

Pollution Probe's Questions for Technical Conference to
Union Gas

1. Reference Ex. A, Tab 2, page 3

Please state Union's total DSM expenses from 1995 to 2005 inclusive.

2. Reference Ex. A, Tab 2, page 3

Please state the total TRC net benefits created by Union's DSM programmes from 1995 to 2005 inclusive.

3. Reference Ex. A, Tab 2, page 6

"To encourage a reduced regulatory burden ... Union proposes that DSM be conducted under multi-year rate plans."

- a) Please state the number of hearing days devoted to DSM in each of Union's rate hearing from fiscal 2003 to the present as a percentage of the total number of hearing days;
- b) Please state Union's DSM-related regulatory costs for each of its annual rate hearings from fiscal 2003 to the present;
- c) Please state Union's total regulatory costs for each of its annual rate hearings from fiscal 2003 to the present

4. Reference Ex. A, Tab 2, page 28 and Issue 14.3

According to Union, "A maximum budget of 2% of distribution revenue should be established in rates for the duration of the fuel switching plan."

- a) Please explain why Union believes that it would be in the public interest to cap its fuel switching budget at 2% of its distribution revenues.
- b) Please provide the dollar value of 2% of Union's distribution revenue.
- c) Please state the annual reduction in electricity demand (MW) that could be achieved if Union's fuel switching budget equaled 2% of its distribution revenues.
- d) What tests does Union believe should be used to measure the cost-effectiveness of its fuel switching programmes?
- e) What market sectors would be priority targets for Union's fuel switching programmes?

5. Reference: Issue 1

- a) Please state Union Gas' forecast in-franchise natural gas distribution volumes for 2007, 2008 and 2009.
- b) Please state Union's forecast total in-franchise revenue requirement (distribution revenues plus commodity costs) for 2007, 2008 and 2009.

6. Reference: Issue 5

- a) Please state Union's forecast of its rate base in 2007, 2008 and 2009.
- b) Please state Union's OEB-approved debt to equity ratio.
- c) Please state Union's marginal corporate income tax rate.