

UNDERTAKING JT2.38

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To provide a complete response to CCC#20 to discuss effects of using 1997–2012 as opposed to 2004-2012.

RESPONSE

The data in Figures 2 to 5 in Exhibit A, Tab 3, Schedule 5 were provided in the context of how the distribution system load factor has evolved over time and to explain the subsequent impacts on upstream contracting practices and upstream capacity utilization. The Company expects that it will continue to add temperature sensitive loads and that as a result it will be more efficient to contract for increasing amounts of short haul capacity to meet this demand.

The 2004 to 2012 trend lines produced in response to CCC #20 show a different trend relative to the trend lines provided in Exhibit A, Tab 3, Schedule 5, Figures 2 to 5. As indicated in the response to CCC Interrogatory #20 (b) found at Exhibit I.A4.EGD.CCC.20 longer term trends remove the noise associated with utilizing a shorter sample period. The Company believes that the longer term trend, the trend from 1997 or 1999 to 2012 is more representative of the trend that can be expected in the future rather than the shorter term trend from 2004 to 2012. The longer term trend better represents future trends in that it covers more economic cycles and a period over which the Company has experienced significant growth in the number of temperature sensitive customers. The Company expects to continue to add temperature sensitive loads and consequently expects the trend to a peakier load profile to continue.

While representative of what has occurred in the past and what can be expected in the future in terms of the distribution system load factor, Figures 2 to 5 in Exhibit A, Tab 3, Schedule 5 do not explicitly take into account certain other factors that could impact the trend lines presented. For example, the data in these figures have not been adjusted to include differences between contract demand and actual usage for contract customers and future efficiency gains. Each of these factors has been taken into account in the network modeling for the GTA Project. Consequently, the trend lines presented in Exhibit A, Tab 3, Schedule 5, Figures 2 to 5 are not directly comparable to the projected peak day demands provided in Exhibit A, Tab 3, Schedule 4, Table 3.

Witness: J. Denomy