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Exhibit D6.1

GEC Response to CME Interrogatory #1

Question:

Reference: Exhibit C, Page 3, Footnote 3

At Footnote 3, the article by Anna Chittum entitled "Follow the Leaders: Improving Large Customer Self-Direct Programs" is cited. Please produce a copy of that article.

Response:

See attached.

GEC Response to CME Interrogatory #2

Question:

Reference: Exhibit C, pages 11-14

In this section, Mr. Neme proposes a "Multi-Year Plan" instead of the "One-Year Plan" proposed by Union Gas Limited ("Union").

Mr. Neme illustrates his multi-year proposal with a hypothetical example under which a customer has an annual direct access DSM budget of $50,000. Under the proposed multi-year plan, such a customer could access $100,000 over 2-years, instead of spending $50,000 in each year. CME would like to better understand how such a multi-year direct access budget would be funded by ratepayers. To this end:

(a) Under the hypothetical example, where the single-year direct access budget for the customer is $50,000, and the 2-year direct access budget is $100,000, could that customer access the entire $100,000 in the first year? Alternatively, could that customer access the entire $100,000 in the second year?
(b) If customers are entitled to access the full 2-year budget in the first year, how would that amount be funded in rates? Specifically, would the full 2-year budget of $100,000 be recoverable from customers in the first year, or alternatively, would $50,000 be recoverable from ratepayers in each of the 2-years, even though Union is being called upon to pay the full amount in year 1?
(c) If only $50,000 is annually recoverable in rates for each of the 2-years, but customers may access the full $100,000 in year 1, how would Union fund those DSM budgets?

Response:

(a) Yes, the customer could access the entire amount in the first year, the entire amount in the second year or split it across both years in any way it deemed appropriate (so long as the total spent did not exceed $100,000).
(b) In the context of this two year plan, $50,000 would be built into rates in each of the two years. If Union ended up spending the full $100,000 in the first year, it would obviously need to recover the extra $50,000 it didn't collect in rates in the first year. However, that amount would have already been built into rates in the second year. That leaves only the

potential issue of the time value of money. If Union had to spend $50,000 more in the first year than it collected in rates, and if regulatory policy supported adjustments to collections in rates for the time value of money, then a small additional amount would need to be added to the $50,000 already planned to be collected in the second year. Of course, the opposite would also be true. That is, if none of the money was spent in the first year and it was all spent in the second year, then Union would lower the amount of money collected in the second year to reimburse customers for the time value of money collected but not spent in the first year. However, when providing services to dozens of customers, it will almost certainly be the case that some portion of the funds will be spent in each year. Thus, the actual magnitude of any adjustments to what is collected in rates in the second year to account for the time value of money would likely be very, very small. Even in an extremely unlikely scenario in which all of the money is spent in the first year or all is spent in the second year, the magnitude of the adjustment to what is collected in rates in the second year to account for the time value of money would be very small. Any variance could be tracked and compensated through the DSMVA.

(c) Union would need to find a way to raise the money, whether through use of funds collected from other rates classes but not fully spent, by borrowing or through some other means. That does not appear to have been a problem in recent years as Union has spent more in some years than what was collected in rates and recovered the difference through the DSMVA. As noted above, there would likely be offsetting variations in spending patterns among the various customers that would minimize the impact.