

BOARD STAFF INTERROGATORY #11

INTERROGATORY

Ref: D1/T2/S3/para13

Please list and quantify the cost consequences in landed cost terms of the movement from long haul to short haul contracting with TCPL, OEB-approved 2016 vs 2017 proposed.

RESPONSE

The table below summarizes the cost consequences of three shifts from long haul to short haul contracting.

The first evaluation compares long haul TCPL from Empress to Enbridge CDA against short haul service on Union M12 from Dawn to Parkway (“EGT”). The second compares long haul TCPL from Empress to Enbridge CDA against short haul service on Union M12 from Dawn to Union Parkway Belt plus TCPL from Union Parkway Belt to Enbridge CDA. The third comparison is between long haul TCPL from Empress to Enbridge EDA and short haul service on Union M12 from Dawn to Parkway and TCPL from Parkway to Enbridge EDA.

EB-2016-0215 - Enbridge CDA: Long Haul vs M12 Landed Cost				
Pipeline/Service¹	Path	Pricing Point²		2017 Landed Cost (C\$/GJ)
TCPL/FT-LH	Empress-to-Enbridge CDA	Empress	=	4.84
Union/M12	Dawn-to-Enbridge EGT	Dawn	=	3.94
		<i>Difference</i>	=	<i>(0.90)</i>

EB-2016-0215 - Enbridge CDA: Long Haul vs Short Haul Landed Cost				
Pipeline/Service¹	Path	Pricing Point²		2017 Landed Cost (C\$/GJ)
TCPL/FT-LH	Empress-to-Enbridge CDA	Empress	=	4.84
Union/M12 & TCPL/FT-SH	Dawn-to-Union Parkway Belt-to-Enbridge CDA	Dawn	=	4.16
		<i>Difference</i>	=	<i>(0.68)</i>

EB-2016-0215 - Enbridge EDA: Long Haul vs Short Haul Landed Cost				
Pipeline/Service¹	Path	Pricing Point²		2017 Landed Cost (C\$/GJ)
TCPL/FT-LH	Empress-to-Enbridge EDA	Empress	=	4.90
Union/M12 & TCPL/FT-SH	Dawn-to-Parkway-to-Enbridge EDA	Dawn	=	4.50
		<i>Difference</i>	=	<i>(0.40)</i>

¹ Pipeline/Service costs reflect information available as of: June 1, 2016

² Pricing Point calculated using 21-day moving average from: May 3, 2016 - May 31, 2016

Witnesses: M. Kirk
 D. Small