ONTARIO ENERGY BOARD

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.

Building Owners and Managers Association - Greater Toronto (BOMA) <u>Interrogatories on the Evidence Filed by TransCanada Pipelines Limited (TCPL)</u>

Preamble - At page 5 of its evidence, TCPL states:

"Despite the disincentives to invest in new capacity on the Mainline that arise from the RH-003-2011 Decision, TransCanada is in discussions with the eastern LDCs to find a way to expand TransCanada's capacity in the Eastern Triangle in a manner that meets the incremental requirements of the LDCs while providing TransCanada with a reasonable expectation that it will recover its existing and future investments".

1. In TCPL's (Johannson's) June 17, 2013 letter to the eastern LDCs, there is reference to a Segmentation Proposal presented to the LDCs in a letter dated May 17, 2013, which "provides a framework to satisfy the LDCs' concerns over access to multiple sources of gas, and future capacity on the EOT".

Please provide a copy of the June 17, 2013 letter and the Segmentation Proposal.

Preamble - At page 5 of its evidence, TCPL states:

"In 2010, TCPL and Union Gas worked together to facilitate the transportation of Marcellus shale gas sourced at the Niagara receipt point on the TCPL system to Eastern Canadian markets. TCPL contracted for Union M12 capacity between Kirkwall and Parkway to transport some of the gas, which began to flow in November 2012".

- 2. (a) Has TCPL completed the modification to the Chippewa Station to allow gas from the US to flow into Canada at Chippewa? Please provide details.
 - (b) What is the current capacity of the Chippewa Station, the Niagara Station, and the Niagara Line, all in GJs/day?
 - (c) Do these capacities vary at all from one month of the year to another?
 - (d) What is the design day capacity of each of the above if they vary from the "normal capacity"?
 - (e) What is the current percentage utilization of capacity?
 - (f) Is the Niagara Line currently used for export purposes at all? Please provide details.
 - (g) Is the Niagara Line used to supply domestic LDC load? If so, at what gate stations or entry points, and how much gas GJs/day is supplied to each LDC, or large industrial user, if any, eg. to Union at Hamilton, to Enbridge in the St. Catharines area?

- (h) What is the remaining capacity for transport into Ontario of gas from the US?
 Has TCPL any plans to increase capacity on the Niagara Line? Has it recently increased capacity?
- (i) Is the Niagara Line fully bidirectional over its entire length? Please explain how bidirectional flows are achieved in operational terms.
- (j) Please provide a map showing the Niagara Line, and the Niagara and Chippewa border points, and each LDC, or large industrial gate station on the line.
- (k) Please provide a list of, or a link to a site, to show the holders of capacity on the Niagara Line, and the amount of capacity held by each.
- (l) TCPL recently announced modifications to its Hamilton Line.
 - (i) Please provide a map of TCPL's Hamilton Line, showing its connection (at either end) and each LDC gate station on the line.
 - (ii) What is the nature of the modifications?
 - (iii) How is the Hamilton Line currently being used? To the extent it is used to deliver gas to the Union CDA (Hamilton, Burlington, Oakville, et al), please provide the daily and annual amounts delivered at each Union gate station over each of the last five years and forecast for 2013.
 - (iv) What is the total design day capacity of the Hamilton Line?
 - (v) What is the annual capacity utilization of the line on peak day, average winter day, and average summer day?

- (vi) Is the Hamilton Line currently being used to deliver US sourced gas to Enbridge or Union? Please provide details and amounts.
- (vii) Is the Hamilton Line bidirectional, or is it being modified to become bidirectional?
- (viii) Do shippers contract separately for the Hamilton Line segment, or is it contracted as part of Niagara Line, or Empress/Union CDA, or Dawn, Union EDA or some other arrangement? Please explain.
- (ix) Has Union decreased its takes from the Hamilton Line over the last five years, or increased them, at its various gate stations?
- 3. TCPL states that it contracted from Union M12 capacity between Kirkwall and Parkway to transport some of their gas, which began to flow in November 2012. What was the delivery point for this capacity, Parkway (Enbridge), Lisgar, or did the gas flow through compression? Who was the shipper(s) on TCPL for the gas in question? How much capacity was taken? From what period of time?
- 4. There has been considerable discussion in the Union and Enbridge documents about the TCPL "oil east" project. For example, Mr. Johannson's letter to the eastern LDC, noted above, provides TCPL's perspective on the issue. Please provide an update on TCPL's oil east project, including at least the following elements:
 - (a) A copy of the open season documents and report on the open season. Is it concluded; is there sufficient shipper interest to permit TCPL to proceed to apply to the National Energy Board (NEB)? When will TCPL file an application with

- the Board? Please provide any correspondence TCPL has had to date with the NEB about the oil east project.
- (b) If not, what steps, if any, do TCPL plan to take, to further gauge shipper interest?
- (c) Has the TCPL Board decided to launch an application to the NEB for project approval? What is TCPL's assessment at the time of the probability that it will proceed with the oil east project?
- (d) Can TCPL advise on the amounts of capacity in each of its delivery areas, including the Eastern Triangle, that it proposes to convert from gas to oil? What new facilities does it intend to construct in each of those areas, including all three sides of the "Eastern Triangle" If there are options (eg. different combinations of conversion and construction of capacities of different pipeline segments to achieve the desired result) on which TCPL has not decided upon, please indicate what they are. Please provide a map of the mainline which shows what capacities of various segments would be converted to oil transport.
- (e) Please elaborate on how TCPL will address the shortfalls in firm capacity required to secure Ontario LDC firm service contracts, for example, Enbridge's shortfall of 170,000 GJs/day in its eastern (Ottawa) delivery area [Ex JT1.2, p3].
- (f) What tolls (approximate) would TCPL seek from the NEB across the mainline after the conversion on the remaining unconverted segments of pipeline, on new segments they propose to build?

- (g) What combination of connected facilities and new facilities does TCPL intend to use in the project?
- (h) What is the currently expected in-service date for the oil pipeline, and what is the date(s) that the various segments of the gas pipeline will need to be taken out of service? Will any additional segments of pipe need to be taken out of service to facilitate the conversion of other segments?
- (i) What approvals do TCPL require from the NEB to (i) make the conversion; (ii) build new oil pipeline segments; (iii) set tariffs for the line? Must the tariffs for the existing gas pipeline and any newly constructed segments be the same (all else being equal)?
- (j) What amounts of pipe are scheduled to be removed from service, or have the operating capacity lowered, in 2013, 2014, and 2015, because maintenance has been discontinued or related reasons?