ENBRIDGE GAS DISTRIBUTION INC. RESPONSE TO GEC INTERROGATORY #38

INTERROGATORY

Enbridge, Issue A.4.Alternatives, Ref: Exh. A, T3, S7, pp. 9-10, ¶16.

a) Did the Company evaluate the cost-effectiveness of replacing all or part of the proposed GTA Project with a combination of additional investment in DSM and alternative routes or alternative transport arrangements? If so, please provide all available documentation of this analysis.

b) If the load in the GTA or the GTA Project Influence Area were half of the forecast levels, which Project components would not be needed in 2015?

c) For each Project component that would not be needed at half of the forecast levels, please identify the load level at which the component would be needed.

d) For each Project component that would be needed at half of the forecast levels, please explain why it would be needed and identify the extent to which it could be downsized in capacity and cost.

e) If the Portlands Energy Centre were to switch to interruptible delivery service, would any of the Project components be unnecessary?

f) If an additional ten percent of peak load in the GTA Project Influence Area were on interruptible rates, which Project components would not be needed in 2015?

g) Please explain whether any component of the Project is required to maintain the pressure of gas delivered to Portlands Energy Centre, and if so, please describe the potential for added compression at Portlands Energy Centre to allow Enbridge to deliver gas at lower minimum pressure under peak load conditions.

Witnesses: C. Fernandes
E. Naczynski

RESPONSE

a) Please refer to Exhibit A, Tab 3, Schedule 7 for the alternatives considered.

b) We are assuming that this question is referring to halving of forecast load addition rather than halving of forecast load. Please refer to Environmental Defence Interrogatory #20 at Exhibit I.A4.EGD.ED.20. In order to meet all of the objectives, there would be no material change in the proposed facilities under this scenario

c) Not applicable, refer to b)

d) All of the remaining components are required to meet the supply chain reliability and gas transport benefits as described in Exhibit A, Tab 3, Schedule 1.

e) Portlands Energy Center has a firm contract for delivery. Please refer to EB-2006-0305 for publicly available details of the service requirements.

f) The Company does not believe this level of increase in interruptible load is feasible for the following reasons:

   i. This would require an almost 2 fold increase in the amount of interruptible load in the downtown core. Customers willing to accept the operational risks associated with Interruptible service are likely already on the rate, and the Company has seen a general decline in the volumes for this service as shown in Exhibit A, Tab 3, Schedule 7, Figure 1.

   ii. Customers on this service must have, and be able to demonstrate the ability to either shut down the contracted interruptible volume or switch to an alternate fuel source to qualify for an interruptible rate. Evidently, firm customers in Metro Toronto don't have this ability, or interest in acquiring and maintaining it. The vast majority of the peak load in Metro Toronto is for space heating purposes, which in cold winter conditions could be a life safety issue. The building must be heated or it will be uninhabitable.

   iii. Back up fuel systems would be costly, and storage of fuel would be difficult. A ten day supply of this level of load would require greater than 65 million litres of storage, assuming petro diesel and the same conversion efficiency as natural gas.

   Interruptible load would not address the other objectives of the project as discussed in Exhibit A, Tab 3, Schedule 7, paragraph 2, specifically improving

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connectivity between the Western and Eastern portions of the system, mitigation of entry point concentrations and displacing less secure elements of the supply portfolio that generate significant savings for customers.

This level of additional interruptible load would address the forecast load growth, or a “growth only” scenario.

g) This project is required to maintain minimum pressures to Station B. Please see the response to BOMA Interrogatory #23 at Exhibit I.A1.EGD.BOMA.23 .

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