



***PUBLIC INTEREST ADVOCACY CENTRE  
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December 9, 2008

**VIA MAIL and E-MAIL**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge St.  
Toronto, ON  
M4P 1E4

Dear Ms. Walli:

**Re: Board File No. EB-2008-0220  
Union Gas Limited - Application, Evidence, and Draft Rate Order  
Rates Effective January 1, 2009**

**Interrogatories of the Vulnerable Energy Consumers Coalition**

Please find enclosed the interrogatories of the Vulnerable Energy Consumers Coalition (VECC) in the above-noted proceeding.

Thank you.

Yours truly,

Michael Buonaguro  
Counsel for VECC

cc: Chris Ripley

**ONTARIO ENERGY BOARD**

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B;

**AND IN THE MATTER OF** an Application by Union Gas Limited, pursuant to section 36(1) of the *Ontario Energy Board Act, 1998*, for an order or orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission, and storage of gas as of January 1, 2009.

**Interrogatories of the**

**VULNERABLE ENERGY CONSUMERS COALITION (“VECC”)**

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**Interrogatory No. 1**

Reference: Working Papers Schedule 10 and Schedule 4, pages 2, 4, and 13

- a) Please confirm that Note (1) on Schedule 10 should reference Column (w) on Schedule 4 and not Column (x);
- b) Please explain how the Average Use Volume Adjustment figures which appear in Column (w) of Schedule 4 were calculated and please provide the data used to make the calculations.

## **Interrogatory No. 2**

Reference: Draft Rate Order, Appendix F, Accounting Orders,  
Accounting Entries for Average Use per Customer,  
Deferral Account No. 179-118

- a) Please provide the forecast balance in this account as at December 31, 2008.
- b) Please explain how the forecast balance was calculated and provide the data used to make the calculation.

## **Interrogatory No. 3**

Reference: Exhibit A, Tab 1, pages 4-6

Preamble: The evidence states that "Union has completed the diagnostic, planning and design phases for its IFRS conversion project. Union expects that the requirement to implement IFRS will significantly affect accounting policies and internal control processes and will require changes to Union's financial systems. Union estimates the conversion to IFRS will cost \$5.177 million pre-tax during the IR term to complete."

- a) Did Union engage the services of a third party in the diagnostic, planning, design, or cost estimation phases of the IFRS project? If so, please provide the letter retainer and copies of all communications and reports from the third party pertaining to this project. If not, please explain why not.
- b) Does Union maintain that the only appropriate plan for this project involves triggering the materiality threshold for a Z-factor? Please explain and provide alternatives considered and why they were rejected.
- c) Please provide a breakdown of the Capital Investment line item 1 in Table 1 for years 2008, 2009, and 2010.