



450 – 1 Street SW
Calgary, Alberta T2P 5H1

Tel: (403) 920-2563
Fax: (403) 920-2308
Email: matthew_ducharme@transcanada.com

February 24, 2017

Filed Electronically

Original by Courier

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

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: Union Gas Limited (Union) – 2017 Cap-and-Trade Compliance Plan
OEB File No. EB-2016-0296
TransCanada PipeLines Limited (TransCanada) Interrogatories**

Enclosed are the interrogatories of TransCanada PipeLines Limited. Should you have any questions, please contact the undersigned.

Yours truly,
TransCanada PipeLines Limited

Original signed by

Matthew D. Ducharme
Counsel
Law, Canadian Pipelines

Attachment

cc: Vanessa Innis, Union Gas Limited (electronic only)
Crawford Smith, Torys LLP (electronic only)
All Intervenors in EB-2016-0296 (electronic only)

Issue: Issue 1 – Cost Consequences

IR Number: Interrogatory #1

Reference: 1) EB-2016-0296, Application, Exhibit 7, Schedule 3, Page 12 of 12
2) EB-2016-0296, Application, Rate Schedules, Rate C1, Page 1 of 2

Preamble: In Reference 1, Union Gas calculates the Cap and Trade commodity charge for Rate C1 Dawn to Dawn-TCPL service, set at \$0.004/GJ

In Reference 2, Union Gas provides a breakdown of Rate C1 charges, including the \$0.138/GJ Monthly Demand Charge for the Dawn to Dawn-TCPL path, equivalent to \$0.00454 GJ/D.

TransCanada requests additional information on the determination of the Rate C1 Dawn to Dawn-TCPL Cap and Trade commodity charge.

Request: a) For Dawn to Dawn-TCPL Rate C1 Service please fully describe how the 2017 facility-related GHG obligation, found in Reference 1, was determined. Please cite the specific facilities contributing to the facility-related obligation on this path.

Issue: Issue 4 – Deferral and Variance Accounts

IR Number: Interrogatory #2

Reference: 1) EB-2016-0296, Application, Exhibit 3, Page 29 of 47, Lines 10-12
2) EB-2015-0363, Report of the Board, Section 6.1, Page 30

Preamble: In Reference 1, Union Gas states that as of October 31, 2016, the balance of its Greenhouse Gas Emissions Impact Deferral Account is approximately \$1.3 million.

In Reference 2, the Ontario Energy Board states that “[...] administrative costs relating the implementation and ongoing operation of the Cap and Trade program will be allocated and recovered from all customers in the same manner as existing administrative costs.”

Request: a) Please provide the balance as of January 1, 2017 for the deferral account noted in Reference 1.

b) Please confirm that Union Gas intends to recover Cap and Trade administrative costs in the same manner as existing utility administrative costs.

c) Does Union Gas expect to recover Cap and Trade administrative costs through a commodity charge or an increase to demand charges?

d) Using the updated deferral account balance provided in a), please provide the estimated amount expected to be allocated to M12 customers, as well as the resulting unit rate impact. If an updated deferral account balance is unavailable, please utilize the balance noted in Reference 1.