



BY EMAIL and RESS

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Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
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May 10, 2017
Our File: EB20150179

Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2015-0179 – Union Gas Ltd. Community Expansion – SEC Interrogatories

We are counsel to the School Energy Coalition ("SEC"). Enclosed, please find SEC's interrogatories on the updated evidence in this proceeding.

Yours very truly,
Shepherd Rubenstein P.C.

Original signed by

Mark Rubenstein

cc: Wayne McNally, SEC (by email)
Interested parties (by email)

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IESO-N-0042392

ONTARIO ENERGY BOARD

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

AND IN THE MATTER OF the Ontario Energy Board Act, 1998, c.15, Schedule B, and in particular, S. 90 thereof;

AND IN THE MATTER OF an Application by Union Gas Limited for an Order or Orders for approval of Union's Distribution System Expansion Project proposals;

AND IN THE MATTER OF an Application by Union Gas Limited for an Order or Orders granting leave to construct natural gas pipelines and ancillary facilities required to serve the communities of Milverton, Prince Township and, the Chippewas of Kettle and Stony Point First Nation and Lambton Shores.

**INTERROGATORIES ON BEHALF
OF THE
SCHOOL ENERGY COALITION**

SEC-27

[A-1, p.3] If the actual capital costs and/or OM&A costs are higher than forecasted, please explain how those costs will be recovered by Union.

SEC-28

[A-1, p.3] Does the Applicant intend to update the SES rate or its duration over time to ensure the PI remains at 1.0 or above? If so, please provide details. If not, please explain why Union would not do so.

SEC-29

[A-1, p.3] Table 1 states that Customer Forecast Risk is that of the Utility. Please explain what Union means by this.

SEC-30

[A-1, p.3] Please confirm that existing customers will never be required to cover the revenue shortfall that would occur over the life of the underlying project assets, if the capital costs are higher than forecasted, or customer connections are less than forecast. If not, please explain.

SEC-31

[A-1, p.8] Please provide a copy of the full results of the referenced telephone survey conducted in Milverton, Lambton Shores, and Price Township in February 2017.

SEC-32

[A-1, p.10] Please provide the SES rate, for each project, that would be required if the maximum duration of the SES rate was, a) 10 years, b) 20 years, c) 30 years, and d) 40 years.

SEC-33

[A-1, p.10] Union has proposed a standard SES rate for its four proposed expansion projects with different durations for each. If the Board were to determine that it was more appropriate to have the same SES duration for each project, but a different SES rate for each, please provide Union's view on what that the appropriate SES duration should be. Please provide the corresponding SES for each project.

SEC-34

[A-1, p.11] Please explain why Union will treat an annual form of payment by municipal or First Nations communities as revenue and not also as aid-to-construct.

SEC-35

[A-1, p.12] Please provide an updated information Union has since the filing of the amended application regarding the Government of Ontario grant program.

SEC-36

Please confirm the accuracy of the attached MS Excel table. Please explain all variances between the original and updated application.

SEC-37

Please provide the following Discount Cash Flow (DCF) analysis schedules in excel format with all formulas intact.

- a. Exhibit A, Tab 2, Section A, Schedule 6
- b. Exhibit A, Tab 2, Section B, Schedule 6
- c. Exhibit A, Tab 2, Section C, Schedule 6
- d. Exhibit A, Tab 2, Section D, Schedule 6

SEC-38

[Original evidence A-1, p.18] Please update Table 1 for the most recent competing energy source cost information available, including the announced Fair Hydro Plan. Please provide all assumptions used and a step-by-step breakdown of the calculation.

Respectfully submitted on behalf of the School Energy Coalition this May 10th, 2017.

Original signed by

Mark Rubenstein
Counsel for the School Energy
Coalition