

APPRO INTERROGATORY #3

INTERROGATORY

**B - Rate Base**

Issue B1 - Is Enbridge's forecast level of capital spending in 2013 appropriate?

References: Exhibit B1, Tab 3, Schedule 3, paragraph 9

Enbridge is proposing a \$450-650 million reinforcement (50 km of 36" pipe plus a gate station) of its GTA XHP main system with some capital costs being incurred in 2013. Enbridge indicates that the reinforcement is required to meet area growth, and to increase supply diversity and reliability.

- a) Please indicate if any of the costs associated with this reinforcement will be included in the test year rates.
- b) Please provide the specific criteria Enbridge used to determine the need for this reinforcement.
- c) Please indicate how the proposed reinforcement meets the above criteria.
- d) Please provide a map showing the XHP mains in the Toronto region and also overlay the proposed pipeline on this map. Include pipe sizes on the map.
- e) Please indicate if Enbridge considered phasing the project over several years and the implications, if any, of delaying all or a portion of this project one year.
- f) Please indicate what the implications would be of only constructing 1/4, 1/3 as well as 1/2 of the reinforcement project. If there are other natural or logical ways of staging the reinforcement, please also provide this analysis.
- g) Please indicate if the reinforcement is being triggered by any Rate 125 customers, and if so the associated capacity requested.
- h) Please provide the increased capacity associated with the reinforcement project, ignoring any potential bottlenecks downstream of the reinforcement pipeline.

Witnesses: E. Chin  
C. Fernandes

- i) Please provide the yearly projected volumetric growth forecasts by rate class (or other classifications) for Enbridge's planning horizon for the customers that will be served by this reinforcement.
- j) Please indicate the unitized impact, if any, on Rate 125 customers that would result from this reinforcement, once the costs are fully included in rates based on the high and low capital cost estimates.

RESPONSE

- a) The costs associated with this reinforcement will not be included in the Test Year rates.
- b) – j) Details of the need and alternatives for GTA XHP reinforcement will be provided and reviewed in the LTC application.

/c

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C. Fernandes