

OGA INTERROGATORY #17

INTERROGATORY

Issue 1.2 - Should the new business activity – Geothermal Energy Service Program – be considered as part of the utility’s regulated business?¹

Reference: Ex. B, Tab 1, Schedule 1, p. 27

Preamble:

In EB-2016-0004, the OGA submitted a report and interrogatory responses regarding the cost of installing geothermal loops.

Interrogatory:

Please compare Enbridge’s estimated capital and O&M costs for the installation and maintenance of geothermal loops with the OGA’s evidence and interrogatory responses in EB-2016-0004.

RESPONSE

The above referenced OGA evidence alluded to vertical loop tonne costs of \$2,000 to \$3,000 and on average \$2,500. As discussed in the response to Board Staff Interrogatory #14 filed at Exhibit I.2.EGDI.STAFF.14, Enbridge’s current information (which includes information from discussions with the OGA) is that the likely range of costs in 2018 will be between \$2,500 to \$4,500 per tonne, depending on geography. Enbridge has used \$3,000 per tonne as a baseline to determine fees. The Company has assumed (based on geography and likely customer base in new residential developments) that the high majority of installations will be vertical and not horizontal loops. Hence horizontal loops have not been considered.

¹ Note that these interrogatories also relate to issue 2.3 - Are the services fees for the Geothermal Energy Service Program reasonable and appropriate?