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Our File No. 339583-216

October 27, 2015

By electronic filing

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
27<sup>th</sup> floor  
Toronto, ON M4P 1E4

Dear Ms Walli

<b>Re:</b>	<b>Union Gas Limited ("Union") – 2016 Rates Application</b>
<b>Board File #:</b>	<b>EB-2015-0116</b>

Pursuant to Procedural Order No. 1, please find enclosed the Interrogatories of Canadian Manufacturers & Exporters ("CME") to Union in this proceeding.

Yours very truly

A handwritten signature in blue ink, appearing to read 'V. DeRose', with a long horizontal flourish extending to the right.

Vincent J. DeRose

\slc  
enclosure

c. Chris Ripley (Union)  
Crawford Smith (Torys)  
All Interested Parties EB-2015-0116  
Paul Clipsham and Ian Shaw (CME)

OTT01: 7287035: v1

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B;

**AND IN THE MATTER OF** an Application by Union Gas Limited pursuant to section 36(1) of the *Ontario Energy Board Act, 1998*, for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas as of January 1, 2016.

**INTERROGATORIES OF  
CANADIAN MANUFACTURERS & EXPORTERS (“CME”)  
TO UNION GAS LIMITED (“UNION”)**

**CME 1**

**Reference:**      **Unauthorized Overrun Non-Compliance Rate, Exhibit A, Tab 1, page 15 of 26**

Union states that during the previous two winters, some customers with contracted interruptible distribution service in both Union North and Union South elected to not comply with interruption notices. These customers elected to pay the Unauthorized Overrun Rate because it was cheaper than the cost of using an alternate fuel. CME would like to better understand this issue. As such, please provide the following information:

- (a)      Please provide the number of customers in both Union North and Union South that failed to comply with interruption notices for each of the past two years;
- (b)      Please set out the Unauthorized Overrun Rate charged to each of these customers in both Union North and Union South that failed to comply with the interruption notice;
- (c)      If possible, please identify the alternate fuels used by these customers and the approximate cost of those fuels during the relevant periods of time;
- (d)      Please confirm whether the customers that failed to comply with the interruption notices continue to receive contracted interruptible distribution service. In this regard, does Union have the ability to terminate or to no longer offer interruptible distribution service to customers that fail to comply with interruption notices? If yes, has Union terminated the interruptible distribution service for any of these customers?

**CME 2**

**Reference:**      **Unauthorized Overrun Non-Compliance Rate, Exhibit A, Tab 1, page 16 of 26**

CME wishes to better understand Union’s justification for using an Unauthorized Overrun Non-Compliance Rate of \$3.855/m<sup>3</sup> (or \$100/GJ). CME understands that Union invoices Rate T1/T2 Supplemental Inventory, and Rate 25 Unauthorized Overrun Gas Supply Commodity using the highest spot cost at Dawn in the month it was used. Please provide an explanation as to why the proposed Unauthorized Overrun Non-Compliance Rate applicable to customers with contracted interruptible distribution service would not be calculated in the same manner as the penalties applicable to Rates T1/T2 Supplemental Inventory and Rate 25 Unauthorized Overrun Gas Supply Commodity charges.