

Ontario Energy Board

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c. 15, (Schedule B);

AND IN THE MATTER OF an Application by Union Gas
Limited, pursuant to section 36(1) of the *Ontario Energy
Board Act, 1998*, for an order or orders approving or fixing
just and reasonable rates and other charges for the sale,
distribution, transmission and storage of gas as of January 1,
2014.

**INTERROGATORIES OF
ENERGY PROBE RESEARCH FOUNDATION
("ENERGY PROBE")**

ON EVIDENCE OF

**CANADIAN MANUFACTURERS & EXPORTERS ("CME"),
CITY OF KITCHENER ("KITCHENER"),
FEDERATION OF RENTAL HOUSING PROVIDERS OF ONTARIO ("FRPO")
AND ONTARIO GREENHOUSE VEGETABLE GROWERS (OGVG")**

February 19, 2014

**UNION GAS 2014 IRM RATES
EB-2013-0365**

**ENERGY PROBE INTERROGATORIES ON EVIDENCE OF
CANADIAN MANUFACTURERS & EXPORTERS (“CME”),
CITY OF KITCHENER (“KITCHENER”),
FEDERATION OF RENTAL HOUSING PROVIDERS OF ONTARIO (“FRPO”) AND
ONTARIO GREENHOUSE VEGETABLE GROWERS (OGVG”)**

Energy Probe Interrogatory #1

Ref: Evidence of CME, Kitchener, FRPO and OGVG, Page 1

Preamble: The evidence indicates that the methods Union Gas uses to functionalize and allocate Dawn-Parkway system costs, and design ex-franchise transportation rates (M12 and rate C1), should be modified in three areas to better reflect the use of these facilities.

Please summarize the advantages and disadvantages of each modification taking into consideration the parties affected.

Energy Probe Interrogatory #2

Ref: EB-2011-0210 Decision dated October 25, 2012, Pages 72-73

Preamble: With respect to Parkway Station Costs and the evidence provided by expert witness Mr. Rozenkranz in EB-2011-0201, the Board’s Decision notes, as highlighted by Energy Probe, that there may be a number of unintended consequences associated with Mr. Rozenkranz’s proposal which have not been considered in the context of the application.

On Page 72, of the Decision the Board summarizes Energy Probe’s concerns as follows: “Energy Probe supported Union’s existing allocation of Parkway Station Costs for four reasons. First, the peak design day criterion has not been challenged by parties. Second, if the proposal were to be accepted by the Board, more Parkway Station Costs would be borne by ex-franchise customers, exacerbating decontracting and lowering revenue which would need to be offset by higher rates to in-franchise customers. Third, costs would increase for customers of Enbridge. Finally, as per the Settlement

Agreement relating to this application, the agreement to re-examine the Parkway delivery obligation could also result in changes to the treatment of the cost allocation for Parkway Station Costs."

- a) Please discuss how the concerns raised by Energy Probe in EB-2011-0210 are considered in the evidence submitted by CME, City of Kitchener, FRPO & OGVG.**
- b) Please identify other consequences resulting from CME, City of Kitchener, FRPO & OGVG's proposal and discuss how these consequences have been considered in the proposal.**