



By Electronic Filing and By E-mail

December 9, 2008

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
27<sup>th</sup> floor  
Toronto ON M4P 1E4

Dear Ms Walli,

**Union Gas Limited 2009 Rates**

**Board File No.: EB-2008-0220**

**Our File No.: 339583-000020**

We are enclosing the Interrogatories of Canadian Manufacturers & Exporters ("CME") which we have prepared after reviewing the Interrogatories submitted by the London Property Management Association ("LPMA") to Union on December 1, 2008. We have attempted to avoid overlap between our Interrogatories and LPMA's Interrogatories of Union.

Please contact me if there are any questions about these Interrogatories.

Yours very truly,

A handwritten signature in black ink, appearing to read 'Peter Thompson', is written over a horizontal line.

Peter C.P. Thompson, Q.C.

PCT\slc  
enclosure

c. Chris Ripley (Union Gas Limited)  
Interested Parties EB-2008-0220  
Paul Clipsham (CME)

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**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 for an Order or Orders approving or fixing just and reasonable rates and other charges for the sale, distribution, transmission and storage of gas effective January 1, 2009.

**Interrogatories of  
Canadian Manufacturers & Exporters (“CME”)  
to Union Gas Limited (“Union”)**

**Treatment of Tax Savings**

Ref: Exhibit A, Tab 1, pages 2 to 4, and Rate Order Working Papers, Schedule 15

1. Please redo Schedule 15 to show the impact in 2008 and 2009 of including, rather than excluding, tax savings associated with 2008 and 2009 capital additions.

**International Financial Reporting Standards (“IFRS”)**

Ref: Exhibit A, Tab 1, pages 4 to 10

2. When did Canadian accounting authorities initially raise for discussion the conversion from Canadian Generally Accepted Accounting Principles (“Canadian GAAP”) to IFRS?
3. How long have Union Gas Limited (“Union”) and its ultimate parent company been aware of the need to convert from Canadian GAAP to IFRS?
4. Please confirm that there is no deferral account in the Settlement Agreement which enables Union to record and recover from its ratepayers costs associated with converting from Canadian GAAP to IFRS.

**Storage Margin Sharing Changes**

Ref: Exhibit A, Tab 1, pages 11 and 12, and Rate Order Working Papers, Schedule 14

5. Compared to the 2007 forecast amount of \$21.405M, what are Union's actual 2007 storage revenues which are to be shared with ratepayers as a result of the Board's Decision on Motion dated October 23, 2008, in EB-2008-0154 rejecting Union's Motion to Review the Board's 2007 Deferral Account Decision in EB-2008-0034 dated June 3, 2008?
6. Please revise Rate Order Working Papers Schedule 14 to show the storage premium that would be embedded in 2009 in-franchise rates if the individual line items leading to a total amount of \$25.393M at Col (f), line 10 were to be revised to reflect actual revenues for 2007 for lines 1 to 10 inclusive of Rate Order Working Papers Schedule 14 rather than forecast 2007 revenues for each of those line items.

**Customer Bill Impacts**

Ref: Exhibit A, Tab 1, pages 13 and 14, and Rate Order Working Papers, Schedules 8 and 9

7. The evidence indicates that the price cap produces a reduction to rates of 0.28%. However, the customer bill impacts evidence shows that the delivery rate bill impacts on all in-franchise customer classes are rate increases ranging in percentage amounts from 0.8% for Rate T3 in the South, to 2.5% for Rate M7 in the South and Rate 20 in the North. In this context, please provide the following information:
  - (a) Please provide a list and summary description of each of the factors that are acting in combination to produce rate increases for each in-franchise rate class which more than off-set the price cap rate reduction for each of those rate classes.