

TCPL INTERROGATORY #1

INTERROGATORY

Reference: 1) EB-2016-0215, Exhibit D1, Tab 2, Schedule 3, Page 5 of 13

2) EB-2016-0215, Exhibit D1, Tab 2, Schedule 9, Page 1 of 2

3) EB-2015-0175, Enbridge Application, Exhibit A, Tab 3, Schedule 1, Appendix C, Page 1 of 1

Preamble: In Reference 1, Enbridge states that it has entered into an agreement effective November 1, 2016 for 40,000 GJ/d of Link Pipeline capacity.

In Reference 2, Enbridge lists its Transportation and Storage contracts, including monthly demand charge information. The Link Pipeline monthly demand charge is listed as “varies”. The total contracted daily volume is listed as 42,202 GJ/d.

In Reference 3, Enbridge provides a landed cost analysis as part of its Application for Pre-Approval of a Long-Term Natural Gas Transportation Contract.

TransCanada notes Enbridge has committed to new upstream transportation contracts and requests further information on these arrangements.

- Request:
- a) Please clarify Enbridge’s contracted capacity commitment to the Link Pipeline.
  - b) What is the meaning of the term “varies” in Reference 2? Please explain how the monthly demand charge for Enbridge’s Link Pipeline contract will be calculated.
  - c) Utilizing the same format as in Reference 3, please provide the landed cost analysis undertaken in support of the contracting decision noted in Reference 1.

Witnesses: M. Kirk  
D. Small

RESPONSE

- a) The contract is for 40,000 MMBTU/day which is equivalent to 42,202 GJ's per day. Information about the Link contract is also provided in response to FRPO Interrogatory #4 at Exhibit I.D1.EGDI.FRPO.4.
- b) The monthly demand charge for the Link Pipeline varies depending on the time of year to correspond with a change in the Delivery Point. During the summer period (i.e., April through October) the Delivery Point is Tecumseh and the monthly demand charge is \$1.591 per GJ per month. During the winter period (i.e., November through March) the Delivery Point is Dawn and the monthly demand charge is \$1.735 per GJ per month.
- c) The landed cost analysis has been provided in the table below.

Witnesses: M. Kirk  
D. Small

**Average Landed Cost of Link Capacity vs Alternatives: November 2016-October 2017**

<b>Pipeline/Service</b>	<b>Path</b>	<b>Pricing Point</b>	<b>Landed Cost (C\$/GJ)</b>
Link/STFT	Corunna-to-Dawn/Tecumseh	Michcon	3.69
Spot Market	n/a	Dawn	3.66
TCPL/FT	Empress-to-Union SWDA	Empress	4.54
Vector/FT-1	Chicago-to-Dawn	Chicago	3.73

**Average Commodity Price (C\$/GJ)**

<b>Pricing Point</b>			Nov/16 - Oct/17
Michcon			3.54
Dawn			3.66
Empress			2.60
Chicago			3.47

**Average Exchange Rate**

			Nov/16 - Oct/17
C\$/US\$			1.255

**Average Transportation Toll (C\$/GJ)**

<b>Pipeline/Service</b>	<b>Path</b>		Nov/16 - Oct/17
Link/STFT	MichCon-to-Corunna-to-Dawn		0.152
Link/STFT	MichCon-to-Corunna-to-Tecumseh		0.147
TCPL/FT	Empress-to-Union SWDA		1.654
Vector/FT-1	Chicago-to-Dawn		0.214

**Average Fuel %**

<b>Pipeline/Service</b>	<b>Path</b>		Nov/16 - Oct/17
Link/STFT	Corunna-to-Dawn		0.0%
Link/STFT	Corunna-to-Tecumseh		0.0%
TCPL/FT	Empress-to-Union SWDA		4.2%
Vector/FT-1	Chicago-to-Dawn		1.0%

**Average ACA Charge (C\$/GJ)**

<b>Pipeline/Service</b>	<b>Path</b>		Nov/16 - Oct/17
Vector/FT-1	Border-to-Dawn		0.002

**Average Abandonment Charge (C\$/GJ)**

<b>Pipeline/Service</b>	<b>Path</b>		Nov/16 - Oct/17
TCPL/FT	Empress-to-Union SWDA		0.14
Vector/FT-1	Border-to-Dawn		0.0004

**Average Delivery Pressure Charge (C\$/GJ)**

<b>Pipeline/Service</b>	<b>Path</b>		Nov/16 - Oct/17
TCPL/FT	Empress-to-Union SWDA		0.03

Witnesses: M. Kirk  
 D. Small