

ENBRIDGE GAS DISTRIBUTION INC. (ENBRIDGE)
RESPONSES TO INTERROGATORIES OF NOACC

EPCOR, ENBRIDGE GAS DISTRIBUTION AND UNION GAS (EACH THE "UTILITY")

INTERROGATORY #1

If a fund is created to support the expansion of natural gas service to those rural and remote communities who do not have such service, please provide your position with respect to:

a. whether:

- i. such a fund should be contributed to by all ratepayers in Ontario and used to expand service to communities irrespective of Utility; or
- ii. whether separate funds should be created for each Utility, limiting contribution to each such fund to customers of each Utility with said funds being used to expand natural gas service to only customers or perspective customer of such Utility.

b. how the Utility would prioritize the use of said fund for the expansion of specific projects;

c. whether the Utility would be amenable to the incorporation, even partially, of a non-economic test (e.g. needs based) to prioritize the use of said fund for the expansion of specific projects;

RESPONSE

Please see the Company's response to CCC Interrogatory #2 at Exhibit S3.EGDI.CCC.2.

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INTERROGATORY #2

At Page 19 of 38, 4(f) of its evidence, Union Gas submits that an assessment of the “impacts of not proceeding with the project should not be required”. Does the Utility agree with the above referenced submission of Union Gas? If so, would the Utility then agree that circumstances such as the current energy supply mix (e.g. electricity, diesel) and specific energy needs of the communities are not relevant criteria? If the Utility does not agree with the above noted submission, why not?

RESPONSE

Enbridge agrees with the position stated by Union Gas at page 21 of its evidence that limited levels of subsidization from existing ratepayers are in the public interest and Union Gas’s position that Stage 2 and Stage 3 benefit analyses are an appropriate means of considering the broader public benefits of gas system community expansion projects. In the Company’s view the impacts of not proceeding with a community expansion project should be viewed as an opportunity cost which value would be at least equivalent to the Stage 2 and Stage 3 benefits foregone as a result of the project in question not going forward; this value could serve as a proxy for an assessment of the impact of not proceeding with a community expansion project.