

**ENBRIDGE GAS DISTRIBUTION INC. RESPONSE TO
ENVIRONMENTAL DEFENCE INTERROGATORY #30**

INTERROGATORY

Issue A3: “Are the costs of the facilities and rate impacts to customers appropriate?”

Reference: Ex. A, Tab 3, Schedule 5, pages 13, 18 & 20

Please state the quantities (TJ) of natural gas from the Marcellus and Utica shale basins that were consumed in: a) the GTA Project Influence Area; and b) Enbridge’s total Ontario franchise areas in 2012.

RESPONSE

a) At this point in time Ontario can access gas from shale basins in the US Northeast through delivery of these supplies at Niagara Falls. However, when natural gas is produced and transported it is intermixed with gas from other producers and producing regions, in other words it is comingled. It is impossible to “colour code” natural gas molecules to determine exactly where the gas consumed in the GTA Project Influence Area or Enbridge’s total Ontario franchise area was produced.

Based on the May 1, 2013 Contract Demand Energy (“CDE”) report from the TransCanada website there are five contracts which take receipt of gas at Niagara Falls for delivery into Ontario. Of these four contracts only one has a delivery point of the Enbridge franchise area, specifically the Enbridge CDA. The other four contracts deliver gas to Kirkwall. These contracts are listed in the table below:

Service Requester	Contract Start Date	Contract End Date	Service Type	Primary Receipt	Primary Delivery	Contract Demand (GJ/d)
J.P. Morgan Commodities Canada Corporation	2012-Nov-01	2022-Oct-31	FT	Niagara Falls	Enbridge CDA	211,011
DTE Energy Trading, Inc.	2012-Nov-01	2023-Mar-31	FT	Niagara Falls	Kirkwall	25,585
Emera Energy Incorporated	2012-Nov-01	2023-Oct-31	FT	Niagara Falls	Kirkwall	26,376
J.P. Morgan Commodities Canada Corporation	2012-Nov-01	2023-Oct-31	FT	Niagara Falls	Kirkwall	126,607
Union Gas Limited	2012-Nov-09	2022-Oct-31	FT	Niagara Falls	Kirkwall	21,101

Assuming that all of the gas received at Niagara Falls for delivery to the Enbridge CDA could be traced back to the Marcellus or Utica shale basins and that this contract was utilized fully each and every day since inception a total of 12,872 TJs

Witness: J. Denomy

would have been delivered to the Enbridge franchise area in 2012. If it is assumed that demand in the GTA Project Influence Area accounted for approximately 71% of Enbridge CDA demand during the period in which this contract was in place in 2012 and that supplies received at Niagara Falls for delivery to the Enbridge CDA could be traced back to the Marcellus or Utica shale basins approximately 9,128 TJs were consumed in the GTA Project influence area.