

500 Consumers Road
North York, Ontario M2J 1P8
PO Box 650
Scarborough ON M1K 5E3

Lorraine Chiasson
Regulatory Coordinator
Regulatory Affairs
phone: (416) 495-5499
fax: (416) 495-6072
Email: egdregulatoryproceedings@enbridge.com



March 3, 2015

VIA RESS, EMAIL and COURIER

Ms. Kirsten Walli
Ontario Energy Board
2300 Yonge Street
Suite 2700
Toronto, Ontario
M4P 1E4

**Re: EB-2014-0276 - Enbridge Gas Distribution Inc. ("Enbridge")
2015 Rate Application – Year 2 of 5 Year Custom IR Plan
Technical Conference – Information Requests**

On February 27, 2015, parties were notified that Enbridge would provide responses to the question that was taken under advisement at page 31 of the Technical Conference transcript (relating to what FRPO referred to as the value of forecasted unutilized TCPL transport for the summer of 2015) as well as provide the monthly storage fill balance information for the 2011 to 2014 period (Technical Conference transcript, pp. 37-39).

Attached please find the responses of Enbridge to the above mentioned requests from the Technical Conference held on February 25, 2015.

This submission was filed through the Board's RESS and will be available on the Company's website at www.enbridgegas.com/ratecase.

Please contact the undersigned if you have any questions.

Yours truly,

[original signed]

Lorraine Chiasson
Regulatory Coordinator

Attachments

cc: Mr. F. Cass, Aird & Berlis
EB-2014-0276 Intervenors (email and link only)

Below please find the response of Enbridge Gas Distribution Inc. (“Enbridge” and / or the “Company”) to the question that was taken under advisement at page 31 of the Technical Conference transcript (relating to what FRPO referred to as the value of forecasted unutilized TCPL transport for the summer of 2015).

- 1) The initial question was to provide the value of Empress to CDA / EDA transport from April 1st to October 31st. Based upon the Company’s experience in this area counterparties would be looking for gas to be delivered at Dawn during the summer months and that would provide greater value than Empress to CDA or Empress to EDA.

- 2) Based upon market pricing for February 25, 2015 the price differential between Empress and Dawn would be approximately \$0.50/GJ for the April 15 to October 15 time frame. However, price spreads are not necessarily representative of the value of the underlying transport. The true market value of the transport is dependent upon whether or not there is even any interest in the capacity from third parties and what they perceive the value to be. For purposes of assessing the value of the transport in the marketplace Enbridge contacted some counterparties to see if there was potentially any interest in the capacity and what would be the value of that capacity. The parties contacted by Enbridge indicated the value would be closer to \$0.40/GJ.

- 3) However, as stated by Mr. Small at page 29 of the transcript...
the value of that transport today in no way would be necessarily indicative of what we could get when we go to release that capacity, because I am not in a position today to release capacity for the summer.

In response to Board Staff # 8 found at Exhibit I.D1.EGDI.STAFF.8, the Company discussed the steps that it would take to mitigate the unutilized capacity this summer. As it will be in the upcoming 2015 injection season, the Company’s primary concern in the 2014 injection season was to ensure it managed its

transportation assets to make certain that storage was full in time for the winter withdrawal season. In 2014 Enbridge fully utilized the excess capacity (“UDC”) during the months of April to June and then, on a month to month basis, released into the marketplace a level of capacity that the Company felt would not hinder its operational plan to fill storage. As well on a day to day basis the Company released additional capacity into the marketplace that coincided with its injection schedule.

- 4) For 2015, Enbridge intends to take a similar approach with the difference being that this year the Company believes it will be in a position to release some level of capacity for the April to October period. However, at this point in time, that level is unknown. As discussed by Mr. Small at page 26 of the Technical Conference transcript ...

as we start to know a little bit more about what is happening in the month of March and we will get a better idea as to what our injection strategy is going to be throughout the summer, yeah, you are right; there is a sizable amount of UDC forecasted, and we are going to want to try do what we can to mitigate that to the extent possible. And if it means that we can identify a level that we could then release into the marketplace, even for April through to October, we will take that action at that time.

Below please find the response of Enbridge Gas Distribution Inc. (“Enbridge” and / or the “Company”) to Federation of Rental-housing Providers of Ontario (“FRPO”) informational request for historical storage targets as indicated in the Technical Conference transcript on pages 37 to 38.

- 1) The table on the following page provides the month-end storage fill capacity percentage for the years 2011, 2012 and 2013. Month to month percentages year over year will change dependent upon the demand being experienced in that particular month in that particular year. Also influencing the month-end storage balances will be the impact of any maintenance or construction activities being carried out at the Company owned storage facility. Managing storage balances during shoulder months such as April and October can be difficult because of the potential for significant changes in budgeted demand. For example, the Company plans to have storage full at the end of October however, because of the potential variability in demand during the month of October the Company must maintain enough flexibility in storage to accommodate warmer than normal temperatures in the month of October. Consequently, if the latter part of the month is colder than budget it is possible that the Company may not be able to achieve maximum storage balances at the end of October and will need to alter its plan accordingly.

	<u>2011</u>	<u>2012</u>	<u>2013</u>
January	0.45	0.47	0.46
February	0.22	0.28	0.22
March	0.06	0.22	0.06
April	0.09	0.16	0.02
May	0.29	0.26	0.16
June	0.49	0.39	0.30
July	0.63	0.57	0.49
August	0.78	0.76	0.70
September	0.90	0.88	0.87
October	0.93	0.92	0.94
November	0.87	0.81	0.84
December	0.70	0.67	0.66