

March 16, 2018

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 27th Floor  
Toronto, ON M4P 1E4

**Re: EB-2018-0104 – Union Gas Limited (“Union”) – April 1, 2018 QRAM  
Application – Comments Response**

Dear Ms. Walli:

On March 9, 2018, Union filed its April 1, 2018 QRAM application. Union received submissions from Canadian Manufacturers & Exporters (“CME”) and the Industrial Gas Users Association (“IGUA”).

CME stated it takes no issue with Union’s application.

IGUA stated it reviewed Union’s application, found it is in accordance with the Board-approved QRAM mechanism and does not oppose the application. However, IGUA noted two areas where it sought further comment from Union. Union provides its responses below.

1. IGUA noted that Union continues to reflect Dawn supplies of 60,000 Dth/day, at this time from April 1, 2018 until the anticipated NEXUS in-service date of September 1, 2018. IGUA requested that Union: i) confirm that it has evaluated alternatives to these Dawn supplies; ii) concluded that continuation of these planned Dawn supplies is the best alternative; and iii) explain the basis for such determination.

Union confirms it has considered other alternatives for bridging NEXUS supply. At this time, Dawn represents the most economical alternative and provides flexibility to manage supply variances relative to plan through the summer. Union will continue to monitor supply requirements through the summer and monitor transportation market opportunities until NEXUS is in-service.

2. IGUA noted it had been unable to reconcile the referenced 2.0 PJ of planned March Dawn supply foregone with the Table 1 of the application, and requested Union provide a reconciliation of these numbers.

In addition to filling planned UDC, on a net basis for the winter 17/18, Union purchased 8.3 PJ of incremental supply / spot gas. As noted in Table 1, Union

had total spot purchases of 10.3 PJ as of January 30, 2018 (9.3 PJ for February delivery, 1.0 PJ for March delivery). Thereafter, as noted in the application, the weather forecast for February and March changed to become warmer than normal. Union was therefore able to use 2.0 PJ of the 10.3 PJ of spot purchases to offset planned March Dawn supply purchases that would have otherwise occurred.

Union requests the Board's Decision on the application by Thursday, March 22, 2018. If you have any questions on this matter, please contact me at (519) 436-5334.

Yours truly,

*[Original Signed by]*

Vanessa Innis  
Manager, Regulatory Applications

cc: EB-2017-0087/EB-2008-0106 Intervenors  
Crawford Smith (Torys)