

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON
M4P 1E4

April 17, 2014

**Re: EB-2013-0109 – Union Gas Limited – 2012 Earnings Sharing & Disposition
of Deferral Account and Other Balances – Draft Rate Order**

Dear Ms. Walli:

Board staff filed a letter dated April 14, 2014 requesting Union file a schedule highlighting the 25% reduction to the 2011 TRC related to large industrial custom DSM projects for Rate T1 and Rate 100. Please see the attached schedule, which provides the requested information.

If you have any questions or concerns on this matter, please contact me at (519) 436-5334.

Yours truly,

[Original signed by]

Vanessa Innis
Manager, Regulatory Initiatives

cc: EB-2013-0109 Intervenors
Crawford Smith (Torys)

UNION GAS LIMITED
Detailed 25% Reduction Calculation
Based on the Board's EB-2013-0109 Decision and Order

Line No.	Particulars	2011 TRC Based on Audited Results (\$) (a)	2011 TRC Reduction due to Decision (1) (2) (\$) (b)	2011 TRC Reflecting Board Decision (\$) (c) = (a) - (b)	Share of Total 2011 TRC (%) (d)	Allocation of Revised SSM (3) (\$) (e) = (d) * SSM Total	2011 Audited LRAM Volume (10 ³ m ³) (f)	2011 LRAM Volume Reduction due to Decision (4) (5) (10 ³ m ³) (g)	2011 LRAM Volume Reflecting Board Decision (6) (10 ³ m ³) (h) = (f) - (g)
<u>South</u>									
1	M1	37,186,476	-	37,186,476	11.1%	847,607	11,080	-	11,080
2	M2	20,941,383	-	20,941,383	6.2%	477,326	9,192	-	9,192
3	M4	21,582,100	-	21,582,100	6.4%	491,930	7,981	-	7,981
4	M5	41,269,357	-	41,269,357	12.3%	940,670	14,414	-	14,414
5	M7	25,692,251	-	25,692,251	7.7%	585,615	12,780	-	12,780
6	T1	185,284,729	(46,301,439)	138,983,290	41.5%	3,167,906	86,670	(21,659)	65,011
7		<u>331,956,295</u>	<u>(46,301,439)</u>	<u>285,654,856</u>		<u>6,511,055</u>	<u>142,117</u>	<u>(21,659)</u>	<u>120,458</u>
<u>North</u>									
8	Rate 01	10,593,856	-	10,593,856	3.2%	241,470	2,909	-	2,909
9	Rate 10	4,385,245	-	4,385,245	1.3%	99,955	2,033	-	2,033
10	Rate 20	12,264,393	-	12,264,393	3.7%	279,548	4,577	-	4,577
11	Rate 100	29,685,298	(7,421,325)	22,263,973	6.6%	507,472	12,067	(3,017)	9,050
12		<u>56,928,791</u>	<u>(7,421,325)</u>	<u>49,507,466</u>		<u>1,128,445</u>	<u>21,586</u>	<u>(3,017)</u>	<u>18,569</u>
13	Total	<u>388,885,086</u>	<u>(53,722,763)</u>	<u>335,162,322</u>	100%	<u>7,639,500</u>	<u>163,703</u>	<u>(24,676)</u>	<u>139,027</u>

Notes:

- (1) Calculation of Rate T1 TRC adjustment:
T1 Total TRC 185,284,729
T1 Custom TRC 185,205,755
25% Custom TRC (46,301,439)
- (2) Calculation of Rate 100 TRC adjustment:
R100 Total TRC 29,685,298
R100 Custom TRC 29,685,298
25% Custom TRC (7,421,325)
- (3) Column (e) corresponds to EB-2013-0109 Rate Order, Appendix C, Schedule 4, column (c)
- (4) Calculation of Rate T1 LRAM adjustment, with application of 25% reduction to custom project LRAM volumes:
T1 Total LRAM 86,670
T1 Custom LRAM 86,636
25% Custom LRAM (21,659)
- (5) Calculation of Rate 100 LRAM adjustment, with application of 25% reduction to custom project LRAM volumes:
R100 Total LRAM 12,067
R100 Custom LRAM 12,067
25% Custom LRAM (3,017)
- (6) Column (h) corresponds to EB-2013-0109 Rate Order, Appendix C, Schedule 3, page 2, column (a)