

SEC INTERROGATORY #26

INTERROGATORY

Issue 2.4

[B1-1-1, p.30]

What would be the annual service fee for the Geothermal Energy Services Program if only customers of this new program were responsible for all costs in all years?

RESPONSE

Please see Attachment 1 to this response. The attachment shows the monthly service fee per tonne if revenue equals revenue requirement. The initial customers would pay a high fee because the startup costs are spread over very few customers.

This form of fee setting is inappropriate and does not promote customer adoption or enable market transformation. The Enbridge proposal applies the Board's existing customer addition model to transform the residential heating market and abate carbon emissions in response to the Company's obligation under the Cap and Trade framework.