

ENBRIDGE GAS INC.  
Answer to Interrogatory from  
Building Owners and Managers Association (BOMA)

Reference: Exhibit B1, Tab 2, Schedule 1, p33

Question:

Please explain more fully the cost allocation for the Don River Replacement Project, including the cost allocation method, for extra high pressure mains greater than four inch diameter. What is the MOP and normal operating pressure of the existing line, and how does the high pressure and diameter reflected in the allocation factor?

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**Response**

The EGD rate zone mains network is sized to meet peak demand capacity on the distribution system. It is divided into three systems based on operating pressure: extra high pressure ("XHP") (also referred to as transmission pressure ("TP")), high pressure ("HP"), and low pressure ("LP").

The Board found in EB-2012-0459 (2014 Rate Case) that Rate 125 customers (which are extra-large unbundled firm distribution service customers, such as large power generators) should not be allocated the costs of extra high pressure mains of less than 6" in diameter. Accordingly, the extra high pressure capacity classification is further split into XHP Capacity for mains less than or equal to 4 inch in diameter (XHP Capacity <=4") and XHP Capacity for mains greater than 4 inches (XHP Capacity >4").

Such a classification of XHP mains capacity ensures that Rate 125 customers are only allocated the costs of mains capacity that is physically capable of serving their loads.

Given that the proposed Don River Replacement project is NPS 30 (i.e., 30 inches in diameter) and will operate at extra high pressure, the Board-approved allocation methodology for the EGD rate zone for such a project is the allocation of extra high pressure mains greater than 4 inches in diameter (XHP Capacity >4").

The allocator for XHP Capacity >4" represents / reflects each customer class contribution to the peak demand on the XHP main network.

The ICM revenue requirement for the Don River Replacement project will accordingly be allocated and recovered across all of the EGD rate zone's distribution customer classes, including Rate 125 customers.

The MOP for the existing NPS 30 line is 480 psi and the normal operating pressure is 367 psi.