

77 King Street West Suite 3000, PO Box 95 TD Centre North Tower Toronto, ON M5K IG8 t: 416.864.9700 | f: 416.941.8852 foglers.com

August 17, 2015

Reply To: Thomas Brett
Direct Dial: 416.941.8861
E-mail: tbrett@foglers.com

Our File No. 147936

VIA RESS, EMAIL AND COURIER

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

Attention:

Kirsten Walli

Board Secretary

Dear Ms. Walli:

Re: EB-2014-0182 - Interrogatories of BOMA

In connection with Procedural Order No. 5, please find attached Interrogatories of BOMA with respect to Union's Reply Evidence in the above noted proceeding.

Yours truly,

FOGLER, RUBINOFF LLP

TB/dd Encls.

cc:

All Parties (by email)

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ONTARIO ENERGY BOARD

IN THE MATTER OF The Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B, and in particular, S.90.(1) thereof;

AND IN THE MATTER OF The Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B, and in particular, S.36 thereof;

AND IN THE MATTER OF an Application by Union Gas Limited for an Order or Orders granting leave to construct natural gas pipelines and ancillary facilities in the Town of Milton and the Town of Oakville;

AND IN THE MATTER OF an Application by Union Gas Limited for an Order or Orders for approval of recovery of the cost consequences of all facilities associated with the development of the proposed Burlington Oakville Project.

INTERROGATORIES OF

BUILDING OWNERS AND MANAGERS ASSOCIATION, GREATER TORONTO (BOMA)

ON UNION'S REPLY EVIDENCE FILED JULY 31, 2015

August 17, 2015

Interrogatory

Ref: Reply Evidence, Page 21

1. At line 12, Union states:

"Today, Union delivers the same amount of natural gas to TransCanada at Kirkwall that it requires for deliveries to the Kirkwall/Dominion Gate Station and Hamilton #3 Gate Station. Despite the assumption that Union would continue to satisfy the requirements as it has in the past if the Burlington Oakville Pipeline is not approved, and consistent with the changes required by TransCanada in 2011 at Parkway, it is very likely that in the future TransCanada will require Union to contract for transportation capacity from Kirkwall to facilitate deliveries to the Kirkwall/Dominion Gat Station and Hamilton #3 Gate Station. As a result, it is not appropriate to exclude this aspect from the comparative analysis".

BOMA notes that this is a drastic change of position from the view Mr. Isherwood expressed at the Technical Conference.

What evidence does Union have that TCPL would require Union to contract for a separate service from Kirkwall to the two gate stations, particularly in light of the improved relationship between the eastern LDCs and TCPL, the Settlement Agreement which was approved by the NEB in RH-001-2014, and the increasing east to west flow on the TCPL mainline from Niagara to Kirkwall.

- 2. Section 8.1(d) of the TCPL Mainline Settlement Agreement states:
 - "(d) Subject to Union receiving approval to construct its Burlington Oakville pipeline with an anticipated in-service date of November 1, 2016, referred to in subsection 8.1(a)(iii):
 - (i) TransCanada will amend the existing Union CDA to remove the Burlington, Bronte and Parkway-Union meter stations as Delivery Points;
 - (ii) TransCanada will seek Regulatory Approval to designate the Parkway— Union meter as a stand-alone Delivery Point ("Union Parkway Belt Delivery Point") and to designate the Burlington and Bronte meter stations as Delivery Points in the Union ECDA; and

(iii) Union shall bid into an existing or new capacity open season and enter into an FT Contract for a minimum term of 16 years for a volume of 135 TJ/day for gas transportation service between TransCanada's Kirkwall Receipt Point and the Amended Union CDA.

Mainline Shippers who hold Firm Service Contracts to the existing Union CDA shall have a one-time option to amend the Delivery Point to the Union Parkway Belt Delivery Point or the Union ECDA."

Why should the Board not infer from Section 8.1(d)(iii) of the Settlement Agreement that in the event Union does not build the Burlington Oakville line, TCPL will not ask for a new FT toll from Kirkwall to the two city gates referred to in question #1?

- 3. At this link: http://investor.nationalfuelgas.com/files/doc_presentations/2015/20150806_NFG-IR-Presentation_FINAL.pdf is a copy of a recent (August 15th) presentation from National Fuel Gas Company, a corporation with both transmission facilities in Western New York and connection to Ontario at both Chippewa and Niagara and very large reserves and production in the Marcellus shale throughout Pennsylvania. Given the commitments to move gas to Niagara and into Canada, set out at pages 23, 24 and 25 of the presentation, can Union comment on the increasing importance of Niagara as an entry point/contracting point from Marcellus supply?
- 4. What step is Union taking to facilitate the purchase of supplies at Niagara or Kirkwall by itself and its direct purchase customers? Would such step not increase the transacting at Niagara, given the price advantage over Dawn?