

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Answer to Interrogatory from
Federation of Rental-housing Providers of Ontario (“FRPO”)

MAADs Issues List – Issue No. 5

Reference: Exhibit B, Tab 1, Attachment 5
EB-2014-0261 Updated Settlement Proposal approved by the Board, April 30, 2015

Preamble:

“UGL 4. Parties agreed that the issue of Dawn Parkway capacity turnback post-2018 and how turnback risk should be dealt with in the context of the proposed facilities would be dealt with in Union’s next cost of service proceeding.

The Settlement Proposal reads: *“The parties do not agree on the risk of Dawn Parkway capacity turnback post-2018. For the purposes of settlement, while the parties agree that leave to construct should be granted, there is no agreement of how turnback risk should be dealt with in the context of the proposed facilities. Parties agree that this issue will be dealt with in Union’s next cost of service proceeding.*

For greater certainty, intervenors are in no way restricted or precluded from making any argument before the Board in that proceeding that it is appropriate that certain cost allocation measures should be put in place to insulate ratepayers from the effect of unutilized and underutilized capacity on the Dawn-Parkway system due to potential turnback risk. Accordingly, parties agree that no conditions related to capacity turnback are required at this time

Question:

Please explain what barriers prevent this issue being addressed at this juncture.

- a. If the only issues are lack of evidence submitted and timeframes associated with this proceeding, what precludes this issue from being addressed in the near term? Please explain fully.

Response:

Addressing Dawn Parkway turnback is not necessary at this time as it is not an issue. In the event that there is Dawn Parkway turnback during the deferred rebasing period that is material, Amalco may consider addressing the issue earlier than rebasing.