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BY RESS FILING AND COURIER

04 November 2016

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

Dear Ms. Walli:

Re: EB-2016-0245 – Union Gas Limited ("Union") 2017 Rates Application – Kitchener Interrogatories to Applicant

Pursuant to Procedural Order No. 1, issued by the Board on October 25, 2016, please find attached interrogatories on behalf of The City of Kitchener.

If there are any questions or concerns, please contact me at your earliest convenience.

Sincerely,

Danny Persaud
Manager, Gas Supply Operations & Regulations

Cc: C. Ripley (Union)
C. Smith (Torys LLP)
All Intervenors

Interrogatory #1

Union has indicated the largest drivers for the very substantial increase (32.1%) in the T3 rate *(Working Papers, Sched. 3, P. 1)* to be capital pass-throughs and parkway delivery obligation costs. Please provide a detailed explanation of the cost allocation methodology performed for each of these two drivers. Specifically describe how the various capital project costs and parkway delivery obligation\credit incentive costs are allocated to Kitchener.

Interrogatory #2

Please provide a detailed explanation of the methodology used to determine a rate increase of 5.0873 cents per cubic meter (*Rate Order, Appendix A, P.12*) to the T3 transportation firm demand charge.

Interrogatory #3

Please provide a detailed explanation of the rationale between Parkway Delivery Obligation (PDO) costs and Parkway Delivery Credit Incentive (PDCI) costs. Kitchener is to be receiving a PDCI credit on our PDO for 2017 and this has not been reflected.

Interrogatory #4

Specifically related to the 2017 Parkway Delivery Obligation (PDO) costs, to the best of our knowledge, Union does not use Parkway equipment including compressors to supply Kitchener and these costs should not be allocated as such. Kindly confirm that these costs are not being attributed to Kitchener.