

A-0032

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1 somewhat quickly through it. So, clearly, the
 2 Eastern Triangle or Eastern Ontario Triangle, the
 3 current capacity of that is three point two Pj/d
 4 (3.2 Pj/d). And it is currently fully utilized. I
 5 believe all the evidence, both from TransCanada and
 6 the two experts agreed with that. Wood Mackenzie;
 7 they forecast a continued full utilization of that
 8 capacity. And we'll talk a little bit more about
 9 the details of that, and why that is the case. Now,
 10 this is on a peak-day winter basis. As we know,
 11 TransCanada is proposing to put the forty-two (42)
 12 inch line, so-called North Bay shortcut, but in
 13 North Bay in Iroquois, into oil service. The
 14 capacity of that line is one point two Pjs per day
 15 (1.2 Pj/d), which alone is about forty percent
 16 (40 %) of the capacity in the Eastern Ontario
 17 Triangle.
 18 Their proposal, however, is matched with
 19 the project they're calling the Eastern Mainline
 20 project, which is a project that would provide five
 21 hundred and seventy-five Tjs per day (575 Tj/d) of
 22 new capacity, Producing the shortfall in capacity
 23 from forty percent (40 %) down to twenty percent
 24 (20 %). Nonetheless, there is still a shortfall of
 25 twenty percent (20 %), if they pursue the plans

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1 that they're talking about publicly at this point.
 2 TransCanada, as you heard this morning with
 3 Mr. Clark, and I think it's been said numerous
 4 times by Concentric as well; TransCanada is
 5 building only for firm capacity. And that really is
 6 the core issue that we have with them, that, when
 7 it comes to energy is, we'll get on some of the
 8 details on why, and a large part of it has to do
 9 with the conduct of the twenty sixteen (2016) new
 10 capacity open season. And mister Leblanc will get
 11 into some of the details of that in further on our
 12 presentation.
 13 And finally, at a high level point, the result
 14 of building only for firm capacity in the Enbridge
 15 EDA is that sixteen percent (16 %), if we were
 16 looking at twenty fifteen (2015) gas supply
 17 requirements, about sixteen percent (16 %) of the
 18 Enbridge EDA demand would be at risk of not getting
 19 supply and/or suffering cost consequences that may
 20 result from that.
 21 So my next slide is a familiar slide, I
 22 think Mr. Clark had a similar one this morning, it
 23 is the Energy East Project. The two big check marks
 24 are consistent with what I think Gaz Mètro is
 25 saying, as well as what I heard IGUA saying an hour

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1 or so ago, we have no difficulty at all with
 2 respect to repurposing the Prairie and Northern
 3 Ontario line segments, the Western segments of the
 4 pipeline system, they are clearly well under-
 5 utilized today and expectations are that that will
 6 continue.
 7 The issue is where the red question mark
 8 is, and that is the North Bay Shortcut, that is the
 9 line between North Bay and Iroquois. That is part
 10 of the Eastern Triangle, and that is three point
 11 two (3.2) Pj/d of capacity that is currently fully
 12 utilized on a winter peak-day basis.
 13 So my next slide has three charts, and
 14 these charts come from the Wood Mackenzie study.
 15 And so, it just kind of reinforces the comment I
 16 just made, so the left chart is the utilization on
 17 the Prairie section, and drawn in light gray is the
 18 capacity of those sections after they are
 19 repurposed to oil service. So clearly, the
 20 capacity, even with repurposing both in the Prairie
 21 section and the Northern Ontario section, is well
 22 above the expected utilization of those segments.
 23 The story, however, is different in the
 24 right graph. So that is the EDA historical and
 25 forecast view, Wood Mackenzie's forecast view. So

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1 the green line is the current capacity, the three
 2 point two (3.2) Pj/d So on a historic basis, you
 3 know, we can even look back at the very cold 14/15
 4 winter -- which I couldn't believe, I moved back to
 5 Toronto three years ago, I didn't know it got that
 6 cold, I know it gets that cold in Calgary but it
 7 was unbelievable but...
 8 So the 14/15 winter, but even prior to
 9 that, you can see in this graph that the peak days,
 10 peak day winter demands were not that dissimilar
 11 from that very cold winter. And on a forecast
 12 basis, Wood Mackenzie is forecasting continued
 13 effectively full utilization on a peak day basis
 14 for the near term foreseeable future.
 15 And there is a couple of reasons for that.
 16 You know, in Wood Mackenzie's study, they do
 17 forecast imports at Waddington, a reduction in
 18 exports at Waddington, with the result, as a result
 19 of new Northeast pipelines, I think specifically
 20 Constitution, which is in their forecast. So the
 21 volumes moving through Waddington go down once that
 22 pipeline is assumed to be constructed in their
 23 forecast.
 24 But it is more than made up, well made up
 25 almost exactly by growth in the domestic markets in

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