

ENBRIDGE GAS DISTRIBUTION INC. AND UNION GAS LIMITED

Undertaking of Mr. Charleson  
To Mr. Quinn

REF: Tr.3 p.32.

Enbridge to provide the weighted average of the storage that was purchased or was entered into contract in that bid versus the summer-winter spread at dawn on that day, for the last three years.

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**Response:**

The following table provides the requested information. Please note that the summer-winter spreads at Dawn reflect the weighted average of the storage spreads at the time the storage bids were received and evaluated. This calculation used the May-November (summer) vs the December-April (winter) prices for each of the years that the contracts entered into are to be in place, as the contracts had differing terms, weighted based on the contracted volumes.

\$CAN/GJ	2015	2016	2017
Weighted Average Cost of Storage	0.719	0.868	0.727
Weighted Average Summer-Winter Spread	0.603	0.606	0.480

As indicated during Day 3 of the Technical Conference (starting at Transcript page 29), the pricing of storage is guided by more than just the summer-winter spread, which is generally referred to as the intrinsic value of storage. There is also extrinsic value of storage, related to items such as reliability, optionality and flexibility, so extrinsic value will also factor into storage pricing.