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March 23, 2019

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

Dear Ms. Long,

RE: EB-2019-0159 - London Property Management Association Interrogatories for Enbridge Gas Inc. Leave to Construct Application

Please find attached the interrogatories of the London Property Management Association in the above noted proceeding.

Yours very truly,

Randy Aiken

Randy Aiken
Aiken & Associates

c.c. EGI Regulatory Proceedings (e-mail only)

EB-2019-0159

Enbridge Gas Inc.

Section 90 OEB Act Leave to Construct Application

INTERROGATORIES OF THE
LONDON PROPERTY MANAGEMENT ASSOCIATION

Interrogatory #1

Ref: Exhibit A, Tab 3, page 1

Is there currently any pipeline facilities that connect the Kirkwall Valve Site to the Hamilton Valve Site either directly or indirectly? If yes, please provide the size of the pipeline(s) that are directly connected to these valve sites.

Interrogatory #2

Ref: Exhibit A, Tab 3, page 2

Please provide more details on the unconventional sources of supply in Ontario, Quebec and the Maritimes including but not limited to the increased production and sources of these unconventional supplies.

Interrogatory #3

Ref: Exhibit A, Tab 3, page 2

If there is increased production from unconventional sources of supply in Ontario, Quebec and the Maritimes, please explain how this impacts the need to move gas from Dawn to downstream consumption points, both inside and outside of the province. Please discuss the impact on the transmission needs based on both the annual volume to the transported and the impact on the peak day.

Interrogatory #4

Ref: Exhibit A, Tab 3, page 6

Reference is made to the average annual revenue requirement of the project from 2021 to 2023.

a) Please provide the forecasted revenue requirement for each of 2021 to 2023.
b) Please confirm what year that the largest annual revenue requirement associated with the project is expected to occur in and if not in the 2021 to 2023 period, what that maximum annual revenue requirement is.

c) Please break down each of the 2021 through 2023 revenue requirement into the portions allocated to the EGD rate zone, the Union South rate zone, the Union North rate zone and to other rate classes (e.g. M12, C1, etc.).

Interrogatory #5

Ref: Exhibit A, Tab 3, page 6

The evidence states that the impact on residential customers in the EGD and Union rates is an increase in the total bill of less than $1.50 per bill.

a) Does this total bill increase include the HST? If not, please include the HST impact in the total bill impacts requested in the following sections.

b) Please provide the expected total bill increase for all rate classes in the EGD and Union rate zones in the same level of detail as shown in Exhibit D, Tab 1, Rate Order Working Papers, Schedules 3.1, 3.2 and 3.3 for the EGD rate zone and Exhibit D, Tab 2, Rate Order Working Papers, Schedule 4 for the Union rate zones of EB-2019-0194, such as small M2, large M2, etc.

Interrogatory #6

Ref: Exhibit A, Tab 3, page 8

The evidence states that EGI has not identified any strong opposition to the project. Has EGI identified any opposition to the project? If so please identify the nature of such opposition.

Interrogatory #7

Ref: Exhibit A, Tab 5, Attachment 1, page 27 & EB-2019-0137, Tables 2 and 21

The first evidence reference states that gas consumption growth in Ontario will average 1% per year in the 2018 through 2040 period.

The gas supply plans filed in EB-2019-0137 show that for the period 2020 through 2024 that the annual demand forecast for the EGD rate zone (Table 2) and for the Union rate zones (Table 21) is expected to remain flat or decline. In particular the gas supply plan evidence states that the EGD rate zone volumes are expected to be almost flat over the projection period of 2020-2024 (page 33) and that for the Union rate zones the volumes are expected to be relatively flat over the same period (page 72). In both cases the evidence states that increased consumption from customer growth in all sectors is offset by continued declining normalized average consumption for the general service and residential customers.

a) Please reconcile the 1% annual growth forecast with the 0% growth in the gas supply plans.

b) The forecast of 1% growth in the first reference is based on the 2018 through 2040 period. What is the forecast for the 2018 through 2024 period?

