Canada



VIA COURIER, RESS and EMAIL

November 17, 2015

Ms. Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street, Suite 2700 Toronto, ON M4P 1E4

Re: Union Gas Limited ("Union")
Ontario Energy Board ("Board") File No. EB-2015-0179
Expansion of Natural Gas Distribution Application
Interrogatories by Enbridge Gas Distribution Inc. ("Enbridge")

In accordance with Procedural Order No. 1 dated October 16, 2015, please find enclosed Interrogatory's submitted by Enbridge in the above noted proceeding.

Please contact the undersigned if you have any questions.

Yours truly,

(Original Signed)

Joel Denomy Manager, Regulatory Applications

cc: Mr. F. Cass, Legal Counsel, Aird & Berlis LLP

Mr. C. Ripley, Union Gas Limited (via email)

Mr. C. Keizer, Legal Counsel, Union Gas Limited (via email)

All Interested Parties - EB-2015-0179 (via email)

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Enbridge Gas Distribution Inc.

Interrogatories of Union Gas Limited

1. Reference

Exhibit A, Tab 1, Page 12 of 46

Preamble

Beginning at Line 8 of the reference, Union discusses the economic benefits of expanding its distribution system to unserved communities. Enbridge wishes to understand the extent to which Union is aware of reports or studies that examine the impacts of expanding natural gas service to unserved communities.

Request

Is Union aware of any reports or studies which address the impacts of expansion of natural gas distribution service to currently unserved communities in Canada or in other jurisdictions? If yes please provide these studies and / or reports.

2. Reference

Exhibit A, Tab 1, Page 45 of 46, Table 8

Preamble

Enbridge would like to gain a better understanding of the assumptions used by Union to perform the feasibility analysis for each of the communities identified in Table 8.

Request

Please provide Union's assumed customer capture rates by year for each of the leave to construct projects identified in Table 8. How do these assumed customer capture rates compare to actual customer capture rates experienced in Union's franchise area for other similar projects that have been completed?

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3. Reference

Exhibit A, Tab 1, Page 20 of 46

Preamble

At Line 15 of the reference Union discusses the term of the TES. Enbridge wishes to understand the rationale for selection of the term of the TES.

Request

Why is the term of the TES set at a maximum of 10 years? Please explain the rationale behind setting this particular term for the TES.

4. Reference

Exhibit A, Tab 1, Page 22 of 46

Preamble

Beginning at Line 3 of the reference Union discusses its proposed ITE. Enbridge wishes to better understand the ITE.

Request

Please explain why the municipality could not simply forgo the collection of municipal taxes on company plant located in community expansion projects as opposed to Union's ITE proposal.

5. Reference

Exhibit A, Tab 1, Page 13 of 46

Preamble

Beginning at Line 7 of the reference Union indicates that it has been approached by several municipal and provincial representatives to explore ways to expand natural gas infrastructure to additional remote communities.

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Request

Please provide a list of all municipalities that have inquired with Union with respect to the extension of gas service to their communities within the past three years.

6. Reference

Exhibit A, Tab 1, Page 17 of 46

<u>Preamble</u>

Beginning at Line 9 of the reference, Union indicates that the proposed TES will apply to only potential general service customers attaching to systems installed as part of a community expansion project. Enbridge would like to understand why the TES will be applied to general service customers only.

Request

- a) Why does Union propose not to have the TES apply to contract customers when, in the event of a community expansion, these customers, like general service customers, will also benefit from community expansion?
- b) Would Union consider applying the TES to all customers (general service and contract customers) residing in a community expansion project? If not, why not?