

FRPO INTERROGATORY #10

INTERROGATORY

REF: Exhibit B, Tab 5, Schedule 2, Page 1

Preamble: We would like to understand better the revenues, costs and benefits associated with EGD's storage.

Please confirm that Enbridge has filed the Enbridge Gas Storage Assessment Study produced by ICF.

- a) Please confirm that Enbridge will be submitting evidence for Board review and approval prior to increasing the amount of storage utilized in providing load-balancing services for in-franchise customers?
 - i) If not, please provide Enbridge's assessment of the alternative of forward purchasing Dawn-delivered gas for the winter months during the prior summer once the Gas Supply plan is completed.
 - ii) Please confirm that with the reduction in TCPL long-haul reduces the UDC price risk for in-franchise customers.
 - (1) Was this perspective considered in Enbridge's Gas Supply plan or in the ICF Storage Assessment?

RESPONSE

- a) The purpose of the 2016 ESM proceeding is to clear balances associated with 2016 deferral and variance accounts. The Company's gas supply planning activities, which include the acquisition and management of its storage services, are more appropriately addressed in the annual rate applications that are filed with the Board. Although it is not clear how this interrogatory is relevant to this proceeding, the Company will endeavor to be responsive to the request.

The Company confirms that it filed the ICF International Study on Enbridge Storage Requirements with the Board on March 31, 2017 in compliance with certain commitments made in the EB-2016-0215 Settlement Proposal. The Company also confirms that as part of its 2018 Gas Supply Plan evidence Enbridge intends to request approval from the Board to increase the amount of its third-party storage by 2 Bcf.

- i) Not applicable.

Witnesses: K. Lakatos-Hayward
D. Small
A. Welburn

- ii) It is not clear how the management of Enbridge's storage services is related to reduction in long-haul transportation services on the TCPL Mainline. But assuming that there is a reduction of TCPL long-haul capacity, all else being equal, there would likely be reduction in the risk of incurring UDC.
 - 1) No, the analysis that was conducted as part of the ICF International Study on Enbridge Storage Requirements was primarily focused on the cost consequences of incorporating incremental storage capacity in the Company's gas supply plan. The transportation capacity assumptions, which included long-haul firm transportation, were held constant in order to isolate the impact that varying levels of storage capacity would have on the cost consequences of the gas supply plan.

Witnesses: K. Lakatos-Hayward
D. Small
A. Welburn