

VIA E-MAIL, RESS & COURIER TO THE BOARD

July 30, 2013

Ontario Energy Board
Attn: Kirsten Walli, Board Secretary
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4

Re: EB-2013-0109 UNION GAS 2012 ESM AND DEFERRAL DISPOSITIONS

We are the consultants acting on behalf of FRPO and OGVG in the above proceeding. We are in receipt of Union's Interrogatory responses filed July 24th and updated evidence filed July 26th. As there is no Technical Conference slated prior to our Settlement Conference scheduled for August 1st, we are attaching to this cover letter some questions and clarifications on the information provided. We believe responses to these inquiries will assist the parties in understanding Union's evidence in these matters. Further, if the parties were unable to reach a settlement, we believe answers to the attached questions will assist the Board in the efficiency of the hearing and in its determinations and therefore respectfully request that the answers be put on the record prior to the Oral Hearing.

Submitted on Behalf of FRPO and OGVG,



Dwayne R. Quinn
Principal
DR QUINN & ASSOCIATES LTD.

c. K. Hockin, Union Gas
M. Buonaguro
Interested Parties EB-2013-0109

REF: EB-2013-0109 Evidence and IRR's Related to Upstream Capacity Utilization

Preamble: Throughout the evidence and IRR's, Union has provided information on how it managed its upstream portfolio throughout the Incentive Regulation period. While aspects of how Gas Supply planned for meeting peak day deliveries and how Gas Control implemented the deliveries to Ontario are provided in the evidence, we believe that it would be helpful to summarize the volume of gas that was available to the respective delivery areas during the months of January. To simplify the exercise, please provide the days that were the highest and lowest in the respective months.

- 1) Please provide the highest and lowest daily deliveries available in the month of January to the respective delivery areas by completing the table in Attachment 1.

We respectfully submit that Union's evidence speaks to the apparent evolution in how it manages upstream transportation and the associated risks over the term of the Incentive Regulation; accordingly this additional evidence is requested in order to see how the supply of gas has varied during the period of this apparent evolution in management behaviour.

REF: Exhibit D9.3

Preamble: The interrogatory was seeking understanding of the nature of optimizations that were executed in 2012. While the detail was helpful in viewing the timing and term of the transaction, part iii) of the question requested the particular resource sold. The answers provided are generic and lack specificity.

- 2) Please provide the particular resource sold specified as:
 - a) Capacity Assignment (e.g., Empress to CDA capacity in exchange for deliveries at NDA)

b) Exchange (e.g., Empress to EDA exchange service)

Union can provide its own specific terminology that fits but we are trying to understand the type of optimization and the assets used for those purposes.

3) Please confirm that the date in line 57 of the list of transactions is incorrect and please provide the corrected date.

ATTACHMENT 1
TO INQUIRIES TO UNION

JANUARY HIGHEST AND LOWEST DAILY CONTRACTUALLY AVAILABLE VOLUMES

YEAR	DELIVERY AREA	CALCULATED PEAK DAY REQUIREMENTS	CONTRACTED DAILY CAPACITY	AMOUNT RELEASED TO GAS CONTROL FOR EXCHANGE OR ASSIGNMENT	CONTRACTUALLY AVAILABLE CAPACITY
		(GJ)	(GJ)	(GJ)	(GJ)
2012	EDA - HIGHEST				
	EDA - LOWEST				
2011	EDA - HIGHEST				
	EDA - LOWEST				
2010	EDA - HIGHEST				
	EDA - LOWEST				
2009	EDA - HIGHEST				
	EDA - LOWEST				
2008	EDA - HIGHEST				
	EDA - LOWEST				
2012	CDA - HIGHEST				
	CDA - LOWEST				
2011	CDA - HIGHEST				
	CDA - LOWEST				
2010	CDA - HIGHEST				
	CDA - LOWEST				
2009	CDA - HIGHEST				
	CDA - LOWEST				
2008	CDA - HIGHEST				
	CDA - LOWEST				