POLICIES & GUIDELINES

Policy #: 16-DP-TRAN-020

⊠ North □ South □ North and South

Subject: North T-Service Transportation from Dawn Service	Effective: November 1, 2016	
Applies to: Union North T-service customers in the Union North East Zone who contract with Enbridge for transportationcapacity from Dawn to their respective delivery area.		
Purpose: Provide customers with the option to purchase firm transporta East delivery areas.	tion capacity from Dawn to any of UnionNorth	
Background: (Not to limit the applicability of the policy)		
Union North T-Service customers are responsible for arrangin area.	g supply and transportation to their delivery	
Due to changing North American supply dynamics, customers requested access to Dawn supply and the ability to transport this supply on a Firm basis to the Union North East Zone. Enbridge responded to customer requests by introducing the optional North T-Service Transportation from Dawn service. This service provides Customers the ability to contract directly with Enbridge for Firm transportation capacity fromDawn to their delivery area.		
There are two service offerings: Base Service and Supplemer either service offering or both.	tal Service. Eligible customers may elect	
 Base Service Customers can request Firm Daily Quantity up to the greater of Firm Contract Demand for distribution service; or Peak day in the previous 12 months; But, in any case, no more than 3,000 GJ/day. 	of:	
<u>Supplemental Service</u>No Firm Daily Quantity limitation.		
Quantities and terms for both Service offerings are subject to transportation capacity.	availability and terms of underpinning	
 <u>Definitions</u> Firm Daily Quantity (FDQ) – the transportation capacity the from Dawn to their respective delivery area. 	at eligible customers elect to contractfor	
Policy:		
Base Service and Supplemental Service		
Annual Fuel Factor Adjustment Enbridge will adjust the customer's Dawn to Parkway transportation capacity to facilitate the movement of fuel required for the TransCanada transportation capacity from Parkway to the Union delivery area.		
The Fuel Factor Adjustment will be updated at Noven	ber 1 to reflect the highest TransCanada	
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fuel rate from Parkway to the delivery area for the most recent three years. Enbridge Gas will issue acommunication to customers advising of the Fuel Factor Adjustment change.

Assignability

Customers who meet Enbridge and TransCanada credit requirements may request a temporary or permanent assignment of Enbridge's Dawn to Parkway transportation capacity, or TransCanada'sParkway to delivery area transportation capacity, or both.

Base Service temporary assignments are a minimum 1-year term, beginning every November 1st. Under a permanent assignment, all contractual obligations, including renewal and deferral account clearing, remain with any transportation capacity assigned on a permanent basis.

Base Service Only

Decreases to Base Service FDQ

At least three (3) months prior to contract renewal, a Customer may request a reduction to their Base Service FDQ if **<u>both</u>** the Total Distribution Contract Demand and the Maximum Hourly Flow parameters decrease by at least 5% of the distribution contract.

At contract renewal, Enbridge will reduce a customer's FDQ in proportion to the smallest percentage change in the above parameters.

Deferral Account Treatment of Excess Capacity

Enbridge will attempt to re-market any excess capacity from Parkway to the delivery area. The costs remaining from any excess TransCanada capacity will be recorded in the Base Service North T-Service TransCanada Deferral Account. As part of Enbridge's existing annual deferral disposition process, Enbridge will apply to the OEB to dispose of any deferral account balances. This annual deferral account balance will be cleared amongst all Base Service participants.

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