Interrogatory #8

Ref: Exhibit A, Tab 5, Attachment 1, Figure 16

Please provide a table that shows the figures for each of the residential, commercial, industrial, power generation and other categories that underpin the graph shown in Figure 16 for each year of 2015 through 2040 and indicate which years are based on actual data.

Interrogatory #9

Ref: Exhibit A, Tab 6, page 1 & EB-2019-0137, Tables 2 and 21

Please reconcile the statement that the demand for natural gas in Ontario (from customers in the EGD rate zone and the Union rate zones) is growing with the figures shown in Table 2 and 21 in EB-2019-0137 that show a flat or declining demand for natural gas in the EGI rate zones.

Interrogatory #10

Ref: Exhibit A, Tab 6, page 2

As set out in its 2019 ICF Report, ICF's analysis indicates 4 that the proposed Project responds to market needs and should be expected to be heavily utilized with very limited de-contracting risk.

Given the above statement is EGI willing to accept the risk of an unutilized capacity that results from de-contracting over the proposed life of the Project? If not please explain why not.

Interrogatory #11

Ref: Exhibit A, Tab 6, pages 3-4

The Open Seasons closed more than a year and half ago.

a) Given the recent events related to the Covid-19 virus the resulting slow down in the Canada, American and world economies, does EGI believe that the requirements as shown in Table 6-2 still relevant?

b) Please confirm that both Bangor Natural Gas Company and Northern Utilities, Inc. still wish to contract for the amounts shown in Table 6-2 and in the same time frame as shown there. Please also indicate the date on which each of these parties confirmed that their requests are unchanged from November, 2018.

c) Please explain footnote 3 in Table 6-2. In particular, is the 125,000 GJ/day required Nov. 01, 2021 depend on the availability of the TC Energy Parkway takeaway capacity of 25,000 GJ/day?

d) If this TC Energy Parkway takeaway capacity is not available until Nov. 1, 2022, what is the EGD rate zone capacity needed for each of Nov. 01 2021 and 2022?

e) What is the current status of the availability of the TC Energy Parkway takeaway capacity?

f) Please break down the Union rate zones capacity of 40,000 GJ/day into capacity needed for the Union South rate zone and the Union north rate zone.

g) Please confirm that no other Dawn Parkway capacity is required for Nov. 2021 and Nov. 2022 beyond what is shown in Table 6-2 for either EGI rate zones or ex-franchise customers. If this cannot be confirmed, please explain in detail.

h) Has EGI completed any further Open Seasons beyond the one that closed in November, 2018? If yes, please provide complete details and results of the open seasons.

Interrogatory #12

Ref: Exhibit A, Tab 6, page 5

Did EGI conduct a Reverse Open Season in 2019? If yes, please provide the results and if not, please explain why not.

Interrogatory #13

Ref: Exhibit A, Tab 6, page 6 - 7

What is the current status of the conditions precedent noted for each of the two utilities noted?

Interrogatory #14

Ref: Exhibit A, Tab 6, page8, footnote 9

How will EGI manage the 2020 design day shortfall of 19,953 GJ/day in the Union South rate zone?

Interrogatory #15

Ref: Exhibit A, Tab 6, Table 6-3

a) Has EGI attempted to move more customers/volumes to interruptible/curtailment provisions? If not, why not? If yes, what has been the result of such attempts?

b) Please explain the source of the in-franchise supply in the CDA Design Day Supply Assets?

c) Does Table 6-3 imply that EGI can manage the design day shortfalls shown on line 11 for each of 2020 through 2024? If yes, how does EGI propose to manage those shortfalls?

Interrogatory #16

Ref: Exhibit A, Tab 6, Table 6-4

a) Has EGI attempted to move more customers/volumes to interruptible/curtailment provisions? If not, why not? If yes, what has been the result of such attempts?

b) Does Table 6-4 imply that EGI can manage the design day shortfalls shown on line 11 for each of 2020 through 2024? If yes, how does EGI propose to manage those shortfalls?

