

REF: Exhibit A, Tab 1, Page 3 of 41

- 1) Please provide a breakdown of the months and paths (receipt and delivery) of the UDC incurred?
 - a) For those same months, please provide the market value (basis) between the receipt and delivery points for the paths that incurred UDC.

REF: Exhibit A, Tab 1, Page 5 of 41

- 2) Please describe the specific prohibitions that are currently in place that preclude Union from simply purchasing index gas at the receipt point of its delivery path and selling for what the market would bear at the delivery point as opposed to generating UDC.
 - a) What regulatory or other changes would need to be effected to allow such a clearing of excess pipe capacity without the cost burden to ratepayers?
- 3) Please define how excess supply is calculated to the respective operating areas?

REF: Exhibit A, Tab 1, Page 6 of 41

- 4) What is the current status of the \$32.977 million in credits? Please differentiate between 2011 and 2012 credits in answering the following questions.
 - a) Have they been credited to ratepayers through QRAM?

- b) If not, why not?
- c) What is Union's proposed approach for recovery if the Board determined that, in this case, Union's proposal for 2012 treatment of the disputed benefits would be accepted?
- d) What is Union's proposed approach for recovery if the Board determined that, in this case, Union's proposal for 2011 treatment of the disputed benefits would be accepted?

REF: Exhibit A, Tab 1, Page 7 of 41

- 5) Please confirm that Union's storage operations are regulated but the price of storage above the 100 PJ is not regulated.

REF: Exhibit A, Tab 1, Page 31 of 41

- 6) Independent of deferral account treatment, please provide the resulting balance of customer supplied fuel for 2012.
 - a) Please provide a breakdown of the HST implications of this area of Union's business.
 - b) Please provide any reconciliations performed with the customers to net out balances in the customer supplied fuel account.

REF: Exhibit A, Tab 1, Appendix A, Schedule 2

- 7) Please provide the actual cost of compressor fuel used to generate the revenues in this variance account.
- a) Please provide the cost of compressor fuel that was allocated for customer's that supplied their own compressor fuel.
 - b) Please provide the value of compressor fuel received from those customers for those transactions where customers supplied their own compressor fuel.

REF: Exhibit A, Tab 1, Appendix B, Schedule 3

- 8) Please provide a verbal explanation of the transactions that occurred that contributed to the Dawn to Enbridge CDA in Line 3 to stay relatively constant from January to October.
- a) Please describe why the November and December numbers were so much lower?
 - b) Please elaborate as to the use of any excess capacity created during November and December as a result of Union's answer in a) and the weather experienced.
 - c) Please provide a detailed description of the transactions that contribute to lines 9 to 11 in this schedule.
 - d) In lines 14 through 18, Union provides a calculation of volumes. Specific to each the Compressor Fuel and UFG, please clarify is this a calculated number?
 - i) If so, what was the actual number for the period?
 - ii) In the case of compressor fuel, for the calculated fuel costs, using the WACOG for each month, please provide the value of the fuel received in these transactions?

- iii) If there was no fuel received, what was Union's actual fuel nominated to TCPL to effect these transactions?

REF: Exhibit A, Tab 2, Appendix B, Schedule 1

- 9) On what authority is Union relying on for the proposed reversal of 2011 decision?
- a) What would the ratepayer impact be if the 2011 reversal was done in that year and the 2012 disposition was cleared to revenue only this year?

REF: Exhibit A, Tab 3, Page 10 of 11, Lines 20-21

- 10) Please provide the resulting bill impacts that would flow out of an application of the treatment of FT-RAM transactions from the EB-2012-0087 decision.

REF: Exhibit A, Tab 4, Schedule 2 & EB-2012-0087 Exhibit B7.7

- 11) Please add TCPL CDA to the Table in Schedule 2

- 12) Please update for 2012 planned and actual and present the IRR Exhibit B7.7 from EB-2012-0087.

REF: Exhibit B, Tab 1, page 1 of 39

Preamble: Union's proposed treatment is consistent with the treatment of upstream transportation exchange revenue for 2008, 2009 and 2010 and the IRM Settlement Agreement.

13) Please provide by specific reference, the Board's determination in EB-2012-0087 that speaks to the consistency of Union's proposed treatment with the IRM Settlement Agreement.

REF: Exhibit B, Tab 1, page 2 of 39 and EB-2010-0210 Exhibit J3.6, J7.3

14) Please update to April 2013 and present Undertaking J3.6.

15) Please update and present Exhibit J7.3 for 2012

16) Please provide the same type of undertaking in Exhibit 7.3 for the Eastern Delivery Area providing both 2011 and 2012 figures.

a) For each EDA assignment, please provide the specified locations, by month, that the counter-party was obligated to deliver.

REF: Exhibit B, Tab 1, page 5 of 39, Table 1

17) Taking into account impact of ESM and potential other dispersals (in the Board ordered treatment), please summarize Union's proposed treatment versus the Board-ordered treatment of FT-RAM by providing:

- a) Gross revenue to shareholders
- b) Gross revenue to ratepayers

REF: Exhibit B, Tab 1, Page 22 of 39

18) Please confirm that DOS-MN was provided as a point-to-point service in addition to keeping the FT demand right in the original contract.

- a) Please confirm that DOS-MN had no demand charge.
- b) Please confirm that all of the original demand rights to the original delivery location were maintained when DOS-MN was elected.
- c) As a result, what ratepayer risk was created through the election of DOS-MN?

19) Please confirm that the AOS was provided as an interruptible service in addition to keeping the FT demand right in the original contract.

