

FRPO INTERROGATORY #6

INTERROGATORY

REF: Exhibit D1, Tab 2, Schedule 3, Page 5

Preamble: We are interested in understanding more about the elimination of UDC.

Please confirm that any potential UDC from pipeline over-deliveries would instead be handled by varying the level of Dawn discretionary purchases.

- a) If not confirmed, please explain how risks of under-consumption relative to forecast will be managed.

RESPONSE

Confirmed.

The 2017 forecast assumes 100% utilization of Enbridge's contract long haul FT capacity with TCPL and therefore has not forecasted any UDC cost for 2017.

As described at Exhibit D1, Tab 2, Schedule 3, page 5, paragraph 14, the Company has forecast an additional seasonal requirement at Dawn. To offset a small portion of that requirement the Company contracted for an increment 50,000 MMBTU/day of Vector capacity for the December 1, 2016 to February 28, 2017 period as well as a one year contract for 40,000 MMBTU/day of Link capacity effective November 1, 2016. A portion of the forecast 2017 Dawn requirement remains uncontracted and the Company plans to take a measured approach through acquiring that supply through seasonal or monthly RFPs in conjunction with daily purchases dependent upon short and medium term weather and demand forecasts. Should demand come in lower than budget, Enbridge will reduce planned purchases at Dawn. This approach is described in the Execution section (Section 2.5) of the Gas Supply Memorandum at Exhibit D1, Tab 2, Schedule 2, page 14.

Witness: D. Small