



October 8, 2008

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Consultation on Energy Issues Relating to Low Income Consumers
Information Requests
Board File No. EB-2008-0150**

In response to the information requests made by members of the Ontario Energy Board, Board Staff and participants to the consultation meeting held from September 22 to 25, 2008, Union Gas Limited provides the following.

Disconnections

Union, on average, has approximately 215,000 residential, commercial and industrial customers in arrears each month. The disconnection notice, which is printed on the monthly bill, is based on the customer’s number of days in arrears and amount of arrears.

The table below shows the annual number of disconnection notices printed on customer bills, and the number of customers that received notices.

	2008 *	2007	2006
Number of Bills with Notices	389,828	477,423	373,463
Number of Customers Receiving Notices	147,042	166,659	129,244

* 2008 is year-to-date - January thru September

The table below shows the annual number of residential service disconnections and reconnections within each year.

	2008 *	2007	2006
Number of Disconnections	21,241	28,281	25,297
Number of Reconnections	10,925	19,330	15,804

* 2008 is year-to-date - January thru September

Union's billing system does not track the reasons for account disconnections.

Security Deposits

The following table shows the number of residential customers, at year end, that have security deposits in place.

	2008 *	2007	2006
Number of Residential Deposits	99,073	93,123	91,565
Average Residential Deposit Amount	\$271	\$277	\$267
Total Residential Deposits	\$26.8 million	\$25.8 million	\$24.5 million

* 2008 is as of September 30, 2008

Residential deposits are applied to the account after 1 year of good payment history.

The following table shows the number of security deposits applied to disconnected accounts. These numbers do not include security deposits refunded to customers in good standing or applied to cover arrears that are less than the amount of the security deposit.

- For example, if a security deposit of \$500 was applied to unpaid arrears of \$450, there would be a \$50 credit balance on the account which is then refunded to the customer.

	2008 *	2007	2006
Number of Residential Deposits Applied to Disconnected Accounts	1,554	2,759	2,798
Total Value of Residential Deposits Applied to Disconnected Accounts	\$0.4 million	\$0.9 million	\$1.2 million

* 2008 is year-to-date - January thru September

Winter Warmth Program

1) How much each utility is spending on the Winter Warmth Program.

- Union Gas contributed \$217,340 to the Winter Warmth program for the 2007-2008 heating season.

Total Budget – 2007-2008	\$217,342
Administration Fees Paid	\$ 16,133
Amount Paid to Applicants	\$183,977
Rollover to 2008-2009 Winter Warmth	\$ 17,232

- 2) Number of applicants per year.
 - There were 623 applicants in 2007-2008 in the Union Gas service area.
- 3) The average grant per applicant.
 - The average grant paid to applicants accepted for funding across the Union Gas service area was approximately \$366.
- 4) The amount of money needed to meet the demand.
 - Union Gas paid out nearly \$184,000 in Winter Warmth grants in the 2007-2008 program year (net of the fees paid to agencies to administer the program). Some areas used up allocations within the first month, while others had funds remaining at the end of the program. Union re-evaluates the allocations each year to respond to the level of need in each community. In instances where there are funds remaining from an allocation made to a specific community, these allocations are rolled over into the Winter Warmth program in that community for the following season.
- 5) Is this information different in different geographic areas of your service area? If so, how?
 - Demand and grant averages vary across the municipalities in Union's service area depending on historical levels of requests and need. For example, communities with higher population density and greater economic hardship typically have greater program take-up and receive higher allocations.

Should you have any questions, please do not hesitate to contact me.

Yours truly,

[Original signed by]

Patrick McMahon
Manager, Regulatory Research and Records