b) With respect to the responses to questions 4 to 12, inclusive, please state the number of responses that you received for each question.
 - c) With respect to the responses to questions 4 to 12, inclusive, for each question please provide the names of the firms that responded to the question.
 - d) According to page 8 of the Navigant report, 15 responses to the survey were received from plant managers representing 12 different companies. With respect to the responses to questions 4 to 12, inclusive, please provide a summary table of the responses by company (i.e. counting multiple responses from one company as one response). Please use a format similar to tables 4 and 6 of the Navigant report.
 - e) With respect to the responses to questions 4 to 12, inclusive, did Ontario Power Generation, Brighton Beach Power Station or the Portland Energy Centre respond to one or more of these questions? If “yes”, please provide their full responses to those questions.
 - f) With respect to questions 4 to 12, inclusive, please provide the full responses of Veresen Inc. and its subsidiaries.
 - g) With respect to questions 4 to 6 and 10 to 12, inclusive, please provide a table indicating all of the responses to those questions for each of the 15 survey respondents.
2. Reference: Navigant Consulting, *DSM Funding Options for Large Natural Gas Customers*, page 18

If the Ontario Energy Board (“OEB”) were to permit the “opting out” option, do you believe that the expected magnitude of natural gas savings (cubic metres) would rise, fall or stay the same for the customers that opted out? Please fully justify your response.

3. Reference: Exhibit A, Tab 1, page 30

According to Union Gas, its large volume industrial DSM programs have a Total Resource Cost ("TRC") benefit/cost ratio of 8.1. Are you aware of any North American utility-sponsored industrial DSM programs that are more cost-effective than those of Union Gas? If yes, please provide the names of the utilities and the TRC benefit/cost ratios of their programs.

4. In order to permit Ontario to achieve its 2014 & 2020 greenhouse gas emission reduction targets at the lowest possible cost, should all of the industrial natural gas energy efficiency opportunities that have a TRC benefit/cost ratio of 1.0 or greater be pursued? If your answer is "no", please fully justify your response, and please outline a package of other alternatives that would permit Ontario to achieve its greenhouse gas emission reduction targets at the same or lower cost.

Interrogatories for Sean Russell (Commercial Manager/Interim Plant Manager of London District Energy Inc., subsidiary of Veresen Inc.)

5. Has Veresen pursued all of its energy savings opportunities with a TRC benefit/cost ratio of 1.0 or better? If "no", please explain why not.
6. Please fully describe Veresen's investment criteria for energy efficiency investments, including the required pay-back period, required rate of return, and maximum time horizon.
7. Does Veresen support a carbon tax?
8. Does Veresen support a greenhouse gas cap and trade program for Ontario's large volume industrial natural gas consumers?