ENBRIDGE GAS DISTRIBUTION INC. RESPONSE TO TCPL INTERROGATORY #30

INTERROGATORY

Issue A3

Reference(s) (i) Exhibit A, Tab 3, Schedule 9, Paragraph 9

Preamble

EGD discusses the open season for Segment A and Financial Backstopping Agreements ("FBAs") and that shippers are expected to bear some of the risk on upfront costs associated with Segment A.

Request

(a) Please explain what EGD means by the "risk on upfront costs"

(b) Please define the term "some" of the risk. Please quantify the upfront costs and the amount of these costs shippers are expected to bear.

(c) Would costs associated with FBAs only materialize if the party fails to contract on a firm basis.

(d) Do the FBAs contain any conditions precedent? If so, please list them.

RESPONSE

a) The relevant contractual obligations in relation to the shipper's risk on upfront costs are set forth in the terms of the Financial Backstopping Agreement ("FBA").

b) The shipper's exposure to certain costs, which are defined as "Pre-service Costs" in the FBA, is set forth in Section 3 of the agreement. The Pre-service Costs cannot be defined by Enbridge until the conclusion of the Open Season process.

Witness: M. Giridhar

c) It is assumed that this question is asking when a shipper's obligation to reimburse Enbridge for "Pre-Service Costs" (as such term is defined in the FBA) would materialize. Section 3 of the FBA sets forth when such shipper's obligation to reimburse Enbridge would materialize.

d) No, the FBA does not contain any conditions precedent.

Witness: M. Giridhar