

ENBRIDGE GAS DISTRIBUTION INC. RESPONSE TO  
BOMA INTERROGATORY #18

INTERROGATORY

Issue: A.1; A.3

Schedule 6, Page 8, Paragraph 22

- (a) Is the 800 TJ/day of additional capacity the new pipeline's entire capacity, or the capacity of Enbridge's forty percent share of it? To what extent does Enbridge forecast the capacity will be used on a monthly basis in the first ten years of its operations, 2016 to 2025? Please also show the expected use on a design day, peak day, if different from design day, average winter day, average summer day.
- (b) Please provide a copy of the Memorandum of Understanding, or its equivalent, between Enbridge and TCPL, with respect to the construction, ownership, operation, and usage of the Bram West to Albion line. Please provide a copy of the Agreement(s) between Enbridge and TCPL with respect to the above. If the final agreements are not yet available, please confirm that they will be available prior to the Technical Conference or Settlement Conference and that they will be made available to the intervenors.
- (c) Is the addition of the capacity conditional on either one or two new compressors being established by Union Gas at Parkway West? Please explain fully, or would it proceed based solely on the shift of 400,000 GJ/day from Parkway (suction) or Lisgar?
- (d) What is the existing compression capacity at Parkway on a monthly basis in 2012? What was the excess capacity at Parkway, if any, on the peak day in the winter of 2012/13 over the winters of 2012/13, 2011/12, and 2010/11? What is expected excess capacity (bcf/day) at Parkway forecast to be in 2013/14, 2014/15, and 2015/16 winters?
- (e) Does the Agreement provide for Enbridge to decrease its share of the pipeline capacity over its life or does Enbridge as owner, bear the risk of its own underutilization? Please discuss fully the allocation of business risks between Enbridge and TCPL in the proposed arrangement.

Witness: M. Giridhar

- (f) What amount of gas that Enbridge now takes at each of Parkway (suction) and Lisgar, be moved to Bram West once Segment A is built?

RESPONSE

- a) 800 TJ/d is the capacity available to Enbridge under the shared arrangement with TransCanada. Notionally, Enbridge expects that 600 TJ/d of capacity will be required to flow natural gas under firm short haul contracts from Dawn and Marcellus, displacing STFT and peaking arrangements. Enbridge will contract for annual incremental amounts of short haul capacity and supply over the period 2016 to 2025 to accommodate organic growth, amounting to the residual capacity of 200 TJ/d. Hydraulically, Enbridge expects that the entire capacity of the pipe will be used under peak day or design conditions from its in-service date in 2015, displacing 200 TJ/d of volumes that currently flow on the existing Parkway North NPS 36 pipeline. Enbridge's contractual arrangements will therefore reflect 600 TJ/d of incremental short haul contracts from Dawn and Marcellus, and 800 TJ/d of Parkway to Bram West service in 2015.

Enbridge expects the utilization of the 800 TJ/d to vary on a daily and monthly basis based on demand and operational conditions. Given the largely temperature sensitive nature of demand in Enbridge's franchise, average summer (base load) demand is approximately 10% of design day demand, while average daily load and average winter day load are approximately 30% and 50% of design day demand. In addition, given that Enbridge's normal maintenance schedule extends from April to November and the integrated nature of the network in the GTA, Enbridge is not able to predict what the actual use might be on a monthly basis.

- b) Please see response to Board Staff Interrogatory #49 found at Exhibit I.D5.EGD.STAFF.49(f).
- c) Yes, the addition of the capacity is conditional on at least one additional unit being installed at Union's Parkway West facilities. This is because Enbridge's incremental contract volumes of 800 TJ/d will flow on TCPL's Parkway to Maple system from Parkway to Bram West. It is Enbridge's understanding that TCPL's

pressure requirements arising from these incremental volumes cannot be met by Union's existing Parkway compressors.

- d) Enbridge does not possess this information and recommends that BOMA seek a response to this from Union.
- e) Please see response to a) above. Enbridge expects to fully utilize its share of capacity. Enbridge's customers will not bear any risks associated with TCPL underutilizing its capacity during the initial contract term of 15 years. If TCPL chooses not to renew its contract at the end of the initial contract term or terminates the contract, TCPL is required to reimburse Enbridge for the net book value of the pipeline as of the date of the termination, based on its share of the pipeline capacity.
- f) Enbridge will displace 400 TJ/d of capacity from the suction side of Union's Parkway facilities to TCPL's Bram West interconnect. Of this, 200 TJ/d of capacity will be displaced with incremental volumes sourced from Marcellus and delivered by TCPL on its Hamilton line at its interconnect with Enbridge at Parkway.