

## Questions on Aylmer Gas Supply Evidence

### REF: GSP Aylmer, page 8

Preamble: ENGLP evidence provides: *“In January 2019, during a period of near record low temperatures and resulting record high natural gas demands, pressures well below the 30 psig minimum design pressure were observed in the south. Pressures in Port Burwell, a small community on the lakeshore, were below 5 psig and the utility was at risk of unplanned customer outages. These concerns will be amplified as demand increases and production from the connected wells continues to decline.”*

We would like to understand better the parameters of the distribution system and risk mitigation for low pressures.

- 1) What component of the system restricts the minimum pressure to 30 psig?
  - i) Has ENGLP added telemetry to act as a sentry at a minimum pressure threshold to allow early warning of potential outages? If yes, please describe. If not, why not?

### REF: GSP Aylmer, page 9

Preamble: ENGLP evidence provides: *“As a result, although a 4 inch pipeline would be adequate for the firm contracted gas volume of 1200 GJ/d, the 6 inch pipeline infrastructure was sized at the location to accommodate the availability of nearly twice the contracted firm volume during peak demand periods now and in the future.”*

We would like to understand better ENGLP’s sizing relative to growth.

- 2) At the stated 3% growth rate, how many years of growth does the NPS 6 sizing provide over the NPS 4?

### REF: GSP Aylmer, page 13

Preamble: ENGLP evidence provides: *“As the Lake Erie tie-in is incremental new supply, ENGLP has no historical operating data to rely upon.”*

We would like to understand better ENGLP’s understanding of the reliability of this local supply of natural gas.

- 3) Does ENGLP have any engineering or geotechnical study data on the quantity of recoverable reserves from the Lake Gas supplies now feeding the system?
- 4) Does the supply contract have financial assurances from the supplier to support firm deliveries relied upon by ENGLP? Please explain.

### **Questions on the Aylmer Forecast Analysis Evidence**

#### **REF: GSP Aylmer, Appendix D, pages 3-4**

Preamble: ENGLP evidence describes the consumption analysis methodology.

- 5) How did ENGLP/Elenchus adjust for the lag between actual timing of consumption and billing for the respective rate classes given meter-reading cycles and posting of consumption? Please describe fully.

#### **REF: GSP Aylmer, Appendix D, pages 5-14**

Preamble: The methodology describes class-specific consumption regressions for the various rate classes. Included in each is a “*baseload trend*” being used to remove load in different years. We would like to understand this step in the analysis.

- 6) Please describe this step of the process.
  - a) What is the practical explanation/system reason that necessitates this step to improve the determinations drawn from the analysis?

#### **REF: GSP Aylmer, Appendix D, pages 1-3 and 31-33**

Preamble: The above references provide some data and summaries of the results of the analysis outlined in Appendix D. We would like to understand better how the resulting information was used by ENGLP in its gas supply planning.

- 7) Please describe how ENGLP used the information contained in Appendix D in the development of the Aylmer Gas Supply plan.

## Questions on the Southern Bruce Gas Supply Evidence

### REF: GSP Southern Bruce, page 8

Preamble: ENGLP evidence provides: “*Upstream transportation to Dornoch has been secured in the EB-2019-0183 proceeding under the M17 rate for 10 years... Either service was paired with a ten year term 100,000 GJ of seasonal storage service space at market price.... To acquire storage service in Michigan (the closest market for similar storage services) requires dealing with foreign exchange, import-export rules and additional transportation contracts on at least another pipeline to/from Dawn.*”

We would like to understand better the transport and storage options available to ENGLP.

- 8) Can any party other than EGI provide deliveries at Dornoch?
  - a) Does the M17 contract provide a mechanism for the increase in contract demand over time to meet the needs of the new franchise?
  - b) If not, what options does ENGLP have to increase required deliveries to support franchise growth?
- 9) Absent the option for Michigan storage for the reasons outlined, how can ENGLP assess the market price of storage services?

### REF: GSP Southern Bruce, page 8-9

Preamble: ENGLP evidence provides: “*A popular example is a winter peaking service, which allows EPCOR to secure additional availability of gas from a supplier for a reservation fee during the winter, which allows EPCOR to nominate additional gas (at a discount up to the daily reserved volume) to meet winter demand when needed – for example, if demand on any given day is above the sum of the purchased volume plus gas available through storage withdrawal.*”

We would like to understand the concept of peaking service as it pertains to South Bruce.

- 10) Please confirm that this peaking service would not be available at Dornoch.
  - a) Absent a transportation component to Dornoch as part of the peaking service, would there be any practical difference between a peaking service at Dawn and a call option for a certain number of days at Dawn?

**REF: GSP Southern Bruce, page 10**

Preamble: ENGLP evidence provides: “*Direct Purchase, for other rate classes, is not taken into consideration in this Supply Plan.*”

While we acknowledge that Direct Purchase (DP) customers will purchase their own commodity, we would like to understand how the M17 contract will provide for the Direct Purchase customers.

- 11) Please confirm that ENGLP will need to include DP customers in their nominations to the M17 contract.
  - a) Please confirm that variances between nomination and consumption for DP customers will affect the ENGLP daily and cumulative LBA balances.
  - b) Please describe how ENGLP will insulate system gas customers from the effects of substantial variances in DP nominations and consumptions.

**REF: GSP Southern Bruce, page 14**

Preamble: ENGLP evidence provides: “*EPCOR has contracted for 10 years of seasonal storage service (LST) with a maximum storage balance (MSB) of 100,000 GJ (100 TJ), a standard offering to its unregulated terms and conditions which includes no firm injections in September and October and no firm withdrawals in April and May... The impact of these firm deliverability rights on the Supply Plan is noted below in the Description of the Supply Options section.*”

We would like to understand this contract in context of the rate classes available to LDC's in EGI's Union rate zone.

- 12) To ENGLP's knowledge, does a T3 contract have firm deliverability rights in the shoulder seasons of September/October and April/May?
  - a) What impact does the lack of firm rights have on ENGLP's gas supply plan?
  - b) Please explain the risks and associated mitigation.

**REF: GSP Southern Bruce, page 14**

Preamble: ENGLP evidence provides: *“Recently, EPCOR elected to procure its supply from Dawn instead of Kirkwall or Parkway in its M17 supply contract with Enbridge as this is the most liquid of the supply points to choose from.”*

We would like to understand ENGLP views on Parkway or Kirkwall alternatives

- 13) If ENGLP contracted at Parkway, would it receive the Parkway Delivery Commitment Incentive (PDCI)?
- a) If the PDCI were available at Parkway, would ENGLP see that point as a viable, economic delivery location given market conditions? Please explain fully.
  - b) If a comparable incentive were available at Kirkwall, would ENGLP see that point as a viable, economic delivery location given market conditions? Please explain fully.