

January 19, 2015

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

Dear Ms. Walli

**RE: EB-2014-0261 – Union Gas Limited – Dawn Parkway 2016 Expansion Project –
Interrogatories on Intervenor Evidence**

Please find attached Union Gas Limited (“Union”) interrogatories on the evidence of John Goudy on behalf of the Gas Pipeline Landowners of Ontario (“GAPLO”) and, the evidence of John Rosenkranz on behalf of the Canadian Manufacturers & Exporters, the Federation of Rental-housing Providers of Ontario and the Ontario Greenhouse Vegetable Growers, filed January 9, 2015.

If you have any questions, please contact me at (519) 436- 5473.

Yours truly,

[original signed by]

Karen Hockin
Manager, Regulatory Initiatives

cc: Zora Crnojacki, Board staff
Mark Kitchen, Union Gas
Crawford Smith, Torys
All Intervenors

Union Gas Limited
Interrogatories on Written Evidence of John Rosenkranz on behalf of
CME/FRPO/OGVG:

1. Reference: Page 5, lines 21-23

Preamble:

“All of the Dawn-Parkway transportation contracts held by Northeast U.S. LDCs with expiration dates in 2016 were recently extended to October 31, 2017. However, there are several reasons that the turnback risk associated with these contracts is likely to increase.”

Question:

Has Mr. Rosenkranz had any communications with the Northeast U.S. LDCs that would suggest that they intend to, or are likely to, turnback capacity on the Union Gas System? If so, please provide a summary of the communications, identify the customers and provide the amount of capacity that might be turned back.

2. Reference: Page 8, Table 6

Preamble:

“Table 6: Delivered Cost of Gas into IGTS (US\$/MMBtu)”

Question:

Please expand Table 6 from Mr. Rosenkranz’s testimony to compare the delivered cost of gas into IGTS for each of 60 day service, 30 day service, and 10 day service.

3. Reference: Page 6, lines 23-24

Preamble:

“New pipeline projects that are currently in development will reduce IGTS shippers' dependence on Canadian pipeline services upstream of Iroquois.”

Question:

- a) Please provide the analysis relied upon by Mr. Rosenkranz to reach the conclusion that the “new pipeline projects that are currently in development will reduce IGTS shippers' dependence on Canadian pipeline services upstream of Iroquois.” Please be

- specific, and differentiate between dependence on annual pipeline flows vs. pipeline capacity requirements for peak period services.
- b) Are the pipelines identified in Table 5 of Mr. Rosenkranz's testimony expected to be used to provide high load factor service, or will they be used primarily to meet peak period requirements?
 - c) In the event you have not completed your analysis based on peak flow requirements, please update your analysis so that it is based on peak flow requirements.
4. Reference: Page 9, lines 14-27

Preamble:

“Finally, as Marcellus shale gas production continues to grow, markets in Quebec and eastern Ontario may be able to reduce delivered gas costs by turning back Dawn-Parkway transportation service and replacing gas delivered through Dawn with Marcellus gas imported through Iroquois. Gas produced in the Northeast U.S. is expected to provide a greater share of the gas consumed in eastern Canada, and Iroquois provides a more direct route from the Marcellus producing areas in Pennsylvania to markets in Quebec than transportation paths that flow through Niagara or Dawn. Although the Iroquois path is not currently a viable alternative for Canadian markets-the interconnection at Iroquois does not allow gas to physically flow from IGTS into TCPL-this is expected to change. TCPL is offering Iroquois as a receipt point in its 2017 new capacity open season, and IGTS has proposed a project to reverse flows on the U.S. side of the border. In recent filings at the NEB, TCPL has described changes in market activity that indicate that "Iroquois is trending toward becoming a physical receipt point into the Mainline system." TCPL's long-term market study projects that Iroquois will become a net import point on an average annual basis as early as 2018. “

Question:

- a) Is the demand for pipeline capacity on the Dawn Parkway System and on IGTS determined by annual load requirements, or peak period requirements?
- b) Please explain why annual flows on IGTS would impact the demand for peak period capacity on IGTS or for capacity to deliver natural gas to Iroquois.

5. Reference: Page 12, lines 11-14

Preamble:

“Given the similarities between Union's situation and the situation faced by TCPL, the Board should provide an opportunity for stakeholders to consider whether a term-up provision like the provision approved for TCPL should be implemented by Union Gas for future expansion projects.”

Question:

Please identify the “similarities” between Union’s situation and the situation faced by TCPL.

6. Reference: CV of John Rosenkranz

Question:

Please provide a list of all regulatory proceedings in which Mr. Rosenkranz has testified on matters specific to Gas Supply within the last 4 years and provide a copy of all testimony (written and transcripts).

Interrogatories on Written Evidence of John Goudy on behalf of GAPLO:

1. Reference: Page 9, paragraph 27, which refers to Exhibit B.GAPLO.28

Preamble:

“In response to one of GAPLO’s interrogatories related to the cumulative effects assessment, Union states that: ‘No landowner concerns have been addressed regarding soil damage or crop loss from any previous pipeline construction activities in the Hamilton to Milton pipeline corridor. Considering that the oldest of the three existing pipelines was constructed nearly 60 years ago, Union would expect negligible, if any, residual soil damage or crop loss.’”

Question:

As referenced in the GAPLO evidence, please confirm that the correct wording in Union’s response to Exhibit B.GAPLO.28 part d) is: “No landowner concerns have been expressed regarding soil damage or crop loss from any previous pipeline construction activities in the Hamilton to Milton pipeline corridor...”

2. Reference: Attachment 9 - Written evidence of Mr. Rick Kraayenbrink from the Strathroy Lobo Pipeline Project (EB-2005-0550) dated March 31, 2006

Preamble:

At pg. 1 of Mr. Kraayenbrink’s evidence, he states that he owns and farms the properties described as “Part of Lot 26, Concession 2 and Part of Lot 26 and Part of the road allowance between Concessions 1 & 2, Registered Plan No. 24, Moore Township, Lambton County, designated as Parts 1-10, Plan 25R1585 in the Land Registry Office for the Registry Division of Lambton (No.25)”. With respect to this property, Mr. Kraayenbrink makes the claim in this same evidence that: “From the perspective of potential liability and safety, I am concerned that no landowner would want to buy this property.” He further states ... “the development potential of this land is diminished.”

Question:

Please provide the ownership status of this property and confirm whether or not Mr. Kraayenbrink still owns this property.