Federation of Rental-housing Providers of Ontario EB-2016-0004 Interrogatories to Enbridge Gas Dist. GENERIC EXPANSION

2016-04-08

REF: Enbridge Evidence, page 9, paragraph 30 and

EPCOR Evidence page 9, paragraph 22

Preamble: "There are likely other options that could be considered and are likely to be tabled in this proceeding. Enbridge is open to learn of these ideas and consider incorporating them in its

proposal where appropriate."

1. What are Enbridge's views on the approach described in paragraph 22 of the EPCOR

evidence describing an initial lowering rates to promote conversion and utilization.

REF: Enbridge Evidence, page 11, paragraph 35

Preamble: "Enbridge is in the planning stage of constructing a Power-to-Gas, energy storage plant to provide "green hydrogen" in the GTA which will convert off-peak, surplus renewable electricity (wind, hydro, etc.) to hydrogen and inject this into pipelines for delivery to consumers as zero-carbon transportation fuel, green heat, or redelivery back to the power grid where and when most needed."

2. Is Enbridge promoting the idea of injecting hydrogen into its natural gas pipelines?

3. Has Enbridge investigated the impact of hydrogen embrittlement on steel pipelines and

leakage characteristics of hydrogen?

4. How does Enbridge recommend that safety implications be addressed?

1

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REF: Enbridge Evidence, page 12, paragraph 36

Preamble: "In terms of the impact of transitioning users of alternate fuels to natural gas the Canadian Gas Association recently released a report completed by ICF that quantifies the national economic benefit of the expansion of the country's natural gas system."

5. Please file the reference ICF Report.

REF: Enbridge Evidence, page 12, paragraph 38

Preamble: "With respect to electricity the natural gas carbon advantage is clear when comparing the carbon footprint of natural gas to electricity for specific applications. Although counterintuitive, when natural gas is considered as the marginal fuel supporting electricity generation converting heating and water heating loads from electricity to natural gas will lead to reductions in the Province's CO2 emissions."

6. Please provide Enbridge's assumptions behind this statement.

a. At what percentage threshold of contribution to provincial electricity generation must natural gas fired generation be to make the above statement true?

REF: Enbridge Evidence, page 12, paragraph 39

Preamble: "It is the Company's view that the Province's cap and trade program should not be considered in isolation in the determination as how best to consider the impact of this program on the feasibility of potential natural gas system expansion projects."

7. If the Board determines that the reality of the Cap and Trade program cannot be viewed in isolation, how would Enbridge propose assessing the costs economically?

2

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REF: Enbridge Evidence, page 15, Table 1 and CPA_EVD_20160321 Exhibit 9, Tab 9, Figure 1

8. What is the source of the annual bill costs for heating with oil and propane?

a. Please provide the applicable dates of the source data?

b. Please update Table 1 using a price of \$1650 for propane as estimated from Figure 1 provided in the above referenced evidence.

REF: Enbridge Evidence, page 25, paragraph 79 and Tables 4 and 5

Preamble: "The calculation of Project PIs in Tables 3 through 6 does not include reinforcement costs. The anticipated cost of system reinforcement has been included in the calculation of the expected Rolling Portfolio PI set-out in Table 7 and estimated ratepayer impacts, shown in Table 9."

and

REF: Exhibit A, Tab 1, pages 8 and 9

Preamble:" In addition to the costs outlined in E.B.O. 188, Union proposes that, subject to several conditions, costs for upstream distribution system reinforcement be included in the economic assessment for any new attachments or load additions. The rationale for this is the Board decision for the Wingham Expansion Project in 1995. In the Order following this proceeding the Board indicated:

"In future facilities applications Union is directed to... file an estimate of the costs of any reinforcement of existing lines that may be necessary as a result of the specific application, and an assessment of the impact of these costs on the economics of the project;..."

- 9. Please provide Enbridge's reasoning for excluding reinforcement costs for individual project economics?
- 10. Since Enbridge has included reinforcement costs for the purposes of subsequent tables, we assume that these costs are readily available without undue additional analysis.
 Please provide the results for Tables 4 and 5 for those projects whose profitability would be materially different if the Board required reinforcement costs be included.
- 11. If a third party were chosen for a new franchise for one of the targeted projects on Enbridge's list that required reinforcement, how would those reinforcement costs to feed the new franchise be treated by Enbridge.