- a) Please confirm that AOS had no demand charge.
- b) Please confirm that all of the original demand rights to the original delivery location were maintained when AOS was elected.

- c) As a result, what ratepayer risk was created through the election of the AOS service?

REF: Exhibit B, Tab 1, Page 32 of 39, Table 4

20) Using the same table, for each of the years, please provide the total deferral account dispositions using Union's proposed treatment versus the Board-ordered treatment of FT-RAM by providing:

- a) Gross revenue to shareholders
- b) Gross revenue to ratepayers

REF: Exhibit B, Tab 2, Page 1 of 82

21) Please provide all internal emails, memos or other communication including presentations to Union's senior management or Board of directors that were generated by Union staff in reviewing the Preliminary Issue in EB-2012-0087 and contributed to the decision to submit evidence that did not follow the Board's directives in that case.

REF: Exhibit B, Tab 2, Page 28 of 82

22) Please provide all internal studies, memos, emails or other company internal company correspondence that resulted in the termination of annual assignments of firm transportation rights.

23) Please provide details for all exchanges or assignments that required action by S&T to support delivery requirements.

REF: Exhibit B, Tab 2, Page 29 of 82

24) Please provide the STS credit level on a monthly basis during the IR term.

REF: Exhibit B, Tab 2, Page 40 of 82

25) Please provide the amount of spot gas bought at Dawn for storage fill by month during the summer of 2012.

REF: Exhibit B, Tab 2, Page 48 of 82

26) For each month of 2012, please provide the amount of FT-RAM used for LBA fees, the amount for exchange services and the resulting LBA fees, UDC assignment and resulting UDC fees.

REF: Exhibit B, Tab 2, Page 53-54 of 82 and Table 5

27) Please provide the additional gas that could have been delivered to Dawn if the surplus FT-RAM credits in Table 5 were used to buy additional Empress to Dawn capacity?

REF: Exhibit B, Tab 2, Page 67 of 82 lines 5 to 7

Preamble: Union's evidence states:"Second, S&T provides a transportation exchange service, where gas is provided to the S&T Customer at Empress and the S&T Customer provides gas to Union at the Union NDA on a firm basis".

28) How does Union verify that the gas is delivered on a firm basis (i.e., does Union require proof of underpinning firm contracts)?

REF: Exhibit B, Tab 2, Page 70 of 82 lines 8 to 15

29) Does Union not have contractual provisions that would hold the counter-party responsible for these costs?

REF: Exhibit B, Tab 3, Page 21

30) Do Union North customers get allocated any of the TCPL CDA demand charges? If so, how are these costs allocated?

REF: Exhibit B, Tab 3, Page 40

31) Does Union's concern about availability apply to delivery areas west of North Bay?

a) If so, what evidence does Union have regarding lack of availability in those areas?

REF: Exhibit B, Tab 4

32) Please detail the current status of the FT-RAM net revenues:

a) For 2012.

b) For 2011.

33) If the Board rejects Union's proposal to overturn the Board's decision in EB-2012-0087, please detail Union's proposed dispositions:

- a)** of 2012 net revenues?
- b)** of 2011 net revenues?

REF: Exhibit B, Tab 4, page 2, lines 11 to 15

34) What principle(s) underlies the determination that Dawn-Parkway exchange revenues should not be included in optimizations as decided by the Board in EB-2010-0130?

REF: Exhibit B, Tab 4, page 3, lines 14 to 16

35) What principle underlies the determination of which type of customers realize the benefit?

- a)** Why would that principle not be a relevant consideration for who benefits from optimization transactions?

REF: Exhibit B, Tab 4, page 4, lines 11 to 13

36) What was the purpose of the previewed presentation to the customer groups?

- a)** What criteria were used to choose the groups?

REF: Exhibit C, Tab 2, page 19

37) Did Sussex compare predicted 0 HDD from analysis on page 19 to summer volumes from NCDA?

- a)** If not, could Union please provide the comparison to validate the assumptions?

Preamble: The Sussex report indicates other utilities removed base load to develop the predicted Design Day.

38) In the view of Sussex, would the removal of base load provide a more accurate projection of Design Day flows?

- a)** Did Union Gas remove base load to develop the predicted Design Day?
- b)** If not, did Sussex do the analysis to compare the impact?
- c)** Has Union compared the results of removing base load?
 - i)** Please provide the results of the comparison.

REF: Exhibit C, Tab 2, page 24

39) Please provide the impact of the recommendation to decrease design day heating degree days to 43.1 from 44 on:

- a) the Gas Supply plan
- b) on the Parkway obligation
- c) on any major in-franchise projects.

REF: Exhibit C, Tab 2, page 28, Table 4 and Tab 3, page 4

Preamble: The Northern Gas Supply calls for 57 TJ to be diverted from the south to meet North demand requirements.

Diversion costs are the costs related to out of path transportation service on TCPL and are assignable to Union North sales service and bundled direct purchase customers.

40) How does Union allocate the costs associated with these diversions? Please identify demand and commodity costs in the explanation?

- a) What specifically is meant by out of path in the Concentric reference?
- b) Does this approach capture the proposed 57TJ transfer?

REF: Exhibit C, Tab 2, page 31 and EB-2010-0210 Exhibit J7.3

41) In evaluating the plan, how did Sussex review the right sizing of Union's Gas Supply plan by delivery area? Please provide the specific results.

- a)** If Sussex has evaluated by area, please explain how a right-sized Gas Supply plan could allow an assignment of a Firm Transport contract in exchange for deliveries to upstream points on an annualized basis (see Exhibit J7.3).