

Interrogatories to the Canadian Propane Association (CPA)

From

Northeast Midstream

April 8, 2016

Question 1:

Reference: i) Exhibit 9 Tab 9 page 9-11, Figures 1 and 3

Preamble: The CPA has provided information on the residential, auto and wholesale costs of propane in Ontario. Northeast Midstream would like to better understand this information.

a) Please complete the following table with the data that was used to create the residential propane curve in Figure 1 and the propane/gas curve in Figure 3:

Year	Figure 3		Figure 1		
	Union's Delivered Gas Cost	Sarnia Wholesale Propane Price	Annual Residential Propane Price	Annual Residential Consumption	Annual Cost of Energy
Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)	Col. (6)
2006					
2007					
2008					
2009					
2010					
2011					
2012					
2013					
2014					
2015					

b) Please provide the annual volume weighted average price of residential propane (i.e., total annual sales of residential propane ÷ total annual consumption of residential propane) for 2006 to 2015, using aggregated data from the actual residential pricing provided to GPMi, if available.

c) In the discussion of Figure 1, GPMi states: "Prior to 2011, there was minimal difference between fuel costs based on auto propane prices and costs based on residential propane prices. However, since 2012, residential propane prices have been significantly lower than auto propane prices." Please explain the reasons for this recent disconnect in the pricing relationship between residential and auto propane prices.