UNION GAS LIMITED BURLINGTON OAKVILLE PIPELINE EB-2014-0182

BOARD STAFF INTERROGATORIES ON UNION'S REPLY EVIDENCE

Interrogatory # 1

Ref: Union's Reply Evidence, Exhibit C /page 2/ lines 14-18

In the event that the Burlington-Oakville project is not approved, what would be the implications, financial or otherwise of Union's proposed plan to contract for capacity on the NEXUS pipeline?

Interrogatory # 2

Ref: Union's Reply Evidence, Exhibit C/ page 3/ lines 10-11 and Exhibit C/ page 16 / lines 8-9

Preamble:

Union stated that the Alternative Proposal does not align with Union's Gas planning principles it would move up to 77% of Union's upstream transportation and supply portfolio away from Dawn. Union indicated that it purchases approximately 360 TJ/d of gas supply for its Union South sales service portfolio (based on average day).

Questions:

- a) In calculating the 77% number, did Union take the peak day requirement for Burlington-Oakville of 276 TJ/d and divided it by 360 TJ/d?
- b) If yes, please re-calculate the percentage by using the average day requirement for Burlington-Oakville of 94 TJ/d and dividing it by the 360 TJ/d or take the 276 TJ/d of peak day demand for Burlington-Oakville and dividing it by the corresponding peak day demand for Union South's sales service.

Interrogatory #3

Ref: Union's Reply Evidence, Exhibit C/ page 4/ line 6-7Preamble:

Union indicated that the Alternative Proposal, including up to 77 % of the upstream supply portfolio at a single point, would require the reinstatement of vertical slice.

Questions:

Would Union, if successful in contracting for NEXUS pipeline capacity, need to reinstate the vertical slice. Please explain.

Interrogatory #4

Ref: Union's Reply Evidence, Exhibit C/page 16/ lines 3-6

Preamble:

Union states that the Alternative Proposal will result in a drastic decrease in the diversity of contract terms (will require 15 year contracts).

Question:

Is it Union's view that contacting for any new pipeline capacity that requires a 15 year contract term would drastically decrease its diversity of the contract terms?

Interrogatory #5

Ref: Union's Reply Evidence, Exhibit C/page 21/ lines14-19

Preamble:

Union states that 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 Gate Station and Hamilton #3 Gate Station. As a result, it is not appropriate to exclude this aspect from the comparative analysis.

Questions:

- a) Has Union discussed the option/possibility with TransCanada of being required to contract for transportation capacity from Kirkwall to the Amended CDA (in the event that the Burlington-Oakville project was not approved)?
- b) Has Union confirmed with TransCanada that TransCanada will likely require Union to contract for transportation capacity from Kirkwall to the Amended CDA if the Burlington-Oakville project is not approved?