

August 8, 2015

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
P.O. Box 2319  
27<sup>TH</sup> Floor  
Toronto, Ontario  
M4P 1E4

Dear Ms. Walli:

**Re: EB-2015-0175/166 – Enbridge Gas Distribution Inc. and Union Gas Limited – Pre-Approval of a Long-Term Natural Gas Contract - NEXUS**

Please find, attached, interrogatories for Enbridge Gas Distribution Inc. from the Consumers Council of Canada regarding the above-referenced proceeding. Please feel free contact the undersigned if you have questions.

Yours truly,

*Julie E. Girvan*

Julie E. Girvan

CC: Regulatory Affairs, Enbridge Gas Distribution Inc.  
Regulatory Affairs, Union Gas Limited  
All Intervenors

**INTERROGATORIES FOR ENBRIDGE GAS DISTRIBUTION INC.**

**FROM THE CONSUMERS COUNCIL OF CANADA**

**RE: EB-2015-0175**

**PRE-APPROVAL OF A LONG-TERM NATURAL GAS TRANSPORTATION  
CONTRACT**

T1-EGDI-CCC-1

(Ex. A/T2/S1/p. 2)

How did EGD decide what level of capacity to contract for? Please explain in detail how that assessment was made.

T1-EGDI-CCC-2

(Ex. A/T3/S1/p. 2)

The evidence states that NEXUS provides additional benefits relative to Niagara through increased diversity of path and the ability to obtain natural gas directly from the supply basins. Please provide all analyses undertaken that compared the Niagara option to the NEXUS option. Please explain the extent to which any arrangements with Union Gas have influenced EGD's decision to contract on NEXUS. Please set out any arrangements EGD has with Union Gas regarding the NEXUS supply.

T1-EGDI-CCC-3

(Ex. A/T3/S1/p. 3)

To date how much has EGD spent with respect to "pre-service project costs"?

T1-EGDI-CCC-4

(Ex. A/T3/S1/p. 3)

How many shippers are underpinning the decision to proceed with the project? When will the decision to proceed be made by NEXUS? What are all of the factors that will determine whether the project will proceed?

T1-EGDI-CCC-5

(Ex. A/T3/S1/p. 3)

EGD has the ability to increase contracted volumes on the pipeline. Does EGD also have the right to reduce contracted volumes? If not, why not?

T1-EGDI-CCC-6

(Ex. A/T3/S1/p. 4)

EGD states that the risks have been "largely" mitigated through favourable terms negotiated in the Precedent Agreement, the strength of the lead developers and

current production expectations for the Utica and Marcellus basins. What risks remain, and how will EGD's ratepayers be protected against those risks?

T1-EGDI-CCC-7

(Ex. A/T3/S1/p. 5)

Was the Sussex Study subject to an RFP? If not, why not? Please provide the RFP and the Final Terms of Reference for the study. What are the total costs of the study and how will those costs be recovered?

T1-EGDI-CCC-8

(Ex. A/T3/S1/p. 6)

EGD has filed its 2014-2015 Gas Supply Memorandum in this case. Please explain the relief EGD is seeking in this case with respect to that Memorandum.

T1-EGDI-CCC-9

(Ex. A/T3/S1/p. 8)

Given the cost of this contract did EGD retain expert advice regarding the appropriateness of this decision in addition to the Sussex Study? If not, why not? If so, please provide all other expert reports.

T1-EGDI-CCC-10

(Ex. A/T3/S1/p. 9)

EGD is planning to obtain 200,000 GJ/day of gas supply in 2015 and 2016 through receipts at Niagara. How long is that contract? How does the capacity compare to that under the NEXUS contract?

T1-EGDI-CCC-11

(Ex. A/T3/S1/p. 12)

What is the current status regarding Enbridge Inc.'s potential involvement in the NEXUS pipeline?

T1-EGDI-CCC-12

(Ex. A/T3/S1/p. 17)

EGD is contracting for 110,000 Dth per day on the NEXUS pipeline. What is the equivalent commitment in GJ/day?

T1-EGDI-CCC-13

(Ex. A/T3/S1/p. 19)

EGD has indicated that it has undertaken a review of the forecast costs associated with Marcellus or Utica gas supply via NEXUS, as compared to other supply options. Please provide copies of all of that analysis.

T1-EGDI-CCC-14

(Ex. A/T3/S1/p. 36)

Please explain how the variance between the US and Canadian dollar impacts the NEXUS contract.

T1-EGDI-CCC-15

(Ex. A/T3/S1/p. 39)

Please explain how with respect to the risks associated with the construction and bringing into operation of a greenfield pipeline, the PA that Enbridge has negotiated places most of these risks on NEXUS, and caps EGD's exposure to the consequences of cost overruns.