

OGA INTERROGATORY #3

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

Please estimate the avoided natural gas volumes (m3), carbon emissions (tonnes CO2 equivalent), and carbon costs (\$) expected to result from the forecast number of customers converting to geothermal. Please calculate the figures for the expected lifetimes of the geothermal loops to be installed. For the total avoided carbon costs, please (a) provide a nominal value, (b) an NPV figure, and (c) a breakdown of the avoided costs associated with decreased natural gas usage versus other fuels.

For the price of carbon, please use the Board’s Long Term Carbon Price Forecast. For years beyond that forecast (i.e. 2028 onward), please use Enbridge’s best estimate of the future carbon prices, and provide an explanation if different figures are used than those in Exhibit I.1.EGDI.ED.24 in EB-2017-0224.

It is understood that this will require a number of assumptions and caveats. Please undertake this analysis on a best efforts basis, make assumptions as necessary, state those assumptions, and state all necessary caveats.

RESPONSE

Please refer to the response to OGA Interrogatory #4, filed at Exhibit I.1.EGDI.OGA.4.

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