



Lisa (Elisabeth) DeMarco
Senior Partner
5 Hazelton Avenue, Suite 200
Toronto, ON M5R 2E1
TEL +1.647.991.1190
FAX +1.888.734.9459
lisa@demarcoallan.com

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22 February 2016

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

Dear Ms. Walli:

Re: EB-2015-0276, Union Gas Limited, 2014 DSM Variance and Deferral Accounts

We are counsel to the Association of Power Producers of Ontario (**APPrO**). Please find enclosed APPrO's interrogatories in the above-noted proceeding.

Sincerely,

A handwritten signature in black ink, appearing to be "Lisa", with a long, sweeping horizontal stroke extending to the right.

Lisa (Elisabeth) DeMarco
LD/cf
Encl.
Cc: All Parties (by email)

ONTARIO ENERGY BOARD

**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 for an order or orders clearing certain non-
commodity related deferral accounts;**

Interrogatories From

The Association of Power Producers of Ontario (APPrO)

To

Union Gas Limited

February 22, 2016

Question 1:

- Reference:
- i) Exhibit A Tab 2 page 9:
However, the Auditor did not find this to be sufficient or that significant progress had been made to date. As a result, "savings for steam leak projects were reduced by 50 percent due to the lack of required documentation on customer standard maintenance practices" as part of the 2014 audit recommendations. The AC and Union agreed with this reduction of savings from the verified results.
 - ii) Exhibit A Tab 3 Table 4 page 9
 - iii) Exhibit A tab 2 page 9:
*The auditor noted:
The 50 percent adjustment is based on professional judgment, as it was beyond the scope of the audit to attempt to quantify actual savings above baseline for these measures. We believe that 50 percent is a fair adjustment, as a 100 percent adjustment is likely too extreme and a 0 percent adjustment is too low."*

Preamble: In the first reference Union indicates that the Auditor reduced the savings related to steam leaks for 2014 custom projects. In the second reference, the table illustrates the 2014 large volume scorecard targets achieved, which included the effects of the auditor's recommendation. APPrO is interested in understanding the impact of providing these standard maintenance practices.

- a) Please have the Auditor detail their recommendation for the minimum standard practice documentation requirements for steam projects.
- b) Does the Auditor recommend similar minimum standard practice documentation requirements for any other activities, including those other activities that might be considered maintenance projects? Please elaborate and provide similar minimum documentation requirements.
- c) The adjustment made by the Auditor reduces the cumulative natural gas savings that are used as the metric to determine the DSM incentive payments received by the utility. How does Union propose to incent customers to meet these documentation requirements in the future?
- d) Will the lack of such documented standard practices result in a customer being ineligible in the future to receive DSM incentives? Please explain.
- e) If a customer has a documented standard practice to repair steam projects, or any other maintenance project, how will this affect customers' access to future DSM incentives as well as the calculation of cumulative savings for purposes of the determination of utility incentive amounts?
- f) Please recalculate Table 4, under the assumption that the auditor accepted the steam leak savings as initially proposed.