

# *Aiken & Associates*

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May 27, 2014

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
Suite 2700  
Toronto, Ontario, M4P 1E4

Dear Ms. Walli:

**RE: EB-2014-0154 – Interrogatories of London Property Management Association**

Please find attached the interrogatories of the London Property Management Association in the above noted proceeding.

Sincerely,

*Randy Aiken*

Randy Aiken  
**Aiken & Associates**

cc: Chris Ripley, Union Gas Limited (e-mail)

### **Interrogatory #1**

Ref: Union Letter dated April 3, 2014

Union is proposing to reduce the charges to direct purchase customers who did not meet their contractual obligations during the month of February, 2014 from \$78.73/GJ to \$50.50/GJ. This latter figure represents the second-highest spot cost at Dawn during the month of February. Is Union proposing to change the penalty to the second highest cost for future years or is this only a one-time proposed change?

### **Interrogatory #2**

Ref: Union Letter dated April 10, 2014

- a) Table 3 in Attachment 1 shows a total of 21 customers that experienced balancing penalty provisions in February and March, 2014. Please break down the information in lines 1 and 2 (Southern BT) in Table 3 to show the customers, GJ's and penalty provisions (at both sets of rates) and the reduction by rate class.
- b) Are the customer numbers based on the number of Union Gas customers, or are some of the 21 customers shown actually marketers that serve a large number of Union Gas customers?
- c) If there are any marketers in the 21 customers shown in Table 3, please indicate the number of Union Gas customers served by these marketers and the rate classes that those customers are in.
- d) If there are any marketers in the 21 customers shown in Table 3, please confirm that the reduction in the penalty proposed by Union would result in lower costs to those marketers, which may or not may not be passed on to ratepayers.
- e) Does Union have information on whether or not the increased costs of the exceptional weather conditions have been passed on by marketers to their customers?

### **Interrogatory #3**

Ref: Union Letter dated April 10, 2014

Attachment 2 to the letter shows the unit rate impacts for system gas customers as a result of the reduction in revenue used to offset the PGVA balances. For each rate class, please show the annual impact for a typical system gas customer. In addition, please show the annual impact for a small and large system gas customer in each of the M1, M2 and M4 rate classes.

### **Interrogatory #4**

Ref: Union Letter dated April 3, 2014

What was the approximate impact on system gas customers (\$ and \$/m<sup>3</sup>) of the exceptional weather conditions in 2014?

**Interrogatory #5**

Ref: Union Letter dated April 10, 2014

What was the actual weighted average cost of gas of the gas purchased by Union Gas in order to balance the 115,403 GJ shortfall in February and March deliveries from direct purchase customers?

**Interrogatory #6**

Ref: All Material

Is Union aware of how, or if, the penalty provisions incurred by marketers is passed onto ratepayers? For example, under a fixed price contract, are the penalty costs incurred by the marketers passed onto the ratepayers?