

ENBRIDGE GAS DISTRIBUTION INC. RESPONSE TO
BOMA INTERROGATORY #2

INTERROGATORY

Issue: A.1

TransCanada has stated that the vast majority of its existing long haul mainline transportation contracts would not be affected by its oil east proposal (see Capacity Management Program Open Season).

- (a) Please provide Enbridge's understanding of the impact in the event that the TCPL oil east project were to proceed, on Enbridge's existing mainline transportation contracts with TransCanada, and Enbridge's understanding of the percentage of contract volumes covered by the term "vast majority".
- (b) Please list each of the contracts that might be affected by the oil east project, and what are the nature of the contracts, eg. FT, STFT, STS, etc. Has Enbridge discussed these issues with TCPL to determine the nature of its exposure?
- (c)
 - (i) Please provide the details of FT contracts which Enbridge currently has for Empress to its various delivery areas. Identify which of these contracts transport gas to the GTA Influence Area. What percentage of the total FT contracts does that represent or likely will, currently, over the last five years, and for the next five years?
 - (ii) Provide the same information for each Enbridge STFT contract on the TCPL mainline, and for the Enbridge STS contracts with TCPL and Union.
- (d)
 - (i) What is Enbridge's understanding of the total capacity of the TCPL mainline to each of the TCPL delivery areas that in which Enbridge operates, and separately to the GTA Influence Area?
 - (ii) How much of that capacity in each case is proposed to be converted to oil service as part of the "oil east" project?
 - (iii) What is the currently unutilized capacity to each of the TCPL delivery areas?

Witness: J. Denomy

- (iv) Does Enbridge intend to give up its renewal rights for any of its FT contracts which expire before November 1, 2016, referred to in the recent TCPL Mainline Capacity Management open season?
 - (v) For those contracts which have an expiry date later than November 1, 2016 will Enbridge (i) seek early termination, and, if so, at what date; (ii) will it apply for FT2 service from that date on?
 - (vi) Has Enbridge discussed with the (a) other eastern LDCs, (b) the FT shippers on the mainline, a common approach to dealing with the manner in which the risk of interruption of existing mainline contracts by the transfer of gas transportation assets oil service will be managed and borne by TCPL and its shippers, and their customers?
 - (vii) Has Enbridge begun discussions with TCPL as to how this transition will be managed? What have been the results of the discussions to date?
- (e) Please provide the amount of incremental gas that Enbridge has forecast to require for the GTA Influence for each of 2013, 2014, and years between 2015 and 2075.
- (f) Please indicate whether Enbridge will proceed with the GTA project if only one of the two compressors sought by Union for Parkway West is approved; if neither compressor is approved.

RESPONSE

- a) It is Enbridge's understanding that the Energy East Pipeline involves the conversion of approximately 3,000 km of 42" pipeline from Burstall, Saskatchewan to Iroquois Junction, Ontario. The project currently contemplates the transfer of assets from natural gas service to oil service in the 2015 to 2016 timeframe. It is Enbridge's understanding that after the transfer, existing firm requirements to the Enbridge CDA would not exceed available Mainline capacity.

However, after the transfer, existing firm requirements would exceed available Mainline capacity to the EDA and export points east of and including Iroquois by approximately 300 TJ/d.

TransCanada has indicated that it will work with shippers to ensure that existing firm transportation service requirements will be met. However, up to 30% of the Enbridge franchise distribution system requirements are being met with discretionary services or delivered supply not backed by firm transportation contracts.

- b) Please see the response to BOMA Interrogatory#1 at Exhibit I.A1.EGD.BOMA.1 for a list of the current transportation contracts held by Enbridge with TransCanada and Union Gas. However, Enbridge is concerned with the availability of discretionary services, in particular STFT and IT, should the conversion to oil occur. In addition, tariff amendments proposed by TransCanada in its Review and Variance Application may restrict flexibility that Enbridge currently has in its transportation contracts. Please refer to Exhibit A, Tab 3, Schedule 5 for a discussion of the potential impacts of the Energy East Pipeline on the availability of discretionary service on the Mainline.
- c) i) and ii) Please see the response to BOMA Interrogatory #1 at Exhibit I.A1.EGD.BOMA.1 for a list of the current transportation contracts held by Enbridge with TransCanada and Union Gas. Of the TransCanada transportation contracts listed in the aforementioned response, all contracts with a delivery point of the Enbridge CDA deliver natural gas to the GTA Project Influence Area. Current FT contracts with a receipt point of Empress and an Enbridge CDA delivery point total approximately 63 TJ/d.

Enbridge intends to maintain all of its FT and STS contracts with TransCanada now and for the next five years, assuming current renewal provisions continue into the future. STFT contracts are discretionary and do not have renewal rights. Therefore their availability is not known in future years.

- d) i) to iii) Enbridge is unable to provide a response as the information requested is specific to TransCanada.
- iv) No.
- v) i) and ii) No.
- vi) a) and b) Enbridge has had, and continues to be, in discussions with other

eastern LDCs, shippers on the Mainline and TransCanada in regards to the impact of the Energy East Pipeline and, more generally, tolls on the Mainline. Enbridge is also active in National Energy Board matters relating to the Mainline.

- vii) Please see response to vi) above.
- e) Please refer to the response to Environmental Defence #3 at Exhibit I.A4.EGD.ED.3 for the peak incremental gas requirements that have been forecast for the GTA Project Area of Influence.
- f) Please refer to the response to CME #1 at Exhibit I.A1.EGD.CME.1 for a discussion of the impact of the proposed Union Gas facilities on the GTA Project.