

ENBRIDGE GAS DISTRIBUTION INC. RESPONSE TO
ENERGY PROBE RESEARCH FOUNDATION INTERROGATORY #91

INTERROGATORY

Issue A2 - 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?

Ref: EB-2012-0451 Exhibit A, Tab 3, Schedule 9 Attachment 3 & Updated Exhibit E, Tab 1, Schedule 1 plus Attachment and TCR JT2.13

- a) Provide all input assumptions and calculations underlying the 10 year Incremental Operating Cash Flows before Taxes (lines 16-23 of Schedule).
- b) Show specifically the changes related to the reduction in the TCPL toll from Parkway to Bram West.
- c) Reconcile to Attachment Page 1.
- d) Please provide a populated live Excel Spreadsheet for Profitability Analysis corresponding to the Attachment Pages 2-5 and including Tabs and linkages for all input assumptions/calculations corresponding to E Tab1 Schedule 1 pages 8 and 9 and Attachment page 1.
- e) Please provide a sample of sensitivity analyses similar to those provided in JT2.13 covering Capital, commodity price change, Annual volumes and Transportation service charges assumptions. Chose realistic appropriate ranges for analyses.

RESPONSE

- a) Please see the response to GEC Interrogatory #43 found at Exhibit I.A1.EGD.GEC.43 for a breakdown of Gas Distribution Revenue.

Please see Exhibit E, Tab 1, Schedule 2, Attachment 1, for a breakdown of the Transportation Services Charge. Enbridge proposes to charge 60% of this fully

Witness: S. Murray

allocated revenue requirement for the Albion Pipeline through the new Rate 332 transportation services charge.

Please see Exhibit A, Tab 3, Schedule 9, Attachment 1, page 5 of 6 for a breakdown of the expected gas supply benefits (referred to as the Transportation Savings at Line 18 in the DCF schedule).

Please refer to the attachment filed with the response to Energy Probe Interrogatory # 11 found at Exhibit I.A2.EGD.EP.11 for the breakdown of Gas Costs.

Please see Attachment 1 for a breakdown of O&M Expenses.

Net Operating Cash (Before Taxes) is the sum of Lines 16 to 20 in the referred schedule.

PV of Net Operating Cash (Before Taxes) at Project Outset is the Net Operating Cash (Before Taxes) discounted using the Company's 2013 after-tax weighted average cost of capital, per the periods defined in the notes section in Exhibit E, Tab 1, Schedule 1, Attachment, pages 2 to 5.

Accumulated PV of Net Operating Cash (Before Taxes) is a rolling accumulation by year of Line 22 in the referred schedule.

- b) Please see the response to Board Staff Interrogatory #1 at Exhibit I.A3.EGD(Update).STAFF.1 b).
- c) The reduction in the TCPL toll from Parkway to Bram West is reflected in the Annual Average Transportation Savings, at Line 11 of Exhibit E, Tab 1, Schedule 1, Attachment, page 1.
- d) Enbridge will provide the Intervenor with the electronic spreadsheet in confidence under the signed Declaration and Undertaking. Please refer to Exhibit E, Tab 1, Schedule 1, Attachment for a hard copy. The electronic spreadsheet and the hard copy include all pages (1 to 5).

In regards to Exhibit E, Tab 1, Schedule 1, pages 8 and 9, these are hard-coded inputs into the DCF model. For this reason the live spreadsheets for pages 8 and 9 are not included. For further inputs:

- Please see Exhibit A, Tab 3, Schedule 4, supporting the forecasted Incremental Customer Additions.
 - Please see EB-2011-0354, Exhibit C2, Tab 2, Schedule 1 for the Average Use Forecasting Model supporting evidence updated June 1, 2012.
 - Please see the attachment supporting I.A1.EGD.GEC.43 for a breakdown of the Total Cumulative Volumes.
 - Please see Exhibit A, Tab 3, Schedule 9, Attachment 1, page 5 of 6 for a breakdown of Transportation Savings.
- e) Please refer to Exhibit A, Tab 3, Schedule 9, Attachment 3 and the response to CCC Interrogatory #33 found at Exhibit I.A.3.EGD(Update).CCC.33.