

**TransCanada PipeLines Limited Response to
Federation of Rental-Housing Providers of Ontario Interrogatory #1**

Reference: TCPL Written Evidence, page 3 and 4

- Request:**
- 1) Is it TCPL's understanding that one of the options that EGD is contemplating is moving the starting point of Segment A back to Parkway?
 - a) From discussions that TCPL had with the EGD and Union, what would the incremental cost of the Parkway to Bram facilities to Segment A (as opposed to the Bram to Albion proposal)?
 - b) What would be the lost revenue requirement forgone, if TCPL's Parkway to Bram West is by-passed? Please provide these lost revenue requirement by LDC under their original expected contracts with TCPL:
 - i) EGD
 - ii) Union
 - iii) Gas Metro

Response:

It is TransCanada's understanding that, prior to the collaborative discussions between TransCanada, EGD and Union, EGD's intention was to build Segment A directly from its connection with Union at Parkway and into the EGD franchise area. It was subsequently agreed, through the collaboration efforts, that a more efficient expansion to meet market needs would be as proposed in the MOU (see TransCanada Evidence Page 3, Section 4.0, Lines 7 to 14). TransCanada was recently informed that EGD is now contemplating moving the starting point of Segment A to Parkway.

TransCanada notes that under the current proposal where Segment A commences at Bram West and runs to Albion, the associated transportation requirements from Parkway to Bram West will be served using TransCanada existing facilities. Therefore, in the scenario where Segment A commences at Parkway, the facilities from Parkway to Bram West on Segment A would be redundant.

- a) TransCanada does not have this information.
- b) If EGD were to move Segment A back to Parkway, and assuming TransCanada's Kings North expansion from Albion to Maple were to continue, the revenue TransCanada would lose is the revenue from EGD for transportation from Parkway to Bram West of approximately \$26 million per year based on current tolls

(800 TJ/d X 8.75 ¢/GJ X 365 days). TransCanada does not expect to lose any revenue from Union or Gaz Metro in this circumstance as their contracts on the Mainline should stay the same under both situations.