

August 20<sup>th</sup>, 2013

Ontario Energy Board  
2300 Yonge Street  
Suite 2700  
Toronto, Ontario  
M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

**RE: EB-2012-0451 – Greater Toronto Area (“GTA”) LTC Project**  
**EB-2012-0433 – Parkway West Project**  
**EB-2013-0074 – Brantford – Kirkwall/Parkway D Project**

Dear Ms. Walli,

Please find attached Interrogatories on behalf of Union Gas Limited on the supplemental evidence filed by TransCanada Pipelines Limited on August 16<sup>th</sup>, 2013.

If you have any questions with respect to this submission please contact me at (519) 436- 5473.

Yours truly,

*[original signed by]*

Karen Hockin  
Manager, Regulatory Initiatives

cc: Crawford Smith, Torys  
All Intervenors

**UNION GAS LIMITED**  
**INTERROGATORIES ON TRANSCANADA PIPELINES LIMITED SUPPLEMENTAL EVIDENCE**

1. Reference: TransCanada Supplemental Evidence Page 1, Lines 30-31 and Page 2, Lines 21-25

Question:

- a) Please confirm that Union was not a party to any of the discussions regarding the Memorandum of Understanding (MOU) and was not informed of its content prior to its filing in this proceeding. If not confirmed, please produce all communications with Union in which TransCanada advised Union of the details of the MOU, specifically including all communications where Union was advised of Section 2.7 and Schedule D of the MOU.

2. Reference: TransCanada Supplemental Evidence Page 2, Lines 11-20

Question:

- a) Given that TransCanada has stated that the Transportation by Others (TBO) as reflected in the MOU is a contracted service from Enbridge, does TransCanada believe that the MOU complied with the Ontario Energy Board's Storage and Transmission Access Rule (STAR)? If so, on what basis and in reference to which provisions of STAR.

3. Reference: TransCanada Supplemental Evidence Page 2, Lines 21-25

Question:

- a) At the time the MOU was executed what contracts did TransCanada have in place to support the 1.2 PJ/d of volume on Segment A that it contracted from Enbridge under the MOU?
- b) Please confirm, under the MOU, if TransCanada were not able to contract with shippers for the full capacity of the TBO option, the costs would be borne by TransCanada's existing shippers.
- c) Was the TBO position taken under the MOU discussed with or communicated to TransCanada's shippers, including through such means as the Tolls Task Force? Were the TBO position and the terms of the MOU ever discussed with Eastern shippers, other than Enbridge, prior to executing the MOU?

4. Reference: TransCanada Supplemental Evidence Page 4, Lines 1-7

Question:

- a) Please confirm that the May 2012 New Capacity Open Season (NCOS) was held in advance of the finalization of the throughput forecast used in RH-003-2011 in June 2012.
- b) Please confirm that TransCanada did not include the results of the May 2012 NCOS and the subsequent expectation of turnback of equivalent or near-equivalent long haul volumes, in the throughput forecast that was provided by TransCanada and used by the National Energy Board to set rates in RH-003-2011.
- c) If TransCanada did not include those May 2012 NCOS volumes, please explain why they were excluded.

5. Reference: TransCanada Supplemental Evidence Page 4, Lines 22-28

Question:

- a) What capacity does TransCanada have available for contracting today between Parkway and Maple?

6. Reference: TransCanada Supplemental Evidence Page 4 Line 25

Question:

- a) Please list what facilities are included in the approximately \$310 million in costs for TransCanada to build a new pipeline from Albion to Maple area, specifically identifying size and length of pipe, station facilities, compressor facilities and land, etc.

7. Reference: TransCanada Supplemental Evidence Page 4

Question:

- a) Please provide the historic level of decontracting of longhaul capacity originating from Empress starting January 1, 2000 to present, split in the following categories:
  - i) End-use customers
  - ii) Local Distribution Companies
  - iii) Energy Marketers and Brokers

8. Reference: TransCanada Supplemental Evidence Page 4, Lines 30-35

Question:

a) Please detail the calculation of the \$960 million and explain the allocation of costs to the remaining TransCanada service holders.

9. Reference: TransCanada Supplemental Evidence Page 5 and Page 6, Table 4.1

Question:

a) Please recreate Page 6, Table 4.1 using the following assumptions:

- i. inlet pressure is set to 6450 kPa
- ii. outlet pressure is set to 4620 kPa
- iii. velocity in the pipeline does not exceed 24.4 meters per second

10. Reference: TransCanada Supplemental Evidence Page 7, NIT-Dawn Spot Price Differential

Question:

a) Please explain the basis on which TransCanada has used the NIT-Dawn spot price differential as a proxy for the Empress-Dawn price differential.

b) Based on the graph, please provide the average daily Empress-Dawn differential for the periods between:

- i) January 1, 2004 to December 31, 2008
- ii) January 1, 2009 to June 30, 2013
- iii) July 1, 2013 to August 15, 2013

c) Is the \$1.50 Empress to Dawn price differential based on a long term forecast?

d) If not, why not? What is TransCanada's long-term forecast?

e) What is the forecast Empress-Dawn price differential for Winter 2013/2014? How has this forward spread changed over time?

- f) Recently TransCanada has increased their level of longhaul contracting by shippers by approximately 1 PJ/d. What would be the impact on the Empress to Dawn price differential if TransCanada was able to contract another 0.5 PJ/d of firm longhaul contracts?

11. Reference: TransCanada Supplemental Evidence Page 8

Question:

- a) Please provide the detailed calculations underpinning the TSA impact in tables 4.3, 4.4 and 4.5.

12. Reference: TransCanada Supplemental Evidence Page 12, Figure 7.2

Question:

- a) Please explain what is meant by the term “Plantgate” and where this is located.

13. Reference: TransCanada Supplemental Evidence Page 13, Lines 11-14

Question:

- a) Please provide the cost of production (per GJ), the 2025 forecast production volume (BCF/d) and the cost of transportation to Empress from the production basin (per GJ/d) for each of the following shales:
- i) Montney
  - ii) Duvernay
  - iii) Horn River
  - iv) Liard
  - v) Cordova shales.