

August 1, 2013

**Filed on RESS**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
Suite 2700  
2300 Yonge Street  
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Your reference	Our reference
EB-2012-0451	01015413-0032
EB-2012-0433	01015413-0033
EB-2013-0074	01015413-0034

Dear Ms. Walli:

**Enbridge GTA Project (EB-2012-0451)**  
**Union Parkway West Project (EB-2012-0433)**  
**Union Brantford-Kirkwall Parkway D (EB-2013-0074)**

Please find attached the information requests of the Association of Power Producers of Ontario with respect to Enbridge's revised evidence.

Yours very truly,

***Original signed by***

John Beauchamp  
Associate

JB/mnm

Enclosure

Cop(y/ies) to: All interested parties

DOCSTOR: 2777280\1

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# **Interrogatories from the Association of Power Producers of Ontario (APPrO)**

## **EB-2012-0451 Enbridge GTA Reinforcement Updated Evidence July 22, 2013**

(Note: the IR numbering system has been continued from the initial set of APPrO IRs)

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### **RELATED ISSUES**

***A.2 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?***

#### **A.2 APPrO 13**

Reference: EB-2012-0451 Exhibit E Tab 1 Schedule 1 Paragraph 12 Updated 2013-07-22

Preamble: Enbridge indicates the PI of the new project is 1.73, with an NPV of \$667.4 million. This is well above the PI threshold of 1.0, and an NPV >0 normally used by the Board to support the economic justification of capital projects.

- a) Using the assumption that the Board were to find that no GTA project costs were to be allocated to unbundled customers, please recalculate the PI and the NPV of the project.

***A.3 Are the costs of the facilities and the rate impacts to customers appropriate?***

#### **A.3 APPrO 14**

Reference: EB-2012-0451 Exhibit A Tab 3 Schedule 9 Paragraph 33 & 34 Updated 2013-07-22

Preamble: Enbridge calculates the impact to all rate classes on a stand-alone basis and also net of gas cost savings.

- a) Using the assumption that the Board were to find that no GTA project costs were to be allocated to unbundled customers, please recalculate the rate impact to all rate classes:
  - i. On a stand-alone basis, and
  - ii. Net of gas cost savings.

### A.3 APPrO 15

Reference: EB-2012-0451 Exhibit E Tab 1 Schedule 2 Paragraph 7 Updated 2013-07-22

EB-2012-0451 Exhibit E Tab 1 Schedule 1 Paragraph 12 Updated 2013-07-22

EB-2012-0451 Exhibit A Tab 3 Schedule 9 Paragraph 33 & 34 Updated 2013-07-22

Preamble: In the first reference, Enbridge indicates that if there are no shippers for the transportation service; that distribution ratepayers will be allocated the entire revenue requirement for Segment A.

- a) In the event that Enbridge is successful in its open season and obtains some transportation customers but significantly less than the 1200 TJ/d of capacity that is being allocated to transportation customers, how will Enbridge allocate the costs of Segment A? Discuss all scenarios ranging from a very small volume of transportation customers to the full 1200 TJ/d of new transportation capacity.
- b) Enbridge is using part of the 800 TJ/d of capacity of segment A for infranchise 10 year growth, which may result in a portion of Enbridge's distribution capacity not being fully utilized in the initial period:
  - i. Given that this corridor has been constrained in the past, will Enbridge sell discretionary services?
  - ii. If yes, how will the rate for these services be determined?
  - iii. If incremental revenue is generated, what is Enbridge's forecast for the period from in-service to 2018 and how will this revenue be allocated?
- c) In the event that no transportation shippers sign up for any capacity, please:
  - i. Update the PI and NPV illustrated in the second reference.
  - ii. Update the PI and NPV under the assumption that the Board does not agree that unbundled customers should be allocated any of the costs of the GTA project.
  - iii. Update the rate impact in the third reference illustrating the rate impacts to all rate categories on a stand-alone basis and net of gas cost savings.
  - iv. Please update the rate impact to all rate classes both on a stand-alone basis and net of gas costs using the assumption that the Board does not agree that unbundled customers should be allocated any of the costs of the GTA project.
  - v. Please provide Enbridge's intentions with respect to the Segment A design and sizing.
  - vi. Explain how costs would be allocated in the future if some transportation contracts were subsequently acquired after Segment A goes into service.

### A.3 APPrO 16

Reference: EB-2012-0451 Exhibit A Tab 3 Schedule 9 Paragraph 4 Updated 2013-07-22

Preamble: Enbridge indicates that 170 TJ/d of capacity in Segment A will be used to serve Enbridge's Eastern Region

- a) This new capacity of 170 TJ/d does not appear to be in Enbridge's initial filing for the GTA Reinforcement Project. Please discuss the rationale for this capacity to be added at this time.
- b) Please explain if this will be used to serve Enbridge's system supply and the balancing requirements of Enbridge's bundled customers or if Enbridge is using this for some other reason.
- c) If this capacity is to be utilized by Enbridge, is it Enbridge's intention to enter into a transportation contract for this capacity, or allocate capacity and its related costs to the customers in Enbridge's Eastern Region without a contract? Explain.
- d) In the event that Enbridge enters into a transmission contract and allocates capacity to the Eastern Region, discuss how the cost of this capacity will be allocated to the various rate classes and please show the rate impact to all rate classes.
- e) Please discuss Enbridge's plan to access downstream capacity from Albion to Maple and on the TransCanada system.
- f) Please discuss how the costs of this 170 TJ/d of capacity downstream of Albion will be allocated to the various rate classes.

***D.5 Should approval of Enbridge's proposed rate methodology for the service to be provided to TransCanada be granted?***

### D.5 APPrO 16

Reference: EB-2012-0451 Exhibit E Tab 1 Schedule2 Updated 2013-07-22

Preamble: Enbridge is providing up to 1,200 TJ/d of capacity for transportation service.

- a) Attachment 2 illustrates that the contract demand charge will be based in volumetric units. Is Enbridge intending to sell capacity on volumetric or on an energy basis. Explain.
- b) What unaccounted for gas percentage will be applied to these transportation volumes?