

BOMA INTERROGATORY #19

INTERROGATORY

Ref: Exhibit C, Tab 1, Schedule 3, p1

- (a) Please provide the calculations which EGD used to arrive at \$9.6 million.
- (b) When does EGD use Union's M12 service? Over what route, and at what time during the year?

RESPONSE

- a) As described at Exhibit C, Tab 1, Schedule 3, page 1, the primary driver for the balance in the S&TDA is an increase in Union M12 tolls effective January 1, 2017 of approximately 10%. A breakdown of the contracted capacity and the tolls assumed in the 2016 budget compared to the January 1, 2017 tolls can be found in the attached table.

Also included in the S&TDA is the variation in the amounts paid for Third Party Market based Storage – see item #2 in the attached table. As described in EB-2015-0114, Exhibit D1, Tab 2, Schedule 1, page 8:

For purposes of the 2016 gas cost forecast, the Company assumed the amount and value of existing third party storage contracts to be extended. Any variation between this assumed cost and the actual cost of storage acquired through an RFP process will be captured in the 2016 Storage & Transportation Deferral Account (“2016 S&TDA”).

A third element included in the S&TDA is Enbridge’s share of Union’s 2015 Deferral / Earnings Sharing Adjustment – M12 which is a credit to customers.

- b) Enbridge contracts for Union M12 service to move gas either from Dawn to Parkway or from Dawn to Lisgar. The contracted capacity is essential in the Company’s ability to meet its Peak Day Demand requirements and its winter daily seasonal requirements. C1 capacity is used to move from Parkway to Dawn for purposes of injecting gas into storage primarily during the summer months.

Witness: D. Small