

August 24, 2015

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 - Undertaking Responses

Dear Ms. Walli,

Please find attached Union’s responses to the following undertakings received in the above case: J1.7; J1.8; J1.10; J1.12; J2.2; J2.3; J3.1; J3.3; J3.5; J3.7; and J3.10.

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

Undertaking of Ms. Brooks
To Mr. Gardner

To confirm whether it has data on direct installs versus self or others like it.

Response:

Union has not historically offered a program where aerators were directly installed.

Union last surveyed low-income participants in 2012 who received aerators without having them directly installed. The results of the survey showed that 85% of participants installed the aerators.

UNION GAS LIMITED

Undertaking of Ms. Brooks
To Mr. Gardner

(A) To estimate TRC or PAC or total residential rate impact – in other words, cost effectiveness of installing faucet aerators; (B) to confirm when it does its cost effectiveness test whether, in Union's view, it is cost effective as part of that analysis.

Response:

The cost-effectiveness of the Low Income program does not materially change if program costs are added for the installation of aerators

UNION GAS LIMITED

Undertaking of Ms. Brooks

To Mr. Gardner

To confirm the percentage of eligible building stock that would be eligible for a Novatherm panel

Response:

Single Family:

- 2% of low income customers in single family residential dwellings have a natural gas boiler. Amongst this 2% of homes, a portion have the older style of free-standing radiators that Novatherm Panels are best suited for, while others have the newer baseboard style with existing metal backs to deflect heat. Due to small base sizes, Union is not able to provide an estimate of how many low-income homes are likely to have the older style of radiators.

Multi Family:

- 10% of low income multi-family buildings have a natural gas central boiler. Amongst this 10% of buildings, a portion have the older style of free-standing radiators that Novatherm Panels are best suited for, while others have the newer baseboard style with existing metal backs to deflect heat. Due to small base sizes, Union is not able to provide an estimate of how many low income multi-family buildings are likely to have the older style of radiators.

UNION GAS LIMITED

Undertaking of Ms. Brooks
To Mr. Quinn

To advise the overall TRC if ESKs were removed from the residential program offering.

Response:

The Residential program TRC is listed below for 2016-2020, without the ESK offering. Note that all benefits and costs from the ESK offering have been removed, except for administration costs. Union's administration costs are not split by offering, therefore administration costs relating to ESKs could not be removed. Please see Table 1 below.

Table 1

	2016	2017	2018	2019	2020
Total TRC-Plus Ratio	1.0	1.1	1.1	1.1	1.1

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Undertaking of Mr. Goulden
To Mr. Poch

To make best efforts to track down data for the last five years re: how many commercial new attachments in a year.

Response:

Please see the table below.

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Total Commercial Customers Attachments

<u>Year</u>	<u>Total Commercial</u>
2010	1,470
2011	1,497
2012	1,517
2013	1,429
2014	1,376

UNION GAS LIMITEDUndertaking of Ms. Lynch
To Ms. Girvan

With reference to Exhibit B, T3, Union.CCC.9, to provide an update of the year-to-date spending.

Please see Table 1 below.

	YTD July 31, 2015 Actual (\$000)
	2015
Resource Acquisition	
<i>Residential Incentives/Promotion</i>	\$ 2,220
<i>Residential Administration</i>	\$ 305
<i>Residential Evaluation</i>	\$ 200
Total Residential Program	\$ 2,725
<i>Commercial/Industrial Incentives/Promotion</i>	\$ 1,903
<i>Commercial/Industrial Administration</i>	\$ 1,704
<i>Commercial/Industrial Evaluation</i>	\$ 96
Total Commercial/Industrial Program	\$ 3,703
Total Resource Acquisition Programs	\$ 6,428
Large Volume T1/T2/R100	
<i>Large Volume T1/T2/R100 Incentives/Promotion</i>	\$ 26
<i>Large Volume T1/T2/R100 Administration</i>	\$ 511
<i>Large Volume T1/T2/R100 Evaluation</i>	\$ -
Total Large Volume T1/T2/R100 Program	\$ 537
Low-Income	
<i>Low-Income Incentives/Promotion</i>	\$ 1,694
<i>Low-Income Administration</i>	\$ 550
<i>Low-Income Evaluation</i>	\$ 85
Low-Income Program	\$ 2,329
Market Transformation	
<i>Optimum Home Incentives/Promotion</i>	\$ 352
<i>Optimum Home Administration</i>	\$ 227
Total Optimum Home Program	\$ 579
Programs Sub-total	\$ 9,873
Portfolio Budget	
Research	\$ 135
Evaluation	\$ 261
Administration	\$ 1,311
Total DSM Budget	\$ 11,580
DSM Tracking & Reporting System Upgrade, Infrastructure Planning Study, Achievable Potential Study	\$ 60

UNION GAS LIMITED

Undertaking of Ms. Lynch
To Mr. Shepherd

To provide the calculation table that shows the target calculation based on input assumptions.

Response:

Target calculations based on input assumptions can be found in the following interrogatories:

- Exhibit B.T2.Union.GEC.24 Excel Attachment 1 for the Residential Program
- Exhibit B.T5.Union.GEC.49 Excel Attachment 1 for the Commercial/Industrial Program
- Exhibit B.T5.Union.GEC.57 Excel Attachment 1 for the Low Income Program

The attachments are filed on the Board's RESS.

UNION GAS LIMITED

Undertaking of Mr. Goulden
To Mr. Shepherd

To advise whether re: the average payback for custom projects on this list on page 30 if it is true that they brought it down with their incentives on average to four years, just over four years.

Response:

The average payback of the projects on page 30 of Exhibit K2.4 is 6.0 years. The average payback of the projects, with incentives included, is 5.8 years.

UNION GAS LIMITED

Undertaking of Ms. Brooks
To Mr. Shepherd

To advise whether the range of incentive level for infrared heating units is increased to 300 to 400 because new qualified units are being added or because more will be paid for similar units.

Response:

In Exhibit JT2.16, Union provided the 2012 to 2014 incentive levels for infrared heating units, as well as the proposed incentive levels for 2016 to 2020. From 2012 to 2014, the incentive was \$300 per unit for all infrared heating units. From 2016 to 2020, Union is proposing to continue the \$300 incentive for single-stage infrared heating units, and provide a \$400 incentive for 2-stage infrared heating units. The increase to the incentive level for 2-stage units is being proposed to offset the higher incremental costs of 2-stage units compared to single-stage units, and to drive more participation in 2-stage units. At the increased incentive level, Union is projecting 600 2-stage units in 2016. In 2013 and 2014, Union's 2-stage unit results were 265 and 216, respectively.

UNION GAS LIMITED

Undertaking of Ms. Brooks
To Mr. Shepherd

To confirm the home reno rebate program target for 2015 is 1,245 participants.

Response:

The 2015 year to date Home Reno Rebate participants is 1,425 homes.

UNION GAS LIMITED

Undertaking of Ms. Brooks
To Mr. Shepherd

To advise how many hit the 2,500 cap in 2014.

Response:

There were 208 participants that hit the \$2,500 cap in 2014.