

**ONTARIO ENERGY BOARD
EB-2015-0179**

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 THE *Ontario Energy Board Act, 1998, c.15, Schedule B, and in particular, S. 90 thereof;*

AND IN THE MATTER OF an Application by Union Gas Limited for an Order or Orders for approval of Union's Distribution System Expansion Project proposals;

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 required to serve the communities of Milverton, Prince Township and the Chippewas of Kettle and Stony Point First Nation and Lambton Shores.

**INTERROGATORIES OF
ONTARIO PRODUCERS AND STORAGE
COMPANIES ("OPSC")**

Question No. 1

- (a) Please provide all of Union Gas' procurement guidelines and policies, which Union uses when it acquires major facilities components, including pipe, meters, flanges and other components used in constructing the proposed system expansions.
- (b) How does Union Gas ensure cost controls are effective?

Question No. 2

- (a) Please provide and briefly explain Union Gas' criteria for assessing bids and weighting of alternative suppliers of services, with which Union Gas contracts for the construction of pipelines, meter stations and other station facilities.
- (b) Please describe how these decisions are made and what internal processes are undertaken to ensure prudence of expenditures.

Question No. 3

- (a) Please describe Union Gas' position and approach regarding the selection of bids for the least cost facilities.
- (b) Is acquisition of construction of least cost facilities in this system expansion proposal a priority for Union Gas, subject to all facilities being CSA and TSSA compatible?

Question No. 4

- (a) If a municipality or a customer named in the expansion proposals were to review a facilities plan specific to its area and sought to make changes to the plan, how receptive would Union Gas be to those suggestions?
- (b) If a municipality or a customer suggested cost-reduction opportunities or alternative facilities locations, would Union Gas consider and evaluate those suggestions?

Question No. 5

- (a) Is there an OEB or MNR approved policy or other mechanism by which local Ontario natural gas production is recognized and prioritized in Union Gas' commodity procurement for this community expansion proposal?
- (b) Please describe the process by which Union Gas determines the quantities of locally produced natural gas that Ontario producers are allowed to supply at a given meter site, or when a request for a new sales point is submitted.