

**REF: Exhibit A, Tab 1, Page 7, line 9**

- 1) Please provide the basis for the 1.68% increase.

**REF: Exhibit A, Tab 1, Pages 11 and 12**

- 2) Please the actual 2014 cost impact of making the change in the gas transportation rates for the first 9 months of actual.

**REF: Exhibit A, Tab 1, Pages 13**

- 3) Does Union profit from the Gas Supply Charge for Rate 25?
- 4) How does Union separate the commodity portion from the transport portion of Rate 25 Sales for allocation to its respective accounts.
- 5) What are Union's views on the need for this level of increase if the NEB constrains TCPL's discretion on discretionary services? Please comment on whether Union would re-file this evidence based upon the resulting market conditions.

**REF: Exhibit A, Tab 2**

- 6) What impact will this amount of PDO reduction have on Union's Dawn-Parkway facility plans for Nov. 1, 2016 and Nov. 1, 2017.

**REF: APPENDIX B Rate Schedules & Union Gas Bundled Transportation Contract**

Preamble: Within numerous rate schedules, the following sentence is included: "*Where a customer elects transportation service under this rate schedule, the customer must enter into a Bundled T Gas Contract with Union for delivery of gas to Union. Bundled T Gas Contract Rates and Gas Purchase Contract Rates are described in rate schedule R1.*"

We would like to understand better a customer's rights and responsibility under the contract.

- 7) Please confirm that all Bundled Transportation ("BT") contracts require an annual balancing of the Banked Gas Account ("BGA") within plus or minus 4% of annual deliveries. If this is not confirmed, please summarize the balancing responsibilities of the BT customers.

**REF: Bundled Transportation Agreement, Schedule 2, Clause 3.03**

The referenced clause states: "Union's refusal to receive Gas under any circumstances described in this section does not relieve Customer of its obligation on any subsequent Day to deliver its Obligated DCQ to Union should Union require it. Union agrees to act in a reasonable and responsible manner when interpreting the relevant data for determining the forecasted BGA balances. Union shall not be liable for any damages, losses, costs or expenses incurred by Customer as a consequence of refusing receipt of Gas."

- 8) Please clarify whether the above exemption from liability includes Union Gas penalties for BGA variances.
  - a) Please provide the basis for exempting or not exempting liability from Union Gas BGA variance penalties.
- 9) Please confirm that all customer actions to vary deliveries to meet BGA obligations are subject to Union Gas authorization.
  - a) Please confirm these authorizations are interruptible by Union Gas for operational purposes.
- 10) In a situation where Union Gas has provided authorization for incremental deliveries for a customer to meet its BGA obligations and subsequently interrupts that right to deliver, please provide:
  - a) Union's right to apply penalty provisions in the R1 or T1 rate schedules to rectify imbalances.
  - b) The supporting regulatory approvals for that right.
  - c) The principles behind the need for the application of imposed charges to rectify the imbalance.
- 11) Please provide the actual storage position on a percentage basis of Union's Dawn storage facility.
  - a) Notwithstanding that Union reports in-franchise and ex-franchise utilization of Union storage in deferral account proceedings, please provide the percentage fill by in-franchise and ex-franchise customers during each day of the last week of October of 2014.
  - b) Please provide the daily ex-franchise deliveries to Dawn during each day of the last week of October.

- 12) Please confirm that Union interrupted in-franchise authorizations for additional deliveries for customers trying to meet BGA obligations in the last week of October of 2014. Please provide:
- a) The amount of incremental in-franchise authorizations that were interrupted each day of the last week of October.
  - b) The amount of notice was provided to customers interrupted
  - c) Union's view on their right to apply remedies in the contract for not meeting contractual variances to the BGA.
    - i) For example, if a customer's banked gas account is below the maximum tolerance of 4% below a zero balance, Union sells the customer gas at the current R1 rate.
    - ii) Please confirm that for the last week of October, the R1 rate was \$5.445/GJ. If not, please provide the rate.
    - iii) Please provide the market price of gas transacted at Dawn for each day during the last week of October.
  - d) Union's view on the discretion it maintains in applying these remedies.
  - e) Union's intent on applying these remedies including the specific customer-initiated, discretionary considerations applicable.
  - f) The major considerations that Union would apply in considering whether the customer acted responsibly in respect of their obligations.
- 13) Please produce Union's current Priority of Service Schedule
- 14) Please provide the aggregated level of gas stored in all Union Gas HUB accounts for each day in the last week of October and the first week of November.
- a) Did the amount of gas in the collective HUB accounts contribute to Union's decision to interrupt prior authorizations?
  - b) If not, please explain where HUB gas is stored and specifically how it would not impact additional authorized deliveries.