

ENBRIDGE GAS DISTRIBUTION INC. RESPONSE TO
COUNCIL OF CANADIANS INTERROGATORY #5

INTERROGATORY

ISSUE A.1

Preamble:

The rapid development of shale gas in the United States has played a key role in displacing demand on the TCPL mainline and exerted considerable price pressure on those still shipping on that pipeline. In response TCPL has taken various steps to deal with the problem of decreasing shipments.

Reference: EB- 2012, Exhibit A, Schedule 5, para. 27; and EB-2012 – 0433, Application Section 4, Changing Gas Supply Dynamics, para. 31(c), p.33/121:

Suspension of the integrity work results in discrete sections of the Northern Ontario Line being “locked in” at derated pressures allowing no natural gas to flow on these sections of pipeline. These sections remain filled with natural gas and can be used in emergency situations to backstop deliveries to northern Ontario customers.

Union is not aware of any publically released long-term plans to complete the 2012 integrity program to restore capacity across northern Ontario. Combined with the conversion of a further portion of the TCPL Mainline to crude oil service, suspension of the integrity programs would significantly impact the capacity of the Northern Ontario Line and TCPL’s ability to supply natural gas to Ontario.
IDEM

Requests:

- (a) Do TCPL actions in regard to its Mainline present consumers in Ontario and/or the GTA with a supply risk with respect access to WCSB gas resources, and if so, have efforts been made by Enbridge and/or Union to ameliorate this risk.
- (b) Would Enbridge agree that replacing gas supply from the WCSB with imports from the United States will exacerbate the problems that have lead TCPL to

Witness: J. Denomy

take the steps that will reduce the capacity of the Mainline to supply natural gas to Ontario?

- (c) Would Union agree that replacing gas supply from the WCSB with imports from the United States will exacerbate the problems that have lead TCPL to take the steps that will reduce the capacity of the Mainline to supply natural gas to Ontario?

RESPONSE

- a) Yes, to the extent that Enbridge and therefore its customers must continue to rely on unsecured and discretionary supplies in order to meet customer demand. The effort being made by Enbridge to ameliorate this risk is the GTA Project.
- b) No. Enbridge does not have plans to eliminate WCSB supply from its gas supply portfolio and plans to retain all of its existing firm transportation contracts with TransCanada.
- c) Question is for Union Gas.