

July 3, 2015

BY COURIER & RESS

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

RE: EB-2015-0029 – Union Gas Limited (“Union”) – 2015-2020 DSM Plan Interrogatory Responses - Corrected

Dear Ms. Walli,

Please find attached Union’s corrected responses to the interrogatories received in the above case. Union corrected Exhibit B.T5.Union.GEC.50 and Exhibit B.T13.Union.GEC.1.

Exhibit B.T5.Union.GEC.50

Union corrected Exhibit B.T5.Union.GEC.50 Tables 1 through 4.

Exhibit B.T13.Union.GEC.1

Union corrected a calculation error in the Total Gas Savings column of Exhibit B.T13.Union.GEC.1 Attachment 1.

If you have any questions with respect to this submission please contact me at 519-436-5334.

Yours truly,

[Original Signed by]

Vanessa Innis
Manager, Regulatory Initiatives

Encl.

cc: Lawrie Gluck, Board Staff
Alex Smith, Torys
All Intervenors (EB-2015-0029)

UNION GAS LIMITED

Answer to Interrogatory from
Green Energy Coalition ("GEC")

Reference: Exhibit A, Tab 3, Appendix A, pp. 41-43

Please provide tables comparable to Tables 9, 10, 12 and 13 for the previous three historic years (i.e. 2012, 2013 and 2014). The tables should be broken down in the same way as in this filing.

Response:

Please see Table 1 through 4 below. Please note 2014 results are pre-audit.

Table 1

Commercial Industrial Program Budget			
Program Costs (\$000)	2012	2013	2014
Incentive/Promotion			
Prescriptive	\$3,441,139	\$4,641,749	\$3,752,305
General Service Custom	\$1,388,946	\$1,026,408	\$1,756,555
Contract Custom	\$4,042,663	\$4,636,913	\$4,512,863
Studies and Metering	\$628,454	\$573,085	\$399,974
Total	\$9,501,202	\$10,878,155	\$10,421,697
Evaluation	\$88,136	\$137,084	\$125,049
Administrative Costs	\$2,556,574	\$2,776,801	\$2,938,763
Total	\$12,145,912	\$13,792,040	\$13,485,509

From 2012-2014, Rate T1 customers were under the Large Volume Program. In 2016, Rate T1 customer will be under the CI Program. For comparison purposes, historical Rate T1 costs have been included in this table. Rate T1 costs are allocated based on customer incentive spend.

Table 2

Commercial Industrial Participation			
Offering	2012	2013	2014
Prescriptive	1,066	901	853
General Service Custom	218	209	248
Contract Custom	131	171	164
Studies and Metering	123	118	141

Contract Custom includes Rate T1.

Table 3

Commercial Industrial Annual Natural Gas Savings (m³)			
Offering	2012	2013	2014
Prescriptive	10,366,742	14,207,995	11,275,675
General Service Custom	7,782,608	4,950,481	10,365,958
Contract Custom	39,897,510	43,163,796	43,755,843
Total	58,046,860	62,322,272	65,397,477

Contract Custom includes Rate T1.

Table 4

Commercial Industrial Lifetime Natural Gas Savings (m³)			
Offering	2012	2013	2014
Prescriptive	202,274,442	272,204,417	216,057,244
General Service Custom	143,888,131	84,260,229	171,117,291
Contract Custom	739,823,853	708,972,835	737,783,932
Total	1,085,986,427	1,065,437,480	1,124,958,467

Contract Custom includes Rate T1.

UNION GAS LIMITED

Answer to Interrogatory from
Green Energy Coalition ("GEC")

Reference: Exhibit A, Tab 1, p. 5

Union states that since 1997 its DSM programs "have helped save an estimated \$2.6 billion in total resource costs and 7.5 billion cubic meters of natural gas."

- a) What avoided costs were used to calculate the TRC cost savings calculated?
- b) Is the 7.5 billion cubic meters of gas savings the sum of the incremental annual savings from the 1997 through 2014 programs, the annual persisting savings in 2015 from programs run since 1997, the sum of the lifetime savings from each year's worth of programs from 1997 through 2014, or something else? If something else, please explain.
- c) Please provide, in original electronic form with formulas intact, the computations performed by Union to arrive at both the cost and gas savings totals cited.
- d) If not included in response to subpart "c" above, please provide the TRC net benefits, incremental annual cubic meter savings, and lifetime cubic meter savings separately for each year from 1997 through 2014.
- e) Please provide Union's annual in-franchise total throughput volumes for each year from 1997 through 2014.

Response:

- a) Avoided costs used from 1999 to 2005 were based on avoided costs established in 1999. In 2006, as part of the 2006 DSM Transitional Plan only, Union adopted Enbridge's avoided costs as approved by the OEB in EB-2005-001/EB-2005-0434 proceeding. From 2007 to 2013, avoided costs were calculated using the methodology established in the above proceedings but were updated annually based on data specific to Union's franchise area. Avoided cost tables from 2008 to 2013 and can be found in the preceding year's Annual Report.
- b) The claim of 7.5 billion cubic meters of gas savings represents the sum of annual persisting savings from programs delivered in 1997 to 2013, inclusive. An assumption is made that in the year of program delivery, only 50% of savings are counted.
- c) and d) Please see Attachment 1 Corrected.

e) The actual annual in-franchise total throughput volumes are shown in the table below.

Year	Total (10*⁶m³)
1997	14,476
1998	13,274
1999	14,602
2000	14,857
2001	13,889
2002	14,915
2003	14,822
2004	14,453
2005	14,203
2006	13,211
2007	13,877
2008	13,843
2009	12,849
2010	13,314
2011	14,142
2012	14,435
2013	14,545
2014	14,747

Year	TRC Net Benefits Achieved (\$000) ¹	Annual Natural Gas Savings (000m ³) ¹	Total gas savings (000m ³)	Cumulative Gas Savings (000m ³) ²
1997	\$76,300	21,084	10,542	
1998	\$38,000	27,505	34,837	
1999	\$41,900	30,968	64,073	
2000	\$43,859	29,763	94,439	
2001	\$47,776	48,026	133,333	
2002	\$76,194	58,343	186,517	
2003	\$47,364	42,806	237,092	
2004	\$70,167	60,003	288,496	
2005	\$97,106	71,807	354,401	
2006	\$184,677	90,475	435,542	
2007	\$215,896	55,852	508,706	
2008	\$262,754	61,852	567,558	
2009	\$308,256	92,604	644,786	
2010	\$284,133	121,116	751,646	
2011	\$325,657	139,027	881,718	
2012	\$232,147	137,438	1,019,951	2,336,351
2013	\$326,341	179,967	1,178,653	2,820,834
Total	\$2,678,528	1,268,636	7,392,291	

¹ A number of calculations are done to arrive at these final amounts, as reported in Union's Annual Reports.

² Reporting in cumulative natural gas savings was introduced in EB-2008-0346, Demand Side Management Guidelines for Natural Gas Utilities. Prior to this, reporting was based on TRC. As such, Union is unable to provide cumulative m³ savings prior to 2012.