

UNDERTAKING JT1.7

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To provide UDC cost based upon current gas supply needs if Enbridge does not obtain additional storage, Exhibit A2 EGD FRPO 26.

RESPONSE

The dollar amount associated with Unutilized Demand Charges (UDC) in the Long Haul Scenario identified at Exhibit A, Tab 3, Schedule 5, page 28, Table 1, is estimated to be \$75 million in 2016. This estimate was calculated using tolls from TransCanada's Compliance Filing pursuant to National Energy Board Toll Order TG-006-2013. The UDC amount pertains to incremental long haul firm transportation capacity assumed in the Long Haul Scenario in excess of the long haul contracts currently held by Enbridge. Since STFT pricing is unknown the minimum bid floor toll for STFT was used when calculating UDC in this scenario.

As indicated in the response to FRPO Interrogatory #26 at Exhibit I.A2.EGD.FRPO.26 the expected gas supply benefits were calculated assuming 100% utilization for incremental long haul requirements and did not consider less than 100% utilization. Directionally, an assumption of less than 100% utilization would increase the expected gas supply benefits.

Witness: J.Denomy