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Our File No. 143880

July 21, 2014

VIA RESS, EMAIL AND COURIER

Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario
M4P 1E4

Attention: Ms. Kirsten Walli
Board Secretary

Dear Ms. Walli:

Re: EB-2014-0012

Pursuant to Procedural Order No. 1, please find attached BOMA's Interrogatories.

Yours truly,

FOGLER, RUBINOFF LLP

Thomas Brett
TB/dd
Encls.
cc: All Parties

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 rates and other charges for an interruptible natural gas liquefaction service.

INTERROGATORIES OF

BUILDING OWNERS AND MANAGERS ASSOCIATION, GREATER TORONTO ("BOMA")

July 21, 2014

Interrogatories

Ref: A-1-1

1. Page 1 - What are the other uses of the LNG proposed to be provided to wholesale distributors at Hagar?

2. Page 5 – Please provide a copy of the document, The Natural Gas Use in the Canadian Transportation Sector Deployment Roadmap.

3. Does Union have Agreements signed with each of the six parties that responded to the RFI? From how many? Please file copies of the Precedent Agreements.

4. Please provide a map that shows the custody transfer point from TCPL to the Hagar plant.

5. In addition to the "Roadmap", please file any other studies or analyses that Union used in the formulation of its plans for the proposed LNG fuel business.

6. (a) When did the Board give Union interim and final approval to research, pursue, and proceed with the business including seeking necessary regulatory approvals? When did Union first seek approval of its Board to pursue the LNG fuel business at Hagar?

   (b) When did it obtain final approval of its Board to proceed?

   (c) Please provide a copy of any of Union's business submissions to its Board, or the Sempra Board, for approvals to investigate, and to launch, the LNG initiative.

Ref: A-2-19

7. Please provide the basis for Union's forecast of 416,000 GJ/year of interruptible liquefaction activity from September 2015 to December 2018.

Ref: A-2-21

8. Union estimates that the interruptible liquefaction service will generate approximately $2.1 million per year. If that amount is not sufficient to provide the utility return on the costs assigned or allocated to the liquefaction business, will Union be inputting revenue for the difference, so that the shareholders will assume the underperformance risk? Please discuss fully.

Ref: A1, T1

9. (a) Page 1 - Please provide the justification for Union's comment at line 13 that "However, as liquefaction at Union's Hagar facility will be provided within a regulated

regime the use of LNG could expand beyond motor vehicle fuel without further regulatory approvals".

(b) Why does Union make the statement as part of this evidence?

10. Page 6 - Please provide the calculation to support the statement at line 13, page 6 re: LNG competitiveness with diesel.

11. Page 6 - What would the reduction of net CO^2 emissions in Ontario by achieving Union's 2015-18 forecast of LNG production?

12. Please discuss the insurance requirements, including the costs, Union needs to put in place for the new business.

13. Please provide information on regulatory jurisdictions in Canada and the US that have approved "LNG for trucks" businesses:

(a) as part of regulated utility;

(b) as a separate affiliate company.

14. Please explain the calculation of the amount of LNG required at Hagar prior to the peak winter season, for system integrity purposes. Please use specific numbers.

15. Page 15 - Please confirm the amount by which the new measuring technology will increase the estimated storage space in the Hagar tank. What is the basis for the statement?

16. What are the approximate boundaries of the Union NDA?

17. Page 18 - What provisions will Union make to supply truck fleet customers who are interrupted? Are customers expected to have their own storage facilities?

18. Page 20 - How is the maximum 1,860 daily delivery to all customers determined?

19. Page 21- Of the estimated \$1.5 million contingency and IDC, how much is each component? Is there a true up, if not all the contingency is used?

20. Page 22 - What are the TSSA requirements referred to? Please provide a copy.

Ref: *A2, T2, Sch 5*

21. What is the basis of:

(a) Union's forecast of liquefaction days?

(b) Union's forecast of annual average liquefaction activity?

(c) Please provide copies of any Union or third party studies used to underpin these forecasts.

(d) Will the daily liquefaction capacity vary from one month to another? Please explain.

22. Under what circumstances would the liquefaction service be interrupted? Please provide details, including numerical calculations. How is the risk of interruption quantified? What is it, and would it vary throughout the year?

23. What is the term Union contemplates for long term liquefaction service contract?

24. Please show the calculation that underpins Union's revenue forecast.

Ref: Cost Allocation and Rate Design

25. Please indicate the number of times, and the extent to which, the Hagar plant as regasified and supplied gas to the distribution system to maintain system integrity, in each of the last ten years.

26. What percentage of the boil-off gas in last ten years was compressed and reinjected into the distribution system?

27. How many days of interruptible storage capacity is Union offering to the wholesale distributors as a fraction of the liquefaction capacity they purchase?

28. What is Union's understanding of the competition for the service it intends to provide in Ontario:

(a) currently;

(b) over the next three years.

Ref: Cost Allocation Study, KPMG, pp8-9

29. (a) Please provide the cost of, and describe, each asset, or each group of assets if they are smaller fungible assets, that were directly assigned to the processes of liquefaction, storage, or vaporization.

(b) Please describe the common assets by cost item that were allocated to liquefaction, storage, or vaporization, based on the percentages of assets directly assigned to each process.

Ref: Ibid, p10, Table 2, Note 1 – The Hagar LNG costs include the Iroquois Falls Compression Station

30. How many miles is the Iroquois Falls ("IF") compression station from Hagar?

31. What is the cost of the IF station in rate base? What is the revenue requirement in 2013?

32. Why is it included in the Hagar facility costs?

33. How many compression stations lie between IF and Hagar?

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