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October 13, 2015

Via RESS and Courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

RE: Union Gas Limited
Dawn Reference Price and North T-Service Application
Ontario Energy Board File Number: EB-2015-0181

Interrogatories of Ontario Association of Physical Plant Administrators

Please find attached the interrogatories of the Ontario Association of Physical Plant Administrators for Union Gas in the above-noted proceeding.

Yours truly,

[Original signed by]

Valerie Young
Director, Research and Analysis

cc. Chris Ripley, Union Gas (e-mail)
Crawford Smith, Torys (e-mail)
Paul Martin, OAPPA / Western University (e-mail)
Khalil Viraney, OEB (e-mail)
EB-2015-0181 Intervenors (e-mail)

Union Gas Limited
EB-2015-0181: Dawn Reference Price and North T-Service Application

INTERROGATORIES – ONTARIO ASSOCIATION OF PHYSICAL PLANT ADMINISTRATORS

1. Reference: Exhibit A, Tab 1, p.14, l. 16-18 / p.16, l.16-18

Union indicates that forecast variances between the forecast cost of the North East Zone / South gas supply requirements and the Dawn Reference Price will be managed as a prospective rate adjustment. Will there be any changes to the general approach for determining prospective rate adjustments as a result of the proposals concerning the reference price methodologies for the North and the South?

2. Reference: Exhibit A, Tab 1, p.20, l.14-16

How far in advance of each November 1 will affected customers be notified of Union's updated North bundled DP obligated DCQ receipt point quantities reflecting the percentage of Union's transportation portfolio at Dawn and Empress to serve the North?

3. Reference: Exhibit A, Tab 1, p.21, l.6 to p.22, l.5

Union sets out the conditions for implementing the changes in the obligated DCQ in the North for April 1, 2016.

- i. With respect to condition (i), please provide the status of the facilities expansions that must be in-service to enable the changes to Union's transportation portfolio and conversion from long-haul to short-haul.
- ii. With respect to condition (ii), what communications have already been provided to North bundled DP customers who will be affected by the changes?
- iii. What is Union's current estimate of the implementation date? Does this date have to coincide with the implementation date for proposals regarding the new zones in the North and the North gas commodity, storage and transportation rates? Please explain.

4. Reference: Exhibit A, Tab 1, Section 2

Under Union's current QRAM methodology, changes to the delivery commodity rates in any quarter are based on the change in the Ontario Landed Reference Price as it affects the fuel and UFG costs and the gas in storage carrying costs in rates. What reference price will be used to determine the change in these costs with Union's reference price proposals in this application?

5. Reference: Exhibit A, Tab 2, Appendix A, Schedule 9, p.4, col. (d)

Please show the determination of the 2018 rates for Gas Supply Demand Service and Commodity Transportation Service for Rate 100 for both the North West and North East zones. Does Union currently have any Rate 100 sales or bundled DP customers?

6. Reference: Exhibit A, Tab 2, Appendix A, Schedule 10

What are the impacts, if any, on transportation (as opposed to bundled transportation) customers in the North of Union's proposals concerning upstream transportation fuel costs and cost allocation and rate design for gas storage and transportation?

7. Reference: Exhibit A, Tab 3, p.9, l.17-20

- i. What is the rationale for Union's proposal to clear any balance in the Base Service North T-Service TransCanada Capacity Deferral Account to all customers who are eligible for the service rather than only those who use the service?
- ii. What factors could affect the number of eligible customers from one year to the next?