

ENBRIDGE GAS DISTRIBUTION INC. RESPONSE TO
CONSUMERS COUNCIL OF CANADA INTERROGATORY #11

INTERROGATORY

2. Do the proposed facilities meet the Board's economic tests as outlined in the Filing Guidelines on the Economic Tests for Transmission Pipeline Applications, dated February 21, 2013 and E.B.O. 188 as applicable?

Sensitivity Analysis

Issue: A.2-CCC-11

Reference: E/T1/S1

- a) Please explain the rationale for a 40 year project life.
- b) Please re-run the cost benefit analysis using a 25 year project life.

RESPONSE

- a) In accordance with EBO 188, the Company has employed a customer revenue horizon of 40 years from the in-service date of the initial mains.
- b) The Net Present Value and Profitability Index under a 25 year project life are \$532.4 million and 1.65, respectively.

Witness: S. Murray