

ONTARIO ENERGY BOARD

GENERIC PROCEEDING ON NATURAL GAS
EXPANSION IN COMMUNITIES THAT ARE NOT SERVED

INTERROGATORY RESPONSES OF
THE NORTHWESTERN ONTARIO ASSOCIATED CHAMBER OF COMMERCE,
THE NORTHWESTERN ONTARIO MUNICIPAL ASSOCIATION
AND COMMON VOICE NORTHWEST
(THE "NOACC COALITION")

EXHIBIT S10

TO FEDERATION OF RENTAL-HOUSING PROVIDERS OF ONTARIO (FRPO)

April 22, 2016

WEILER, MALONEY, NELSON
Barristers and Solicitors
1001 William Street, Suite 201
Thunder Bay ON P7B 6M1

Nick A. Melchiorre
Telephone: (807) 625-8883
Facsimile: (807) 623-4947
Email: nmelchio@wmnlaw.com

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RESPONSES TO INTERROGATORIES OF
FEDERATION OF RENTAL-HOUSING PROVIDERS OF ONTARIO (FRPO)

INTERROGATORY #1

REF: NOACC Evidence page 5 of 6

Preamble: NOACC proposes a surcharge on the natural gas commodity as a means of funding expansion.

1. Under NOACC's proposal, how would direct purchase customers who pay for their commodity directly to their supplier be treated?

RESPONSE

A formula should be developed to ensure that on a per-customer basis direct purchase customers are treated the same as those who pay for their gas through a utility. The preference of the NOACC Coalition is that all customers pay a percentage of their bill into the Expansion Fund and that the maximum percentage that should be considered is 2%.

INTERROGATORY #2

REF: NOACC Evidence, Appendices, Part 1, Tab 3a, pages 1-2

Preamble: In Tab 3a, an LNG Backgrounder asserts many positive attributes of LNG while quantifying several costs and benefits.

1. Please file the study that produces the specified values for costs and benefits.
2. If no study is available, please provide some information on the development of the backgrounder, including but not limited to:
 - a. The individual who quantified the specified values and their qualifications
 - b. The specific assumptions that went into the determination of these values (i.e., scope of project (s), distance from source of natural gas, etc.)
 - c. Additional information that substantiates the ability of the Board to rely on such figures as evidence.

RESPONSE

1. The costs and benefits outlined in the LNG Backgrounder provided by the Town of Marathon are indicative only, and are not based on an empirical study specific to expanding natural gas service to communities on the North Shore or in Central Ontario.
2. The LNG Backgrounder was prepared by the Town of Marathon.

The quantification of the benefits was influenced by two sources. (1) The annual residential energy savings provided in the application and pre-filed evidence by Union Gas Limited for its proposed Community Expansion Program (EB-2015-0179, Exhibit A, Tab 1, Table 1, P. 18, filed 2015-07-23), which were applied to the projected number of potential customers over a period of 25 years. (2) Findings by the Conference Board of Canada that every dollar of investment in natural gas exploration, production, transportation, distribution, and consumption is expected to generate approximately one dollar in real GDP growth over a period

of 25 years. (The Role of Natural Gas in Powering Canada's Economy, December 2012, http://www.integritybc.ca/wp-content/uploads/2012/12/13-181_NaturalGasinCanada.pdf).

Further study would be required to provide more precision related to the costs and benefits associated with expanding natural gas service to communities on the North Shore or in Central Ontario.

END