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May 28, 2013

BY EMAIL & COURIER

Ms. Kirsten Walli **Board Secretary** Ontario Energy Board 2300 Yonge St, Suite 2701 Toronto ON M4P 1E4

Dear Ms. Walli:

Board File No. EB-2012-0451/EB-2012-0433/EB-2013-0074 Enbridge Gas Distribution Inc. & Union Gas Limited Leave to Construct Natural Gas Pipelines and Regulation Facilities Expansion **Energy Probe – Formerly Confidential Interrogatories** 

Pursuant to Procedural Order No. 2, Energy Probe Research Foundation (Energy Probe) filed confidential Interrogatories to Enbridge Gas Distribution on May 21, 2013.

As there was nothing of a confidential nature in the interrogatories themselves, on the advice of Board staff Energy Probe is re-filing the same interrogatories, retaining the original sequential numbering. The only change in the document is to remove references to "confidential" in the interrogatories themselves.

Should you require additional information, please do not hesitate to contact me.

Yours truly,

David S. MacIntosh

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Case Manager

Norm Rykman, Enbridge Gas Distribution (By email) cc:

Fred Cass, Aird & Berlis LLP (By email)

Scott Stoll, Aird & Berlis LLP (By email)

Mark Kitchen, Union Gas (By email)

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IN THE MATTER OF an application by Enbridge Gas Distribution Inc. for: an order or orders granting leave to construct a natural gas pipeline and ancillary facilities in the Town of Milton, City of Markham, Town of Richmond Hill, City of Brampton, City of Toronto, City of Vaughan and the Region of Halton, the Region of Peel and the Region of York; and an order or orders approving the methodology to establish a rate for transportation services for TransCanada Pipelines Limited;

AND IN THE MATTER OF an application by Union Gas Limited for: an Order or Orders for pre-approval of recovery of the cost consequences of all facilities associated with the development of the proposed Parkway West site; an Order or Orders granting leave to construct natural gas pipelines and ancillary facilities in the Town of Milton; an Order or Orders for pre-approval of recovery of the cost consequences of all facilities associated with the development of the proposed Brantford-Kirkwall/Parkway D Compressor Station project; an Order or Orders for pre-approval of the cost consequences of two long term short haul transportation contracts; and an Order or Orders granting leave to construct natural gas pipelines and ancillary facilities in the City of Cambridge and City of Hamilton.

# INTERROGATORIES OF ENERGY PROBE RESEARCH FOUNDATION ("ENERGY PROBE") TO ENBRIDGE GAS DISTRIBUTION INC.

EB-2012-0451 EB-2012-0433 EB-2013-0074

## **Enbridge Gas Distribution and Union Gas Limited**

#### **ENERGY PROBE RESEARCH FOUNDATION**

# INTERROGATORIES to ENBRIDGE GAS DISTRIBUTION INC.

Issue A2 Do the proposed facilities meet the Board's economic tests as outlined in the Filing Guidelines on the Economic Tests for Transmission Pipeline Applications, dated February 21, 2013 and E.B.O. 188 as applicable?

## A2-Energy Probe 11

Ref: EB-2012-0451 Exhibit E, Tab 1, Schedule 1 plus attachment

- a) Provide all input assumptions and calculations underlying the 10 year Incremental Operating Cash flows Before Taxes (lines 16-23 of Schedule).
- b) Reconcile to Attachment Page 1.
- c) Please provide a populated live Excel Spreadsheet for Profitability Analysis corresponding to the Attachment Pages 2-5 and including Tabs and linkages for all input assumptions/calculations corresponding to E Tab1 Schedule 1 pages 8 and 9 and Attachment page 1

Issue A3 What are the alternatives to the proposed facilities? Are any alternatives to the proposed facilities preferable to the proposed facilities?

# A3-Energy Probe 14

Ref: EB-2012-0451 Exhibit C Tab 2 Schedule 1 page 1 Table 1 (filed 21/12/2012) & Updated Page 1 Table 1 (filed15/04/2013)

- a) Please provide a consolidated copy of Table 1 based on the data in each filing.
- b) Please provide line-by-line explanations of material Cost changes

# A3-Energy Probe 15

Ref: EB-2012-0451 Exhibit CTab2 Schedule 1 pages 4-6 (filed 21/12/2012) & Updated Pages 4-7 15/04/2013

- a) Please confirm that the original Schedule was for a standalone EGD facility and the Update for the revised shared use facility.
- b) Please provide a Schedule that combines the original and updated costs.
- c) Please provide explanations for <u>all</u> material cost changes, including in particular, the changes in costs associated with Parkway West land and facilities relocation.
- d) Please discuss the basis of the Contingency amount(s) in context of the Board's Guidelines and previous practice.
- e) Indicate what will happen to any Capital cost over/under amounts?
- f) Was a capital cost variance account considered given the materiality of the costs? Please discuss.

Issue D5 Should approval of Enbridge's proposed rate methodology for the service to be provided to TransCanada be granted?

# **D5-Energy Probe 86**

Ref: EB-2012-0451Exhibit E, Tab1, Schedule 2, Pages 1-4

Preamble: TCPL will share cost of NPS 42" with incremental capital cost of \$42.8 million. Otherwise EGD will build NPS 36" pipeline and retain 800,000 Gj/D capacity and TCPL the remaining Capacity.

Please provide a consolidated Table that shows the attributes of the various options for Segment A, add comments/notes as required.

Options	NPS 36"	NPS 36"	NPS 42"	NPS 42"	Comments
•	EGD	Shared	EGD Sole	Shared	
	Sole Use	Use	Use*	Use	The state of the s
Total Capacity	800,000	1,600,000	800,000	2,000,000	
Gj/D			a a constitution of the co		
EGD Capacity	800,000	800,000	800,000	800,000	
Gj/D					
EGD Cost \$m					
Other costs e.g.					
(connection to				and the second s	
Parkway) \$m (if					
not included above)					
Annual Operating					
Cost					
Toll Payable to					
TCPL Pkwy-Bram					
W					
TCPL Capacity	0	800,000	0	1,200,000	
Gj/D					
TCPL Cap Cost					
contribution					
TCPL annual					
Cost/Revenue					
(Rate 332 toll)					
*assumes TCPL			-		
does not take Rate					
332 at some point					