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Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: Enbridge Gas Inc. (EGI)
OEB File No. EB-2019-0137 – Consultation to Review Natural Gas Supply Plans
TransCanada PipeLines Limited (TCPL) Written Questions**

Enclosed are the written questions of TCPL. Should you have any questions, please contact the undersigned.

Yours truly,
TransCanada PipeLines Limited

Original signed by

Matthew D. Ducharme
Senior Legal Counsel
Canadian Law, Natural Gas Pipelines

cc: Brandon Ott, Enbridge Gas Inc.
David Stevens, Aird & Berlis LLP

Enclosure

Number: TCPL-EGI-1

- Reference:**
- 1) Enbridge 5 Year Gas Supply Plan, Section 1.1, Page 7
 - 2) Enbridge 5 Year Gas Supply Plan, Section 20, Table 36, Page 109
 - 3) Enbridge 5 Year Gas Supply Plan, Section 6, Page 45
 - 4) OEB Decision and Procedural Order No. 2 in EB-2018-0305
Enbridge Gas Inc. 2019 Rate Application, April 1, 2019, Page 6

Preamble: In Reference 1, EGI quotes the Board in the Framework proceeding (EB- 2017-0129) stating that “the assessment of gas supply plans will not result in a decision on the costs or cost recovery. That would be the subject of related applications.” EGI goes on to state that it understands the Board’s assessment of the Plan will not be an assessment of prudence, or an assessment of the appropriateness of the cost consequences of the Plan.

In Reference 2, EGI outlines how it expects the Plan to inform other related EGI applications.

In Reference 3, EGI states that “Once a [supply planning] decision has been made, the decision analysis will be filed in the appropriate section within the next available Annual Update or five year plan.”

In Reference 4, the OEB noted that EGI was seeking approval of the cost consequences of the Enbridge Gas Distribution rate zone 2019 Gas Supply Plan in the EGI 2019 Rate Application (EB-2018-0305), however the OEB determined that gas supply planning was out of scope for that proceeding.

- Request:**
- a) In which specific EGI proceedings does EGI expect the Board to assess the prudence of EGI’s gas supply planning decisions and the cost consequences thereof (e.g., Annual Rate Applications, QRAM applications, Other)?
 - b) Regarding Reference 3, will EGI also file its supply planning decision analysis in the proceedings for which the Board assesses the prudence of EGI’s gas supply planning decisions?
 - c) In EGI’s understanding, how will the Board assess the prudence of EGI’s gas supply planning decisions?

Number: TCPL-EGI-2

- Reference:**
- 1) Enbridge 5 Year Gas Supply Plan, Section 2.1, Pages 10, 16 and 17
 - 2) Enbridge 5 Year Gas Supply Plan, Appendix B, Appendix F, and Appendix G
 - 3) Enbridge 5 Year Gas Supply Plan, Section 13.1, Tables 27 and 30, Pages 84 and 87
 - 4) Enbridge 5 Year Gas Supply Plan, Appendix E – ICF Report, Page 21 of 47
 - 5) EGI Letter filed June 27, 2019, in reply to the TCPL Letter of Comment filed June 25, 2019, in the EB-2019-0137 Proceeding

Preamble: In Reference 1, EGI discusses Appalachia Supplies and notes the recent in-service of the NEXUS Gas Transmission (NEXUS) project which can transport up to 1.5 Bcf/d of supply to northern Ohio, southeastern Michigan, Chicago and Dawn.

In Reference 2, EGI lists its transportation contracts on NEXUS, TCPL, NGTL, St. Clair Pipeline, and Vector.

In Reference 3, EGI lists the forecast NEXUS supply for the Union North and South Rate Zone design day positions, which is a constant value over the five year period.

In Reference 4, ICF discusses a link between NEXUS capacity and gas prices in Ontario.

In Reference 5, EGI states that “For clarity, nowhere in the Plan does Enbridge Gas express an intention to contract for additional NEXUS capacity; TCPL’s submissions on this subject are completely unsubstantiated and wholly without merit.” EGI also states in Footnote #7 in Reference 5 that “...Enbridge Gas explicitly concludes that its preferred planning strategy is not to contract for additional NEXUS capacity.”

- Request:**
- a) Has there been any new contracting or changes to the contracting details listed in Appendices B, F and G since the time EGI prepared and filed its Plan? If so, please identify and explain the rationale for any changes.
 - b) Please identify the currently known available incremental firm capacity on NEXUS for delivery to Dawn as of November 1, 2019.

