

The Burlington-Oakville (“the communities”) project is being advanced under the premise that historic method of deliveries of natural gas to these communities by TransCanada Pipelines is no longer available due to changing North American supply dynamics altering flow of gas through Southwestern Ontario. As a result of these changes and some evolving implications of the Mainline Settlement agreement, Union asserts that that firm service from TCPL required to feed the communities is no longer available. With that premise, Union has advanced its proposed build project as the best alternative versus buying more costly commercial services.

GROUND FOR MOTION

Documentation of Potential Solutions Considered and Available to the Applicant

In attempting to address this premise, intervenors have asked questions of Union intended to understand the range of potential solutions considered by Union, including consideration of alternative collaborative solutions between Union, TCPL and Enbridge. Union has failed to provide sufficient answers to questions relating to such alternative collaborate solutions. Specific examples are:

OGVG.10: The IR requested: *“Please provide all meeting minutes and correspondence (including letters, memos, emails or other electronic communication) that documents discussions held between Union and either TCPL or Enbridge or joint discussions to assess the feasibility of a firm exchange service between Union and Enbridge facilitated by TCPL.”*

In response, Union merely argues its belief that such an approach would not work. Union’s rejection is premised on a non-firm diversion. Union fails to address the extent to which it considered such a solution. In this regard, Union has not provided any documents relating to discussions or communications with TCPL relating to alternative collaborative solutions, including a separation of the physical capability from beyond what standard service options would allow.

APPrO.2: The IR requested: *“Has Union approached TransCanada since the RH-001-2014 decision to see if TransCanada could provide any or all of the shortfall capacity to Burlington and Oakville? If so, please provide the details of any service that TransCanada was able to offer. If Union has not approached TransCanada subsequent to this NEB decision, please explain why it has not.”*

The response provides that TCPL has not had capacity available. A further reference to LPMA.3, also inquiring about collaboration with TCPL, states that Union has been monitoring TCPL’s open seasons. Neither response provides details on Union’s direct approach to TCPL about of a potential service.

In our view, these responses create great concern that there has been insufficient exploration of alternatives assessed by Union with TCPL and Enbridge. In light of the Board's stated concerns on these matters in EB-2011-0210¹, such information is relevant to the record that should be before the Board in this proceeding.

Economic Evaluation

Intervenors have questioned Union's economic evaluation being constrained to its view of building versus buying commercial solutions. We submit that a full examination of alternatives should include the effective utilization of existing infrastructure. Implicit in such a review is the premise that the Utilities that operate existing infrastructure need to collaborate to develop an appropriate solution. The Board's consideration of the issues raised in this application should include, at the very least, an assessment of the extent to which Union has, or has not, canvassed such an approach.

OGVG.4: The IR requested: *"Using Union's 2016 cost of incremental capacity per unit of capacity added, what is the cost of 220 TJ of Dawn Parkway capacity on an annualized basis."*

Union refuses to answer the question based upon relevance, merely referring to APPrO.3. In our submission, APPrO.3 is also trying to assess the economic evaluation of impact of serving the communities through the Dawn Parkway system as opposed to receiving service in some way from TCPL as has been provided historically.

In its response to APPrO3, Union concedes that the Dawn Parkway system can deliver all of the volumes but states that the incremental cost of the Dawn Parkway service is not a relevant consideration to its proposed approach.

Union's responses fail to provide information relating to the evaluation of costs at the margin of the series of recent and proposed changes. Such information is relevant. Without such information, the Board – and intervenors – will be left without the information required to fully understand and appreciate the potential ratepayer value to be generated by a collaborative cost effective alternative to the proposed build.

We believe that a relevant consideration is whether the shift in the flow of gas from north to south, to south to north, changes the availability of gas in the pipeline. We believe that the availability of gas is not affected. The Board should consider whether gas destined for Enbridge

¹ EB-2011-0210 Decision with Reasons page 126 "The Board is concerned with the apparent lack of cooperation and consultation between Union, Enbridge and TCPL that came to light in this proceeding. The Board is concerned that this may have adverse consequences for Ontario ratepayers – result in higher rates and costs than would otherwise be the case, contribute to the uneconomic bypass of existing natural gas infrastructure, create asset stranding, encourage the proliferation of natural gas infrastructure, and lead to the underutilization of existing natural gas infrastructure."

could be “dropped off” in the communities and replaced by gas delivered by TCPL to Enbridge through a firm arrangement between the utilities. We estimate that an annual revenue requirement of almost \$10 million could be deferred and/or significantly reduced with the use of existing facilities. Union’s responses are not only are insufficient for this examination, but also, inhibit the development of intervenor evidence which we believe would be of assistance to the Board.

RELIEF REQUESTED

We respectfully request the Board order a written process to hear submissions from the parties on the merits of compelling Union to provide full answers to the above interrogatories with an appropriate emphasis on getting ALL of the documentation of communication between parties on the assessment of alternatives to the proposed build.