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May 4, 2016

Delivered By RESS, Courier & E-Mail

Ms. Kirsten Walli, Board Secretary
Ontario Energy Board
2300 Yonge Street
27th Floor, Box 2319
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Enbridge Gas Distribution Inc. – Application re: Rate 332 Tariff STAR
Written Interrogatories of the Association of Power Producers of Ontario
("APPrO")
Board File No. EB-2016-0028**

Pursuant to Procedural Order No. 1 in the above referenced proceeding, please find enclosed the written Interrogatories of APPrO to Enbridge Gas Distribution Inc.

Yours Truly,

BORDEN LADNER GERVAIS LLP

Original signed by James K. Little

James K. Little
Jkl/bp

Encl.

Copy: David Butters, APPrO
John Wolnik, Elenchus
Andrew Mandyam, Enbridge Gas Distribution Inc.
Fred Cass, Aird & Berlis LLP

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ONTARIO ENERGY BOARD

IN THE MATTER OF section 36 of the Ontario Energy Board Act, 1998, S.O. 1998, c. 15, Sched. B, as amended;

AND IN THE MATTER OF an Application by Enbridge Gas Distribution Inc. for an Order or Orders approving a tariff pursuant to the Storage and Transportation Access Rule.

EB-2016-0028

Interrogatories From

The Association of Power Producers of Ontario (APPrO)

May 4, 2016

Question: 1

Reference: i) Exhibit B, plus Attachments

Preamble: In Reference i), Enbridge describes the type of services it proposes for the Parkway to Albion Pipeline. APPrO would like to better understand this service and Enbridge's plan to make underutilized capacity on the Albion Pipeline available in the secondary market.

- a) Please confirm whether or not the proposed Rate 332 will be a firm transportation service subject to the Board's Storage and Transportation Access rule (STAR).
- b) Please confirm that Enbridge is proposing that no capacity is scheduled for interruptible transportation service subject to the STAR.
- c) We note that short notice services are offered by other pipeline owners in Ontario (Union and TransCanada). Please explain whether or not Enbridge has considered offering short notice services on its pipelines. Has Enbridge discussed the potential of offering this flexibility with the owners of the relevant upstream pipelines? If no, please explain why this has not been considered prior to proposing this open season.
- d) Please confirm that it is commonplace for natural gas pipeline companies to also offer an interruptible service, in addition to firm service, that would allow access to any unused capacity on the pipeline to any potential shipper not just the FT shippers, thus increasing the potential to both generate additional discretionary revenue for the pipeline company and increasing the overall efficiency of the market.
- e) Please confirm whether or not the unused capacity on the Albion Pipeline is proposed to be available only to FT shippers in the form of Authorized Overrun Service (AOS).
- f) Please explain all of the benefits of making the excess capacity on the Albion Pipeline available to entities that are not FT shippers.
- g) Will Enbridge be a FT shipper on the Albion Pipeline?
- h) Will Enbridge have access to any unused capacity on the Albion Pipeline in excess of the 800 TJ/d it plans on reserving for its own needs? Please explain.
- i) Please explain how Enbridge will use the 800 TJ/d both seasonally as well as in general use over the next years.
- j) For either any of Enbridge's own 800 TJ/d of capacity that is unused as well as any remaining unused capacity that may be available in the Albion Pipeline (from either any unsold capacity or un-nominated FT capacity), will Enbridge offer this capacity in the secondary market as a transaction service (TS)? If so, please explain how TS capacity will be made available and how it will be priced (including, for clarity, what premium, if any, will be charged above the daily FT charge).

- k) Please explain why Enbridge has not proposed to offer interruptible or short notice services on the Albion Pipeline which would be available to any potential shipper?
- l) If the Board were to direct Enbridge to offer interruptible and short notice services on the Albion Pipeline, please explain how the rates would be established, what the rates would be and what terms and conditions of service would apply (including, but not limited to the priority of service).
- m) Please explain how Enbridge arrived at its proposed 120% premium rate for AOS service. Please also justify the proposed premium charge.

Question: 2

Reference: i) Exhibit B, paragraph 57, which states:

Enbridge will allocate capacity if, acting reasonably, it is satisfied with the information provided by the shipper and if the shipper has provided adequate assurance that arrangements have been made whereby the upstream interconnecting pipeline will deliver gas at the interconnection between the Albion pipeline and the Union Gas facilities at Parkway and the downstream interconnecting pipeline will receive and transport gas delivered by Enbridge to the shipper at the interconnection between the Albion Pipeline and TransCanada's facilities at Albion.

ii) Exhibit B, FT Service Schedule Article 2.1 Service Initial Terms

Preamble: In Reference ii), Enbridge outlines certain minimum contract durations of 15 years, 5 years and 1 year, subject to meeting certain criteria. In Reference i) Enbridge indicates that it Enbridge must be satisfied that shipper has arranged adequate upstream and downstream arrangement have been made. APPrO would like to better understand how these provisions will be applied.

- a) Please detail what Enbridge means by “adequate assurances” and what standards will be used to judge the adequacy of arrangements in Reference i).
- b) Assuming that a shipper wishes to make the necessary commitment to Enbridge to enter the open season to contract and pay for capacity on the Albion Pipeline along with whatever upstream or downstream arrangements are expected to meet such shipper's need, please explain why Enbridge believes it should have the opportunity to deny such service if Enbridge believes that in its opinion such upstream or downstream arrangements are ‘not adequate’ for the shipper.
- c) Please list all of the circumstances where Enbridge would deny service for inadequate assurance (assume all requested information is provided by the shipper).
- d) In Reference i) Enbridge appears to require that a shipper must have TransCanada capacity from the end of the Albion Pipeline to be a FT shipper.

- i. If a shipper were able to meet the criteria as provided for in Reference ii) and Enbridge were to determine that it has sufficient capacity downstream of the Albion Pipeline in its distribution system to receive shipper's gas at the outlet of the Albion Pipeline, please explain why the tariff conditions require delivery into TransCanada.
- ii. Will Enbridge agree to change paragraph 57 of the tariff to replace "TransCanada" with "downstream"? If no, why not?
- iii. Under what conditions, if any, would Albion be considered a temporary (e.g. to meet off peak loads) or permanent receipt point under direct purchase contracts?