- c) In EGI's understanding, please explain how the available firm capacity on NEXUS for delivery to Dawn from b) would be impacted by any incremental contracting on NEXUS for deliveries to its Market Zone 1 area (Ohio / Michigan).
- d) In Appendix G, footnote #3 states that EGI has contracted for 150,000 Dth/d on NEXUS and allocates 50,000 Dth/d to the Union North portfolio. In Appendix F which lists contracts for the Union North Rate Zone, footnote #1 states that these contracts exclude NEXUS capacity allocated from the South portfolio. Please clarify how the NEXUS 150,000 Dth/d is allocated between the Union South and Union North portfolios.
- e) Regarding Reference 4, ICF states that "NEXUS pipeline capacity is unlikely to remain underutilized in the longer term". Please explain the basis for this opinion and elaborate on ICF's and EGI's expectations for the future long-term use of the available pipeline capacity on NEXUS, including the expected delivery locations.
- f) Regarding References 3 and 5, please confirm if it is still EGI's position that it has no intention of contracting for additional NEXUS capacity during the period covered by the Plan. If not confirmed, please describe any additional plans EGI has for contracting capacity on NEXUS. If confirmed, will EGI inform Stakeholders if its NEXUS contracting intentions change, and if so, when would this occur?

Number: TCPL-EGI-3

- Reference:**
- 1) Enbridge 5 Year Gas Supply Plan, Section 6, Pages 44 and 45
 - 2) Enbridge 5 Year Gas Supply Plan, Section 5.1, Figure 20, Page 38 and Section 12.1, Figure 31, Page 77
 - 3) Enbridge 5 Year Gas Supply Plan, Section 6.1, Table 10, Page 47, and Table 13, Page 50
 - 4) Enbridge 5 Year Gas Supply Plan, Section 6.2, Table 16, Page 53
 - 5) Enbridge 5 Year Gas Supply Plan, Section 6.4, Table 19, Page 56
 - 6) Enbridge 5 Year Gas Supply Plan, Section 13.1, Table 29, Page 86
 - 7) Enbridge 5 Year Gas Supply Plan, Section 13.2, Table 33, Page 90
 - 8) Enbridge 5 Year Gas Supply Plan, Section 13.3, Table 35, Page 93
 - 9) Enbridge 5 Year Gas Supply Plan, Section 13.3, Pages 91 to 94

Preamble:

In Reference 1, EGI states that it balances its four supply planning principles of reliability, flexibility, diversity and cost-effectiveness.

In Reference 2, EGI provides pie charts of the EGD Rate Zone and Union Rate Zones' 2019/20 supply portfolio from various supply basins.

In References 3 through 8, EGI provides evaluation matrices for design day and average day supply options, Vector renewals, and supply options for Sarnia customers.

In Reference 9, EGI discusses its preferred planning strategy to renew capacity on Vector for the Sarnia market.

- Request:**
- a) Regarding the principle of diversity, EGI states that "Transportation path diversity and supply diversity are typically evaluated on a quantitative basis." However, EGI's evaluation matrices throughout the Plan appear to show diversity being evaluated on a qualitative basis (positive, neutral, negative). Please explain what EGI means by evaluating diversity on a quantitative basis and discuss any quantitative analysis that EGI conducted for its Plan.
 - b) Regarding Reference 2, what percentage of the gas supply serving each of the EGD Rate Zone and Union Rate Zones is delivered through the use of the EGI Dawn Parkway system.

- c) Please describe how the values in the “Costs” column in Tables 10, 13, 16, 19, 29, 33 and 35 were derived, and comment on the source materials and the dates for which the materials were extracted.
- d) As arranging peaking supplies is EGI’s preferred strategy to eliminate the design day asset shortfalls in the Enbridge CDA and EDA, please rank the remaining options in each of Tables 10 and 13 in terms of EGI’s preference from next most preferred to least preferred and provide reasons for this ranking.
- e) As purchasing supplies at Dawn is EGI’s preferred planning strategy to manage changes in average day demand, please rank the remaining options in Tables 16 and 33 in terms of EGI’s preference from next most preferred to least preferred and provide reasons for this ranking.
- f) In Reference 5, EGI notes that Chicago supplies shipped through Vector land at a cost of \$0.27/GJ incremental to what the supply would have cost if bought directly at Dawn, and \$0.29/GJ incremental to what the supply would have cost if supplied by TCPL & GLGT. Please explain why EGI’s preference is to renew Vector capacity relative to obtaining these other supply options which have much lower landed costs?
- g) Please rank the remaining options in Table 19 (Vector Renewals Evaluation Matrix) in terms of EGI’s preference from next most preferred to least preferred and provide reasons for this ranking.
- h) Please reproduce Table 33 and include a new row for a supply option of Mainline Dawn LTFP service assuming availability. Please comment on how each column in Table 33 would be populated for this supply option.
- i) Please explain in more detail footnote #44 on page 92 that states “Supply options that do not intersect the Sarnia Industrial Line, including Dawn, Panhandle Eastern, TCPL long-haul and Niagara are not practical due to system constraints.” Please explain the applicable system constraints and explain why GLGT is listed as a supply option in Table 35 but not a TCPL & GLGT option.
- j) Please reproduce Table 35 and include a new row for a supply option of TCPL & GLGT, similar to the supply option in Table 33. Please comment on how each column in Table 35 would be populated for this supply option.

- k) Of the supply options listed in Table 35, EGI states that its preferred planning strategy to serve the Sarnia area is to exercise the right to renew capacity on Vector, St. Clair and Bluewater. Please rank the remaining options in Table 35 in terms of EGI's preference from next most preferred to least preferred and provide reasons for this ranking.