Interrogatory #17

Ref: Exhibit A, Tab 6

a) Has EGI updated its design day demand forecasts for each of its rate zones since that filed in EB-2019-0137? If yes, please provide the updated forecasts in the same level of detail as shown in the tables in this tab and indicate the forecast date.

b) Has EGI updated any of its design day demand and/or annual volume and/or customer attachment forecasts to reflect the expected downturn in the economy as a result of the Covid-19 virus? If not, please explain fully why this significant event has not been taken into account in the timing of the requirement for the additional design day requirements.

Interrogatory #18

Ref: Exhibit A, Tab 6, Table 6-8

a) Please explain why, unlike the EGD CDA design day supply assets there is no in-franchise supply shown in Table 6-8.

b) Why are there no curtailment/interruptible volumes shown in the supply assets in Table 6-8?

Interrogatory #19

Ref: Exhibit A, Tab 6, Table 6-8

The evidence indicates that the increase in Table 6-8 in design day demand in the Union South rate zone from 2019/2020 to 2021/2022 is 157 TJ/day, but only 37 TJ/day of this increase is on the Dawn to Parkway system with the rest being served off the Panhandle System and the Sarnia Industrial Line.

a) How is the increase in the design day demand on the Panhandle System and the Sarnia Industrial Line (and the assumed increase in annual volumes) been reflected in rates in the current 2020 rates and in future 2021 and 2020 rates?

b) Please provide a version of Table 6-8 that only reflects the demand and supply associated with the Dawn to Parkway system (i.e. Panhandle System and Sarnia Industrial Line are excluded).

Interrogatory #20

Ref: Exhibit A, Tab 6, Table 6-2 & page 15

Table 6-2 states a need for 40,000 GJ/day effective Nov. 1, 2021 while footnote 16 on page 15 indicates the need is 20,000 GJ/day on each of Nov. 1, 2021 and Nov. 1, 2020. Please explain.

Interrogatory #21

Ref: Exhibit A, Tab 6, page 16

The evidence indicates that the additional take away capacity on the Dawn to Parkway system will increase liquidity and diversity at the Dawn Hub, benefiting all shippers and consumers in Ontario, Québec, the Maritimes and the U.S. Northeast that purchase supply at the Dawn Hub.

Please quantify the benefits to Ontario ratepayers of this increased liquidity and diversity at the Dawn Hub.

Interrogatory #22

Ref: Exhibit A, Tab 6, pages 16-17

Please the current status of each of the downstream projects noted.

Interrogatory #23

Ref: Exhibit A, Tab 6, page 19

a) How does the turnback of 89 TJ/day of capacity effective March 31, 2021 impact the need for the additional capacity in the current Project in each of the EGD rate zones and the Union rate zones?

b) What is the status the proposed turnback noted above?

c) Please provide updates to all relevant tables in Tab 6 that reflect the turnback of 89 TJ/day of capacity effective March 31, 2021.

d) How would the Project be changed if the 185 TJ/day of additional capacity was reduced by the 89 TJ/day of turnback capacity, resulting in the need for only an additional capacity of 96 TJ/day?

Interrogatory #24

Ref: Exhibit A, Tab 7, page 1 & Exhibit A, Tab 6, page 19

Does the 101,062 GJ/day of Dawn Parkway System capacity turnback noted on page 1 of Tab 7 include the 89 TJ/day of turnback capacity as of March 31, 2021 noted on page 19 of Tab 6?

Interrogatory #25

Ref: Exhibit A, Tab 7, page 1

The amounts noted in footnotes 1 and 2 are described as potential growth which may result in future Dawn Parkway system bids for the EGD and Union North rate zones.

a) Are the amounts noted in footnotes 1 and 2 required in 2021/2022 or 2022/2023 or some later time? Please clarify and explain.

b) Would these system bids be similar to the 125,000 GJ/day bid for the EGD rate zone to the Union South rate zone in the current project? If not please explain any difference.

c) Please provide a table that shows by contract the ex-franchise demand increase of 87,734 GJ/day between 2019/2020 and 2022/2023, including whether a contract has signed, the length of the contract and the amount of capacity associated with the contract.

