

ENBRIDGE GAS DISTRIBUTION INC. RESPONSE TO
ENERGY PROBE RESEARCH FOUNDATION INTERROGATORY #102

INTERROGATORY

Issue D5 - Should approval of Enbridge's proposed rate methodology for the service to be provided to TransCanada be granted

Ref: EB-2012-0451 Exhibit A, Tab 2 Schedule 1 page 4 &
Update #6 Exhibit E, Tab1, Schedule 2, Attachment

Preamble: EGD is proposing to seek approval of Rate 332 in EB-2013-0459.
Nonetheless preliminary economics and tolls are necessary for
the open season and economic feasibility analyses.

- a) Confirm calculation shown in reference is for NPS 42" full shared distribution/transportation use option. Provide an equivalent revised/updated calculation of the revenue requirement for
 - i. the standalone option (EGD sole use); and,
 - ii. a delay in service for shippers from Albion to Maple affecting Segment A.
- b) Please provide a Revenue Requirement for the other 36" and 42" shared use options.(see above)
- c) For each of the revenue requirement calculations provide the annual revenue from Rate 332 service and the transportation margin to EGD.
- d) Please provide details of the basis of 60% of Costs allocated to Rate 332.
- e) Please provide further details of the rate design for Rate 332.

RESPONSE

- a) Confirmed.
 - i. The usage of Segment A for transportation does not change the revenue requirement for the line. It could potential impact the allocation of the revenue requirement shown. The attachment shows the same revenue requirement calculation as Update #6, Exhibit E, Tab1, Schedule 2,

Witnesses: K. Culbert
A. Kacicnik
S. Murray

Attachment 1, but also adds the percentage allocation to Rate 332 transport service and the annual Rate 332 revenue.

- ii. Enbridge expects that shippers will pay for the service starting at the in service date. If there was a delay in the service, all parameters in terms of timeline and other impacts would need to be defined to model a scenario. Enbridge did provide economic scenarios at Exhibit A, Tab 3, Schedule 9, Attachment 3 and Column 5 of this attachment shows the project feasibility with no Transportation Services revenue.

b) and c) Please see attachment

d) The 60% of Segment A cost allocated to Rate 332 is based on the proportion of Shippers transportation capacity as a percentage of the total capacity available on the Segment A pipeline. Segment A has a total transportation capacity available of 2,000 TJ/day which is made of 800 TJ/day for EGD's requirement and Shippers requirements of 1,200 TJ/day.

e) The design of Rate 332 is laid out in evidence at Exhibit E, Tab 1, Schedule 2 under Transportation Rate methodology. The rate design is a fixed contract demand charge which will be set based on the revenue requirement allocated to Rate 332 divided by the total capacity of Shipper's requirements of Segment A.

Witnesses: K. Culbert
A. Kacicnik
S. Murray