

INTERROGATORY #1

Ref: Exhibit B, Tab 1, Status Update to Recommendation #26, page 107

Please indicate how the following suggestions included in the 2012 Auditor's recommendation were implemented in the 2013 evaluations for custom projects:

1. Simpler verification for projects conducted in the program year. Verify installation and operating conditions and update assumptions with better data and limited measurement.
2. More comprehensive evaluation for projects carried over from the previous program year to allow more time to evaluate. Include a greater degree of billing analysis and independent estimation approaches.
3. Require more details on baselines for projects of a certain savings level (e.g. 1 million m3). Union could involve an evaluator at pre-implementation stage for these projects to review savings calculations and assumptions, determine baseline, and set up an M&V plan for data collection.

INTERROGATORY #2

Ref: Exhibit B, Tab 1, Appendix D, page 143, measure category ESK program

The adjustment factors for 1) bathroom faucet aerator, 2) pipe insulation and 3) showerhead in the ESK Pull, Push and Door-to-Door initiatives appear to be inconsistent with Tables 8.1 to 8.3 (page 87) of the Final DSM 2013 Annual Report, and Tables PLL-3.1 (page 175), PSH-3.1 (page 186) and D2D-3.1 (page 164) in Appendices G to I. Please explain the appeared inconsistencies.

INTERROGATORY #3

Ref: Exhibit B, Tab 1, Appendix D, page 143, measure category LIMF program

The free ridership rates for the bathroom and kitchen faucet aerators in the LIMF offering appear to be updated. Please indicate what evidence this update was based on.

INTERROGATORY #4

Ref: Appendix N, Low Income Custom Project Verification Final Report, page 371

Please provide the 2013 CPSV Terms of Reference for the Low Income Custom Projects.

INTERROGATORY #5

Ref: Appendix O, Engineering Review of 2013 Commercial/Industrial Custom Projects, page 443

1. Please provide the 2013 CPSV Terms of Reference for the Commercial/Industrial Contract Custom Projects.
2. CI01-2013-IND-0455, pages 459-460
 - a. Given that these DSM initiatives were part of the company's target of a 25% energy reduction in five years, was the customer planning to undertake DSM anyways? Please explain.
3. CI03-2013-IND-0267, pages 478-479
 - a. Please indicate how the verifier calculated the base case.
 - b. What were the specific DSM measures that were implemented due to Union's assistance?
 - c. Please indicate why the verifier did not use metered data to justify the gas savings claimed.

INTERROGATORY #6

Ref: Appendix P, 2013 Evaluation of Distribution Contract Custom Projects, page 569

1. Please provide the 2013 CPSV Terms of Reference for the Large Distribution Contract Custom Projects.
2. 2013-IND-0348, pages 579-582
 - a. The savings are calculated based on the life of the [REDACTED]. Should the savings be calculated based on the life of the [REDACTED] the [REDACTED] is supplied to rather than the life of the [REDACTED]? Please indicate the expected life of the [REDACTED].
 - b. Ref: Independent Audit of 2013 DSM Program Results, page 28
 - The Auditor reduced the estimated savings by 50% to take into account the deterioration of the new [REDACTED] due to the impurities of the [REDACTED]. Would these impurities affect the life of the [REDACTED] based on which the cumulative savings were calculated?

3. 2013-IND-0124, pages 639-642

- a. The [REDACTED] was [REDACTED]. When it was [REDACTED], it was assumed that the useful life is [REDACTED]. What is the useful life of the [REDACTED] and based on what evidence did the verifier assume that this [REDACTED] would last for [REDACTED]?

