

ENBRIDGE GAS DISTRIBUTION INC. RESPONSE TO  
GAZ METRO INTERROGATORY #5

INTERROGATORY

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

Reference: Enbridge's Evidence  
Exhibit E, Tab 1, Schedule 1, p. 1

Preamble: In its amendment dated May 15, 2015 Enbridge states that the Annual

Average

Transportation Savings in dollars is 160,773, 122. In its Application amended April 15, 2013, the same amount was estimated at 38, 279,028 dollars.  
Request:

- (a) Please provide detailed information on why the Annual Average Transportation Savings amount has more than quadruple since the last amendment.
- (b) Would that increased amount in savings be reflected in the new transportation rate that will be charged to TransCanada or to in-franchise customers. If yes, please provide the details.

RESPONSE

- a) The primary reason for the increase in the expected gas supply benefits is the assumption that Enbridge will now contract for approximately 300,000 GJ/d of long haul FT with TransCanada rather than STFT in addition to the assumption that Direct Purchase customers would also seek to firm up their supply portfolios by contracting for long haul FT. This change in baseline contracting assumptions is predicated on the NEB Decision in RH-003-2011 which grants TransCanada pricing discretion, TransCanada's Review and Variance Application which seeks to amend its Tariff and the expectation that the Energy East Pipeline will proceed. Since STFT is a discretionary service and based on the events previously listed, Enbridge believes it is no longer prudent to continue to rely on

Witness: J. Denomy

this service as there is no guarantee it will be available when required and there will be no price certainty associated with this service.

- b) Any gas supply savings related to the GTA project would be passed onto Enbridge's in-franchise customers through lower gas supply costs. Gas supply savings would not impact the proposed transportation rate to be charged to TransCanada.