Council of Canadians Response to Enbridge Gas Distribution Inc. Interrogatory # 1 (Ms. Sumi)

1. Reference: Exhibit L.EGD.COC.2

Preamble: On pages 11 to 22 of Exhibit L.EGD.COC.2 of Ms. Sumi identifies several Federal and state-specific regulatory initiatives related to shale gas development in the United States.

Request:

1a) Please confirm that shale gas development is also occurring in Western Canada. If this cannot be confirmed please explain why.

Response:

Confirmed

Request:

1b) Please confirm that hydraulic fracturing is used in Western Canada to produce natural gas. If this cannot be confirmed please explain why.

Response:

Confirmed

Request:

1c) Would Ms. Sumi agree that the concerns related to the use of hydraulic fracturing in natural gas extraction are similar in the United States and Canada.

Response:

I have not carried out an comparative analysis of the environmental and regulatory issues surrounding shale gas development in the United States and Canada.

Nevertheless, based on my general knowledge of shale gas development, many of the environmental issues related to shale gas development (including the use of hydraulic fracturing), will be similar regardless of the location of the shale gas basin. However, it is beyond my expertise to comment on the various factors, including the geological formation is which shale gas is found, that might influence the environmental impacts of such development.

For the purposes of my analysis however I would not expect the regulatory environment for shale gas development to be the same in Western Canadian provinces, as it is the states in which Marcellus and Utica shale resources are located in the U.S.

For example, based on my general knowledge of the location of the current major shale gas plays in western Canada, e.g., Horn River and Montney shale basins, much (though certainly not all) of the development is being carried out in less densely populated areas than the drilling that is occurring in the Marcellus and Utica shales. In those states where the Marcellus and Utica shale gas resources are situate, much of the pressure being placed on state and federal regulators arises from the impacts of such development on public health and safety (e.g., air and water contamination) due to the close proximity of development to residential use.