

ENBRIDGE GAS INC.  
Answer to Interrogatory from  
Energy Probe Research Foundation (EP)

Reference: Exhibit C1, Tab 1, Page 23

Preamble: *“The Company’s capital budget process ensures that capital is allocated in a way that maximizes the value of life cycle-based capital while mitigating risk to the lowest practical level.”*

Question:

What is *“life cycle-based capital”* and how is its value maximized?

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**Response**

Life cycle-based capital is the capital spent on assets across its life cycle stages identified as Acquire/Create, Utilize, Maintain, and Renew/Retire. Options to mitigate risk or pursue opportunities are considered at each life cycle stage as short or long term solutions. Value-based decisions are made to manage cost, risk and performance in relation to the specific asset and the total asset portfolio.