

ENBRIDGE'S PRIOR COMMITMENTS FROM PRIOR SETTLEMENT PROPOSALS

As noted in the final paragraph of Exhibit A1, Tab 3, Schedule 1, Enbridge has made several commitments in recent Settlement Proposals related to items that Enbridge has agreed to pursue and report on, or to explain, in evidence to be filed in future proceedings. Several of these items are relevant to this 2018 Rate Adjustment proceeding. The following sets out a summary of each such commitment, along with an indication of where Enbridge's response to that item is discussed in the written direct evidence for this proceeding.

A. EB-2017-0102: 2016 Earnings Sharing Mechanism

Enbridge's commitments related to the 2018 Rate Adjustment proceeding stemming from the Settlement Agreement for the 2016 Earnings Sharing proceeding are as follows:

1. In relation to the Average Use True Up Variance Account ("AUTUVA") Enbridge agreed that it would provide the following evidence in its 2018 Rate Adjustment proceeding:

- a) Evidence, regarding how Enbridge undertakes:
 - i. Establishment of baseload;
 - ii. Establishment of heatload per customer; and
 - iii. Customer count

Witness: K. Culbert

- b) If applicable, evidence outlining any changes made since rebasing, to the methodology, parameters and assumptions of related to the determination of the items above.
- c) If there were any changes made to its calculation of the AUTUVA balances since rebasing, an analysis of the impact of the change by showing the difference between the actual normalized average use for each year, and what the amount would have been if no changes had been made.
- d) Forecast volumes and customer meters on a monthly basis including the forecast monthly figures for baseload and heatload per customer. In the 2018 Earnings Sharing Mechanism proceeding, Enbridge will provide these figures on an actual basis.

Details on these items can all be found in Exhibit C1, Tab 2, Schedule 1. Item a) is set out beginning on page 13. Item b) is set out at paragraph 2. Item c) is not applicable since, per item b) there have been no changes to the methodology. Item d) is set out at Appendix A.

2. Enbridge agreed that as part of its 2018 Rate Adjustment Application, it would file evidence explaining the steps that have been taken to address UAF that may be associated with metering differences at gate stations (as described in response to BOMA Interrogatory #21). Enbridge's evidence was to address any reductions in UAF achieved to date from review of metering at gate stations, as well as plans for any future actions to address this item.

Witness: K. Culbert

Details on this item can be found at Exhibit D1, Tab 2, Schedule 4 beginning on page 4.

B. EB-2016-0215: 2017 Rate Adjustment

Enbridge's commitments related to the 2018 Rate Adjustment proceeding stemming from the 2017 Rate Adjustment proceeding are as follows:

1. Enbridge made several commitments in the 2017 Rate Adjustment Settlement Proposal. Those items relevant to the 2018 Rate Adjustment are as follows:

a) Review of firm transportation requirements to underpin deliveries

In consideration of the continuing shift in gas supply to Dawn, Enbridge agreed to examine whether it is appropriate to amend the current requirements for firm transportation to underpin Direct Purchase and system gas deliveries, in order to provide equal treatment of Direct Purchase and system gas customers and balance transportation commitment requirements with security of supply objectives. Enbridge agreed to report on this review and any proposed or planned changes in its 2018 Gas Supply Plan.

Details on this item can be found at Exhibit D1, Tab 2, Schedule 3, paragraph 16.

b) Update to heat value

For many years, Enbridge has used the same heat value for gas for the purpose of gas supply planning and calculating delivery obligations for Direct Purchase

Witness: K. Culbert

customers. In recent years, the heat value of gas received by Enbridge has been increasing. Starting in July 2017 (subject to conditions precedent in terms of timing), Enbridge will update the heat value to be used for Direct Purchase

delivery obligations. Starting in its 2018 gas supply plan, Enbridge will use an updated heat value for gas supply planning. The updated heat value used will be the average heat value for the previous twelve months ending March 31st, update effective July 1st every year.

Details on this item can be found at Exhibit D1, Tab 2, Schedule 3, paragraph 36.

c) Consultation to consider moving to an Ontario Landed Reference Price

Enbridge agreed to make reasonable efforts to convene and complete a stakeholder consultation process before the 2018 Rate Adjustment Application to consider whether and/or how to move to an Ontario Landed Reference Price, instead of an Empress Reference Price, for the setting of gas supply charges. Enbridge agreed to report on its position and any proposal as part of the 2018 Rate Adjustment Application.

Details on this item can be found at Exhibit H1, Tab 2, Schedule 2.

d) Review of Cap and Trade impacts on volumes forecast

As part of its 2018 Rate Adjustment Application, Enbridge agreed to present evidence addressing the impact on its gas volume forecasting methodology and (as applicable) its 2018 volumes forecast (including the Average Use True Up

Variance Account (AUTUVA)), of the Ontario Government's climate change policies and associated Cap and Trade framework.

Details on this item can be found at Exhibit C1, Tab 2, Schedule 1, Appendix C.

2. Further, in its written direct evidence in the 2017 Rate Adjustment proceeding, at Exhibit H1, Tab 2, Schedule 1: Future Plans, Enbridge made the following commitment:

As agreed, Enbridge will undertake analysis of the value of seasonal credit costs and will discuss with customers whether there are any further changes to the Interruptible Service Program that would make it more attractive.

The Company plans to begin its analysis and consultation as soon as possible following the end of the 2017 winter season. This will give Enbridge and its customers the opportunity to take into consideration any impacts this upcoming winter may have. Last winter was mild and there was very little Curtailment requirement. If the current winter is closer to budget or slightly colder and Enbridge needs to curtail more, this could impact customer decisions around the value and attractiveness of the Interruptible Service Program.

Details on this item can be found at Exhibit H1, Tab 2, Schedule 1.

C. EB-2016-0142: 2015 Earnings Sharing Mechanism

Enbridge's commitments stemming from the Settlement Agreement in the 2015 Earnings Sharing proceeding which are relevant to the 2018 Rate Adjustment proceeding are as follows:

1. Enbridge agreed to commence a process to consider whether there are cost-effective changes that may be made to interruptible distribution service that would make that service more attractive to customers, and thereby avoid

Witness: K. Culbert

incremental firm transportation capacity or other costs. Enbridge agreed to present an analysis of the value that the Company would pay for the seasonal credit and to discuss with stakeholders (including large volume customers) what changes they might like to see to the interruptible program that would make it more cost effective. There is no expectation that any new rate offering would be available before 2018 at the earliest, although Enbridge will report on this initiative in its 2017 Rate Adjustment Application.

Details on this item can be found at Exhibit H1, Tab 2, Schedule 1.

2. Enbridge agreed that before the Company develops or acquires additional storage capacity for utility or regulated gas supply purposes it will file analysis with the Board setting out the need and justification for the incremental storage.

Details on this item can be found at Exhibit D1, Tab 2, Schedule 3, paragraphs 23 and 29.