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To provide detail on how declining average use trend relates to expected building code stringencies and what assumptions were used in the models.

RESPONSE

As described in the response to GEC Interrogatory #13 found at Exhibit I.A1.EGD.GEC.13, the customer additions forecast is informed by projections of housing starts, interest rates, employment and other prevailing economic trends. In addition, it incorporates more granular, location-specific trends as identified through direct contact with builders, developers, and municipalities. As such, the customer additions forecast reflects the projected pool of structures, whether new construction or new service, that will require natural gas consumption. It does not incorporate effects of expected building code standards which would qualitatively apply to the structures themselves.

For purposes of the GTA Project Application, peak load estimates are used to design associated system requirements. To capture the impact of declining average use on peak hourly consumption, network analysis models used regression analysis as described in the response to Environmental Defence Interrogatory #12 found at Exhibit I.A4.EGD.ED.12. The impact of building code requirements is implicit in the resulting decline in average use. As a result, the adjusted peak hourly consumption estimates applied in the network analysis reflect the expected effect of more stringent building codes.

Witness: M. Suarez