Interrogatory #26

Ref: Exhibit A, Tab 7, page 2

a) Enbridge proposes to construct an NPS 48 pipeline from Kirkwall to Hamilton which has a capacity of 92,174 GJ/day. If this figure does not take into account the 89 TJ/day of Dawn to Parkway capacity turnback as of March 31, 2021, please indicate what capacity would be required from Kirkwall to Hamilton.

b) Taking into account the 89 TJ/day turnback as of March 31, 2021, would the Kirkwall to Hamilton pipeline still be the appropriate project to provide the additional capacity needed or would some other project on the Dawn Parkway System be more economical and/or effective? Please explain fully.

Interrogatory #27

Ref: Exhibit A, Tab 7, pages 5 - 6

What would be the impact on the Union South design day demands if the design day weather condition for Union South was determined using the same methodology as that used for the EGD rate zone?

Interrogatory #28

Ref: Exhibit A, Tab 7, page 7

Is the 2020 design day demand still the best information presently available? If not, please update the evidence to reflect the best information currently available.

Interrogatory #29

Ref: Exhibit A, Tab 7, Table 7-1

Please confirm that the turnback amount of 88,729 shown for 2020/2021 ex-franchise capacity is the 89 TJ/day turnback noted on page 19 of Tab 6. If this is not confirmed, please update Table 7-1 to reflect the 89 TJ/day of turnback.

Interrogatory #30

Ref: Exhibit A, Tab 7, page 12

The evidence states that the capacity shortfall is 59,392 GJ/Day by November 1, 2020 and 164,798 GJ/day by November 1, 2022. Please provide the projected shortfall for November 1, 2021.

Interrogatory #31

Ref: Exhibit A, Tab 7, pages 14 - 15

a) Please up the forecast 2019/2020 total capacity figures shown in lines 5 through 9 with actual figures.

b) When were the total capacity forecasts for the 2020/2021, 2021/2022 and 2022/2023 winters prepared? What is the last year of historical data used in these forecasts?

c) If EGI had updated or more recent forecast figures for total capacity in the 2020/2021 winter (lines 11- 15), the 2021/2022 winter (lines 17 – 22) and/or the 2022/2023 winter (page 15, lines 1-5), please provide those forecasts.

Interrogatory #32

Ref: Exhibit A, Tab 8, Schedule 3

Please explain how the figure of 25,467 GJ/d of Dawn-Parkway capacity in footnote 1 is derived from the Union South demands of 41,739 GJ/d.

Interrogatory #33

Ref: Exhibit A, Tab 8, Schedule 5

a) Please update the fuel prices shown in the first table to reflect current prices. In doing so, please provide the prices and the conversion factors used to calculate the $/m3 for the other fuels.

b) Please provide the information that was used to determine the fuel mix shown in the second table for heating oil, propane and electricity.

c) The carbon price table indicates that the price of carbon is added to the price of each fuel in the above table. Please show the amount in $/m3 that is added to each of heating oil, propane, electricity and natural gas, based on a $50 price per tonne.

d) What volume of gas is used to calculate the general service fuel savings for Ontario customers and where in the application is this figure shown?

e) Please recalculate the present value of customer fuel savings (20 years and 40 years) based on the fuel costs requested in part (a) above and assuming the carbon cost per tonne rises to $60 in 2023, $70 in 2024 and $80 in 2025 and thereafter.

Interrogatory #34

Ref: Exhibit A, Tab 8, Schedule 6

a) Please provide the source of the GDP factor of 1.14 shown in line 6.

b) Please provide the source of the jobs factor of 16.7 shown in line 10.