4. 2013-IND-0450, pages 666-669

- a. It appears that the customer had [REDACTED] the [REDACTED] of the [REDACTED]. The estimated savings assumed that the customer would not have replaced the [REDACTED]. Please provide evidence to justify this assumption. Also explain why this DSM initiative was not considered advancement. For advancements, gas savings should be claimed for the period of advancement rather than over the [REDACTED].
- b. The project description states that [REDACTED]. Since the customer has not met the above requirements to date (i.e. has allowed the existing [REDACTED]) why it is assumed that the customer will meet these requirements in the future for the [REDACTED] to last for [REDACTED]? Please provide evidence for making this assumption.
- c. The cumulative savings are calculated over the assumed life of the [REDACTED]. Should the savings be calculated over the remaining life of the [REDACTED] etc.? Provide evidence that the life of the [REDACTED] would exceed the life of the [REDACTED].
- d. Please provide the same information, where applicable, for the following projects:

2013-IND-0451
2013-IND-0179
2013-IND-0072
2013-IND-0204
2013-IND-0117

INTERROGATORY #7

Ref: Exhibit B, Tab 2, Table 4 (Low Income Custom Projects), page 20

Please provide a new table in Excel format that includes the following:

- a. Annual gas savings for each project

- b. Annual electricity, water and other savings for each project, if any
- c. Total annual cost savings associated with a) and b) above
- d. Incremental costs of the project
- e. Incentive amount provided to the customer
- f. Simple payback based on the information above (before the incentive was provided)

INTERROGATORY #8

Ref: Exhibit B, Tab 2, Table 6 (Commercial/Industrial Custom Projects), pages 24-25

Please provide a new table in Excel format that includes the following:

- a. Annual gas savings for each project
- b. Annual electricity, water and other savings for each project, if any
- c. Total annual cost savings associated with a) and b) above
- d. Incremental costs of the project
- e. Incentive amount provided to the customer
- f. Simple payback based on the information above (before the incentive was provided)

INTERROGATORY #9

Ref: Exhibit B, Tab 2, Table 8 (Large Volume Projects), pages 30-31

Please provide a new table in Excel format that includes the following:

- a. Annual gas savings for each project
- b. Annual electricity, water and other savings for each project, if any
- c. Total annual cost savings associated with a) and b) above
- d. Incremental costs of the project
- e. Incentive amount provided to the customer
- f. Simple payback based on the information above (before the incentive was provided)

INTERROGATORY #10

Please list and describe the key changes to the input assumptions since the approval of the input assumptions in 2012-2014 DSM Plan (EB-2011-0327) that were used in the calculation of the 2013 natural gas savings.

INTERROGATORY #11

Please indicate what free ridership and persistence studies Union is planning to undertake as recommended by the Auditor which will be used in the estimation of the 2014 natural gas savings.

INTERROGATORY #12

Ref: Exhibit B, Tab 3, overarching recommendation #1, page 3

Ref: Exhibit B, Tab 2, Table 4 (Low Income Custom Projects), page 20

Ref: Exhibit B, Tab 2, Table 6 (Commercial/Industrial Custom Projects), pages 24-25

Ref: Exhibit B, Tab 2, Table 8 (Large Volume Projects), pages 30-31

The Auditor's recommendation #1 suggests additional baseline research.

- a. Please request the Auditor to produce a table with the custom projects listed in the references above indicating whether there was an adequate documentation of the baseline conditions based on which the gas savings were estimated.
- b. Also in the same table, where applicable, indicate whether a process improvement study, an engineering feasibility study or a steam trap survey was done and financed by Union.
- c. In addition, in the same table indicate whether the project was an advancement.

INTERROGATORY #13

Ref: Exhibit B, Tab 2, overarching recommendation #2, page 13

Has Union included Auditor's recommendations #2, 11 and 12 in the 2014 CPSV Terms of Reference as suggested by the Audit Committee?

INTERROGATORY # 14

Ref: Exhibit B, Tab 2, overarching recommendation #3, page 13

Has Union included Auditor's recommendation #3 in the 2014 Auditor RFP as suggested by the Audit Committee?

INTERROGATORY # 15

Ref: Exhibit B, Tab 1, Final DSM 2013 Annual Report, page 69-70

Please provide a table that indicates the total number of studies and the amounts spent for each of the process improvement studies, engineering feasibility studies, and steam trap surveys by Low Income, Commercial/Industrial and Large Volume Custom Projects.