

OGA INTERROGATORY #23

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. 27-30 & Appendix 11

If Enbridge were to provide a similar geothermal offering to customers as part of its unregulated business (e.g. via an affiliate), would the financing costs for the high upfront capital costs be higher? If yes, please estimate the difference.

RESPONSE

The rate of return that the Company or affiliate would be seeking from an unregulated offering depends on the nature of the contracts, the terms, the type of customers (retrofit vs new) and various other factors.

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