

FRPO INTERROGATORY #4

INTERROGATORY

REF: Exhibit D1. Tab 2, Schedule 2, Page 18

We are interested in understanding the genesis of the Link Supplies in the Enbridge portfolio.

How was the benefit of Michigan supplied gas deemed to be better than regular discretionary purchases at Dawn?

- a) Describe how the annual contract was obtained, i.e. unsolicited offer, RFP, unique opportunity, one year trial basis, etc.?
- b) If by RFP, please provide the RFP associated with the acquisition.

RESPONSE

The Company's 2017 gas supply plan includes a 2,230 10⁶m³ supply requirement at Dawn¹ which is over twice as large as the 1,052 10⁶m³ supply requirement at Dawn that was identified in its 2016 gas supply plan². Given the magnitude of the Dawn supply requirement for 2017, the Company entered into negotiations with a market participant that included an exchange of supply from MichCon to Corunna combined with transportation capacity on the Link pipeline that would transport supply from Corunna to Tecumseh in the summer season (April to October) and to Dawn in the winter season (November to March). This arrangement enabled the Company to diversify its supply requirement at Dawn in a cost effective manner that was consistent with its gas supply planning principles. The landed cost analysis underpinning this decision is provided in response to TCPL Interrogatory #1 at Exhibit I.D1.EGDI.TCPL.1.

The Company did not issue an RFP given the unique nature of the supply arrangement.

¹ EB-2016-0215, Exhibit D1, Tab 2, Schedule 5, Page 1 of 2

² EB-2015-0114, Exhibit D1, Tab 2, Schedule 4, Page 1 of 2

Witnesses: M. Kirk
D. Small