

ENBRIDGE GAS DISTRIBUTION INC. RESPONSE TO
BOARD STAFF INTERROGATORY #5

INTERROGATORY

Issue: A.5

Is the proposed timing of the various components of the projects appropriate?

REF: Exhibit A, Tab 2, Schedule 4, Page 5 of 9

Preamble

Enbridge notes that update No. 6 was filed to amend the application as a result of the termination of the Memorandum of Understanding ("MOU") with TransCanada. In TransCanada's letter dated July 24, 2013 it stated that it considers the MOU to be a valid and binding contract.

Questions

- a) What impact, if any, does Enbridge anticipate TransCanada's position that the MOU remains a binding contract will have on Enbridge's applications before the Board?

RESPONSE

- a) Enbridge considers the MOU agreement ('MOU') to be terminated. The MOU was a commercial agreement between two parties and its termination does not impact the applications before the Board.

Please see the response to CCC Interrogatory #28 at I.A1.EGD(Update).CCC.28. As outlined in this response, TransCanada's actions and failure to meet obligations in the MOU resulted in Enbridge not being able to meet the principles under the Board's Storage and Transportation Access Rule ('STAR'). Section 2.6 ii) of the MOU permits termination due to inability to meet applicable laws.

Enbridge continues to have discussions with TransCanada to pursue the same principles embodied in the MOU, including the coordinated build out of regional infrastructure for short haul transport and development of the Niagara to Parkway transport path. Enbridge has posted a new capacity open season in a STAR compliant, non-discriminatory fashion. TransCanada may bid for the capacity it requires along the Parkway to Maple path, and thus achieve similar benefit of economies of scale for this portion of the path as proposed under the MOU.

Witness: M. Giridhar