

RATES AND PROJECT FINANCING

1. The stratigraphic test well, TL9, will form part of Enbridge Gas Inc.'s ("Enbridge Gas") unregulated storage operations. This well will be funded by Enbridge Gas' shareholder. All costs associated with the well will be captured in the unregulated accounts and no costs of the wells will be charged to the regulated utility accounts. Therefore there will be no rate impact to Enbridge Gas customers from the drilling of the well.

RATES AND PROJECT FINANCING (Alternative Narrative For TL9 Only)

1. Well TL9 will form part of Enbridge Gas's unregulated storage operations. The well is being funded by Enbridge Gas' shareholder and will not become part of Enbridge Gas' regulated rate base. All costs associated with the well will be captured in the unregulated accounts and no costs of the well will be charged to the regulated utility accounts. Therefore there will be no rate impact to Enbridge Gas customers from the drilling of the well.