

EB-2019-0166
The Municipality of Chatham-Kent et al (“Municipalities”)
Supplementary Responses of Lagasco Inc. to Interrogatories from
The Municipalities and Board Staff

Supplementary IR #1:

Reference: **Lagasco’s Response to the Municipalities IR-2 and IR-3, and Board Staff IR-1A, received August 10, 2020**

Preamble: **On August 26, 2020, the Municipalities sent the following supplementary IR to Lagasco, seeking clarification of its responses to the Municipalities IR-2 and IR-3, and Board Staff IR-1A:**

It is not obvious that the maps provided in response to our IR-2 and to Board Staff IR-1A correspond to the assessment roll information provided in response to our IR-3. One or both sets of responses seem to be incomplete, or at least require some further explanation as to how they are to be reconciled. Please provide further information for all “similarly situated” pipelines owned by Lagasco, both in plan (or map) and assessment roll form. Alternatively, if you believe the information already provided to be complete, please provide any further explanation required to reconcile the mapping and assessment roll data in your answers, to fully identify the pipelines that Lagasco claims are “similarly situated”.

In response, by email dated September 15, 2020, Lagasco provided the further answer as follows and the documents attached:

1. Regarding your request for additional documentation regarding where the pipelines are located, the issue is that Lagasco has limited records to show the type of information you're looking for (e.g. map drawings). MPAC has the best records of the pipelines and their locations. Its evidence in this proceeding includes an exhibit listing all of the pipelines by municipality, and their assessment status. We also attach two spreadsheets generated by MPAC, including additional information on the pipelines, and in the second attachment, their latitude and longitude. While I appreciate how much easier it would be to absorb this information from a map, it's my understanding that there are no maps.

Supplementary IR #2:

Reference: Lagasco's Response to the Municipalities IR-7 and IR-8, received August 10, 2020

Preamble: On August 26, 2020, the Municipalities sent the following supplementary IR to Lagasco, seeking clarification of its responses to the Municipalities IR-7 and IR-8:

Our IRs 7 and 8 requested specific documents from the Deloitte file, that are relevant both to our ability to test and challenge Deloitte's opinion evidence, and also to challenge the factual evidence you have put forward about valuation for purposes of the asset transaction. However your responses fail to provide:

- a. any requested documents "gathered by" Deloitte that may be relevant to their opinions or the facts in issue;
- b. any requested file notes of Deloitte relating to their opinions or the facts in issue; or
- c. any other requested documents related to the valuation methods used in relation to the asset purchase.

Please provide a complete response on each of these matters.

In response, by email dated September 15, 2020, Lagasco provided the further answer as follows:

2. Regarding your requests of the Deloitte expert, he was instructed to identify all information on which he relied in preparing his report, and has gone back and re-evaluated whether he left anything out. He concluded that he did not. The following is what Mr. Koller has advised us:

"The Deloitte Report does not rely upon any information provided by management of Lagasco Inc. and Bennett Jones LLP, as legal counsel for Lagasco. The Deloitte Report is confined to the differences between natural gas gathering pipelines and transmission pipelines from an economic perspective. As such, the only information relied upon is from quoted sources in the Deloitte Report and our experience regarding the matters that we have been asked to address.

The quoted sources in the Deloitte Report are as follows:

- In paragraph 18 we provide information obtained from a footnoted website;
- In paragraph 19 we provide a figure obtained from a footnoted website; and
- In paragraph 31 we provide an excerpt from a referenced textbook."