

Exhibit A, Tab 1, Schedule 2 , Page 2 of 4

Reference: *Enbridge Gas is also seeking Board approval pursuant to Section 36 of the Act to modify the applicability of the existing Rate M9 and Rate T3 rate schedules for existing gas distributors. Enbridge Gas is proposing to limit the applicability of the Rate M9 and Rate T3 rate schedules to existing gas distributor customers.*

- 1) Is Enbridge Gas seeking to apply M17 firm transportation service for gas distributors to any existing M9 or T3 gas distributors in the future?

Exhibit A, Tab 3, Schedule 1, Page 5 of 6

Reference: *Enbridge Gas submits that the value provided by the Rate M17 service stands on the merits articulated in this pre-filed evidence. In addition, modifications to the Rate M17 service made in order to better meet the needs of EPCOR have further improved the service. The Rate M17 service as proposed would be applicable to all new distributors and any interested existing distributors at their discretion.*

- 2) Rate M17 would be “applicable to..any interested existing distributors at their discretion.” What the composition of Rate M17 that would entice existing distributors to consider adopting this rate class?

Exhibit B, Tab 1, Schedule 3, Page 2 of 7

Reference: *Enbridge Gas is proposing a fixed monthly customer charge to recover the costs associated with having the gas distributor attached to Enbridge Gas’s system. The customer-related costs primarily include the revenue requirement for the rate base, net of any contribution in aid of construction (“CIAC”), and O&M associated with the customer station. Offering a monthly customer charge is consistent with Enbridge Gas’s rate design for other in-franchise and ex-franchise services with customer-specific stations and ensures recovery of fixed costs irrespective of variations in firm transportation demands and annual throughput volumes. To set the monthly charge, Enbridge Gas is proposing a unique charge for each customer that takes service under Rate M17, specific to the delivery area. This approach ensures that the appropriate customer charge is recovered from each customer. This unique charge also recognizes that cost differences can exist amongst different customers based on the facilities required to serve a customer and whether the customer-related costs are paid in part or in whole by a CIAC. The proposed monthly charge for EPCOR to serve the South Bruce expansion area is \$1,998.71, based on estimated annual customer-related O&M costs of approximately \$24,000. The proposed monthly charge assumes that EPCOR has paid for the required customer station facilities in whole through a CIAC.*

- 3) What is the breakdown of costs used towards the calculation of the proposed monthly charge for the estimated annual customer-related O&M costs of approximately \$24,000?

Exhibit B, Tab 1, Schedule 3, Page 4 of 7

Reference: *The second part of the proposed transportation demand charge includes a contribution to the recovery of Other Transmission demand costs. In Enbridge Gas's Board-approved cost allocation study for the Union rate zones, the Owen Sound line is categorized as Other Transmission demand and is allocated to Union South in-franchise rate classes in proportion to Design Day demands. Enbridge Gas's Other Transmission assets include all transmission assets other than those specifically identified as part of the Dawn Parkway System, the Panhandle System or the St. Clair System. Enbridge Gas calculated this part of the proposed transportation demand charge as the Other Transmission demand average unit rate of \$1.844/GJ based on Enbridge Gas's current approved rates. This component of Enbridge Gas's proposed rate design provides for a reasonable contribution to the recovery of fixed costs associated with the assets used to provide the transportation service from the Dawn Parkway System to the delivery area.*

- 4) Please provide the calculation and breakdown of the T3 monthly firm transportation demand charge?

Exhibit D, Tab 1, Schedule 2, Page 2 of 3

Reference: *The second source of growth is Enbridge Gas's in-franchise growth. Enbridge Gas is forecasting total regular rate growth on the Owen Sound System of 13,864 m³/hr over the next four years.*

- 5) What is the distribution or breakdown of future flows to specific distribution systems off the Owen Sound Line for the next four years?

Exhibit B, Tab 1, Schedule 1, Page 2 of 4

Reference: *The granting of Certificates of Public Convenience and Necessity allows EPCOR to construct works and supply gas within specific parts of the South Bruce service expansion area. This represents the first granting of such rights within a previously un-served area since the Natural Gas Electricity Interface Review ("NGEIR") (EB-2005-0551) proceeding, in which access to competitive storage services was reviewed. Enbridge Gas has developed the Rate M17 service offering to meet the transportation service needs of new entrants to Ontario's gas distribution market post-NGEIR.*

- 6) What market based storage options are available for EPCOR to support the argument for a M17 rate?

Exhibit E, Tab 3, Schedule 1, Page 4 of 12

Reference: The FBP is an internal planning process used by Enbridge Gas for the identification of reinforcement facilities required to support forecasted growth over a specific geographic area. The FBP includes a year-by-year customer attachment forecast of regular rate demands and their location on the system. Based on this forecast, future peak hourly demands are used to develop long term reinforcement plans.

- 7) Please provide the year-by-year customer attachment forecast used to support forecasted growth?

Exhibit E, Tab 3, Schedule 1, Page 8 of 12

Reference: The minimum delivery pressure on the Owen Sound system is 700 kPa, however the current constraint point is an 860 kPa minimum inlet at Port Elgin Station on a design day. The elevated minimum inlet is due to Port Elgin Station feeding an outlet MOP of 550 kPa, therefore the 860 kPa minimum inlet must be maintained to ensure gas delivery to customers in Port Elgin. With the addition of forecasted regular rate growth, it is expected that Port Elgin station would see below the minimum 860 kPa inlet pressure on a design day in the winter of 2022/2023 without the addition of the EPCOR customer. With the addition of the EPCOR customer, the Owen Sound system cannot meet the minimum inlet pressures into Port Elgin, therefore reinforcement is required. The reinforcement would be required in 2019 in order to serve the full firm EPCOR load. However, the Owen Sound System will be able to meet the minimum inlet pressure into Port Elgin Station and all other downstream requirements for 2019/2020 winter based on the EPCOR customer year 1 load forecasts. The reinforcement will be installed in 2020, allowing the Owen Sound System to serve the full firm EPCOR load starting winter 2020/2021.

- 8) What would be below the minimum inlet pressures expected at Strasburg, Kitchener Gate, Fergus, Teviotdale Station, Listowel and Arthur, Durham Gate Station, Hanover and Walkerton, Owen Sound Gate on a design day in the winter of 2022/2023 with and without the addition of the EPCOR customer?