

**ENBRIDGE GAS DISTRIBUTION INC.
GTA Project (EB-2012-0451)**

**UNION GAS LIMITED
Parkway West (EB-2012-0433)**

**UNION GAS LIMITED
Brantford-Kirkwall / Parkway D (EB-2013-0074)**

Council of Canadians Interrogatories for TCPL

ISSUE A.1 - COC to TCPL 1

Reference: EB-2012-0451: Exhibit A, Tab 3, Schedule 5, para. 52

52. TransCanada recently held an Existing Capacity Open Season for non-renewable service on various Mainline paths with service terminating in October 2015²². In addition TransCanada also announced that it will be holding a binding open season to obtain firm commitments from interested parties for a pipeline – The Energy East Pipeline - to transport crude oil from Western Canada to Eastern Canadian markets²³. The Energy East Pipeline involves converting approximately 3,000 kilometers of the Mainline to crude oil service in addition to the construction of approximately 1,400 kilometers of new pipeline.

Requests:

1. (a) Please describe the Mainline pipeline facilities.
- (b) Please describe the results of the open season, including the nature and extent of shipper interest and/or commitments made in respect of the Energy East Pipeline Project.
- (c) Does TCPL intend to file an application with the National Energy Board to seek approval, *inter alia*, for the conversion of Mainline facilities from gas to oil use? If so, please describe the approvals that will be sought and the timing for the application.
- (d) If TCPL is planning to proceed with the Energy East Pipeline Project, to what extent will mainline facilities still be available to provide gas services to Ontario?

ISSUE A.1 - COC to TCPL 2

Preamble:

COC IR #2 posed the following questions to Enbridge and Union Gas in respect of the reference set out in the preceding IR 1 above:

- Would Enbridge agree that the reduction or loss of gas supply service on the TCPL Mainline undermines supply diversity to the GTA, and if not, why not?
- Would Union agree that the reduction or loss of gas supply service on the TCPL Mainline undermines supply diversity to the GTA, and if not, why not?

In response Enbridge stated:

Enbridge does not agree that reduction of gas service on the TCPL undermines supply diversity to the GTA. Enbridge plans to increase access to supply basins and market hubs which will increase supply diversity rather than reduce it. Enbridge has no plans to eliminate supply from the WCSB.

In response Union Gas stated:

No, Union disagrees with this statement. Replacing supplies from one basin, the WCSB, with access to multiple supply basins, through additional access to Dawn, creates increased diversity. Through the GTA project and the Union facilities being proposed, Enbridge will be gaining additional access to Dawn based supplies which may include WCSB supplies delivered via TCPL. Dawn is a diversified and liquid supply point with many pipeline connections providing access to multiple supply basins.

Requests:

2. (a) Does TCPL agree with the response given by Enbridge to COC IR 2, and if not why not?
- (b) Does TCPL agree with the response given by Union Gas to COC IR 2, and if not why not?

ISSUE A.1. COC – TCPL 3

Preamble:

The rapid development of shale gas in the United States has played a key role in displacing demand on the TCPL mainline and exerted considered price pressure on those still shipping on that pipeline. In response TCPL has taken various steps to deal with the problem of decreasing shipments.

Reference: EB- 2012, Exhibit A, Schedule 5, para. 27; and EB-2012 – 0433, Application Section 4, Changing Gas Supply Dynamics, para. 31(c), p.33/121:

Suspension of the integrity work results in discrete sections of the Northern Ontario Line being “locked in” at derated pressures allowing no natural gas to flow on these sections of pipeline. These sections remain filled with natural gas and can be used in emergency situations to backstop deliveries to northern Ontario customers.

Union is not aware of any publically released long-term plans to complete the 2012 integrity program to restore capacity across northern Ontario. Combined with the conversion of a further portion of the TCPL Mainline to crude oil service, suspension of the integrity programs would significantly impact the capacity of the Northern Ontario Line and TCPL’s ability to supply natural gas to Ontario. IDEM

Citing this evidence, COC IR5 posed the following questions to Enbridge and Union Gas:

5. (a) Do TCPL actions in regard to its Mainline present consumers in Ontario and/or the GTA with a supply risk with respect access to WCSB gas resources, and if so, have efforts been made by Enbridge and/or Union to ameliorate this risk.
- (b) Would Enbridge agree that replacing gas supply from the WCSB with imports from the United States will exacerbate the problems that have lead TCPL to take the steps that will reduce the capacity of the Mainline to supply natural gas to Ontario?
- (c) Would Union agree that replacing gas supply from the WCSB with imports from the United States will exacerbate the problems that have lead TCPL to take the steps that will reduce the capacity of the Mainline to supply natural gas to Ontario?

To which Enbridge responded as follows:

- a) Yes, to the extent that Enbridge and therefore its customers must continue to rely on unsecured and discretionary supplies in order to meet customer demand. The effort being made by Enbridge to ameliorate this risk is the GTA Project.
- b) No. Enbridge does not have plans to eliminate WCSB supply from its gas supply portfolio and plans to retain all of its existing firm transportation contracts with TransCanada.
- c) Question is for Union Gas.

and Union Gas responded as follows:

a) Union believes that TCPL's actions related to the Mainline create risk for customers in Ontario. Please see the response to Exhibit I.A1.UGL.Staff.1 a) and Exhibit I.A1.UGL.Staff.3.

Requests:

3. (a) Does TCPL agree with the response given by Enbridge to COC IR 2, and if not why not?
- (b) Does TCPL agree with the response given by Union Gas to COC IR 2, and if not why not?