

IN THE MATTER of the *Ontario Energy Board Act 1998*, Schedule B to the *Energy Competition Act*, 1998, S.O. 1998, c.15;

AND IN THE MATTER OF an Application by Union Gas Limited for an Order or Orders approving the clearance and disposition of certain deferral and variance accounts, and approving the sharing of earnings pursuant to a Board-approved earnings sharing mechanism.

INTERROGATORIES
OF THE
SCHOOL ENERGY COALITION

1. [A/1, p. 17] Please reconcile the \$600,000 IEMS budget and the \$178,000 actual 2012 spend with the \$122,000 treated as “unspent”. Please explain how, if the overall spend on DSM was above the total budget, and IEMS was underspent by \$422,000, there was not a shift of at least \$300,000 to other programs.
2. [A/1, p. 22 and App. A/7] With respect to the true-up of the Shared Savings Mechanism Account 179-115 (as well as the Lost Revenue Adjustment Mechanism Account 179-75), please provide the following documents:
 - a. The Audited Demand Side Management 2011 Annual Report, including without limitation the report of the auditor, the Annual Report itself, and all attachments.
 - b. The Report by Navigant with respect to the selection of custom projects for verification.
 - c. The verification reports from Seeline Group and Energuy Canada.
 - d. The commercial Custom Projects Verification (“CPSV”) Study from Michaels Energy.
 - e. The distribution contract Custom Projects Verification Study from Diamond Engineering.
 - f. The TRC spreadsheet (in live Excel format) showing the full calculation of TRC for the custom projects.
 - g. A table for each of the projects reviewed by Michaels or Diamond showing, for each material assumption needed to calculate the TRC or the lifetime m3:
 - i. The original assumption in the application;
 - ii. The assumption used by the CPSV contractor, and, if it was different, the reason why it was different, if known;
 - iii. The final assumption approved by the auditor, and, if it was different from the assumption used by the CPSV contractor, the reason for the difference;

- iv. The process that resulted in each change in assumption or calculation method from the original application, including any input provided by Union to cause the change; and
 - v. The impact (in TRC and, if available, lifetime m3) of each change in assumption or calculation method.
 - h. The time dockets or other records of work done for each of Michaels Energy and Diamond Engineering, including at a minimum:
 - i. All records of any contacts with Union Gas during the course of carrying out the CPSV studies;
 - ii. All records of any contacts with the Auditor during the course of carrying out the CPSV studies; and
 - iii. All records of any contacts with the Evaluation and Audit Committee during the course of carrying out the CPSV studies.
 - i. The report, if any, of the Evaluation and Audit Committee with respect to the audit.
3. [A/1, p. 25-27] Please explain how the cost of delivering CDM programs exceeded the revenue from those programs. Please expand Table 7 to provide a full accounting of the costs and the revenues in 2012. Please provide details of how that loss on those CDM programs is reflected in the calculation of earnings for earnings sharing purposes.
4. [A/1] With respect to account 179-126 DSMIDA:
- a. P. 32. Please provide details of all changes that have been made to the process of implementation, oversight and review of CPSV studies of custom projects subsequent to the 2011 year currently being tried-up.
 - b. P. 34. Please explain why the “achievement” in Table 11 for Deep Savings – C/I is not capped at 6%.
 - c. P. 35. Please show the calculation of 191% of metric in Table 12.
 - d. P. 36. Please show the calculation of 194% of metric in Table 13.
 - e. P. 37. Please confirm that the Applicant is seeking to recover from ratepayers the Applicant’s calculation of the incentive owing, \$8.6 million, on a pre-audited basis. Please confirm that the decision in EB-2011-0327 does not deal with the clearance of unaudited balances of this account.
5. [A/2/A/12] Please explain the decrease in Billing Revenue of \$4.4 million from 2007 to 2012.

Respectfully submitted on behalf of the School Energy Coalition this 10th day of July, 2013

Jay Shepherd