

# *Aiken & Associates*

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August 3, 2018

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
Suite 2700  
Toronto, Ontario, M4P 1E4

Dear Ms. Walli:

**RE: EB-2018-0105 - Interrogatories of London Property Management Association**

Please find attached the interrogatories of the London Property Management Association in the above noted proceeding.

Sincerely,

*Randy Aiken*

Randy Aiken  
Aiken & Associates

Encl.

cc: Vanessa Innis, Union Gas Limited (e-mail)

**Union Gas Limited**

**Application for disposition and recovery of certain 2017  
deferral account balances and approval of earnings  
sharing amount with ratepayers.**

**INTERROGATORIES OF THE  
LONDON PROPERTY MANAGEMENT ASSOCIATION**

**Interrogatory #1**

Ref: Exhibit A, Tab 1

Union filed the current application and evidence June 6, 2018, which was about six weeks later than the filing of the 2016 disposition of deferral account balances and 2016 utility earnings (EB-2017-0091). Please explain why the current filing was significantly later than the 2016 filing.

**Interrogatory #2**

Ref: Exhibit A, Tab 1, page 1

Is Union requesting the disposition of the interest component associated with each of the accounts (debit or credit) based on the interest at the end of December 2017 only, or does the requested disposition include any interest (debit or credit) associated with the accounts in 2018? If yes, please quantify the amount of interest associated with the accounts that has accrued in 2018.

**Interrogatory #3**

Ref: Exhibit A, Tab 1, page 6

Please confirm that the \$15.570 million credited to rates by Union in 2017 is based on actual calendar 2017 volumes. If not confirmed, please explain and show how the \$15.570 million was calculated.

**Interrogatory #4**

Ref: Exhibit A, Tab 1, page 14

Please explain and show the current tax figures shown in Table 5. For example, please explain the derivation of \$15 in current tax in 2017 when the return amount is only \$1.

**Interrogatory #5**

Ref: Exhibit A, Tab 1, page 16

The balance in the Deferral Clearing Variance Account is made up of variances resulting from the 2015 deferral account disposition and the 2014 DSM deferral account disposition.

Please confirm that any amount associated with the 2016 deferral account disposition and DSM deferral account dispositions associated with 2015 or later years will be brought forward in this account as part of the 2018 deferral account disposition proceeding.

**Interrogatory #6**

Ref: Exhibit A, Tab 1, page 18

Please explain why there is a debit in interest costs to ratepayers in Account 179-133 (NAC) when there is a credit to ratepayers in the account.

**Interrogatory #7**

Ref: Exhibit A, Tab 1, page 51

When was the Lobo D/Bright C/Dawn H Compressor Project placed into service and when was the forecast in-service date?

**Interrogatory #8**

Ref: Exhibit A, Tab 1, pages 58 and 62 and 69

Please explain the difference in the 2017 long term debt rate of 3.29% noted on page 58 and page 69 and the figure of 3.36% shown on page 62.

**Interrogatory #9**

Ref: Exhibit A, Tab 1, page 63

What is Union's materiality threshold in the current IRM plan?

**Interrogatory #10**

Ref: Exhibit A, Tab 2

Please explain any changes Union has made in financial accounting and/or regulatory accounting that impacts the 2017 figures relative to the Board Approved 2013 figures.

**Interrogatory #11**

Ref: Exhibit A, Tab 2

Is the calculation of utility earnings consistent with the methodology used to calculate the earnings in previous years? If not, please explain any differences.

**Interrogatory #12**

Ref: Exhibit A, Tab 2

- a) What was Union's normalized actual return on equity for 2017?
- b) Please provide a version of Table 1 that adds a column that shows the total revenue sufficiency for Normalized Actual 2017.

**Interrogatory #13**

Ref: Exhibit A, Tab 2, page 2

- a) How much the \$15.6 million in O&M costs was related to the integration-related costs related to the merger of between Enbridge Inc. and Spectra Energy.
- b) Please explain why Union Gas had additional expenses related to the integration of its parent company with Enbridge Inc.
- c) Please explain why any integration costs associated with the merger of Enbridge Inc. and Spectra Energy should be considered utility costs for Union Gas.

**Interrogatory #14**

Ref: Exhibit A, Tab 3, page 10

Please confirm that the allocation of the Panhandle Reinforcement Project costs are based on the continued use of an aggregate allocator for the Panhandle and St. Clair system and not on a separate basis for the Panhandle and St. Clair systems.

**Interrogatory #15**

Ref: Exhibit A, Tab 3, page 11

When would Union require a decision in this application if it were to dispose of the balances over a six-month period to general service customers beginning October 1, 2018 rather than January 1, 2019?