

FRPO INTERROGATORY #1

INTERROGATORY

REF: Page 2 of 13

The periodic re-establishment of MDV would be applicable to all Pool types including both customers and agents, and would be an automatic process that cannot be deselected or opted out of. The MDV calculation and re-establishment process would occur monthly.

Preface: We understand that the MDV re-establishment process will assist individual DPA's manage changes to Pool composition. At the same time, the more frequent adjustments to deliveries has the potential to leave pipeline capacity empty.

1. What is EGD's plan to deal with unutilized long-haul pipe capacity generated from the sum of the changes?

- a) If the gas is not needed by the system gas pool, would EGD be considering allowing the pipe to go empty; attracting UDC costs? If so, how would those costs be allocated?
- b) If the gas is not needed by the system gas pool, would EGD be considering filling the pipe and selling the gas in the east? If so, would the incremental margin from re-sale go directly into the deferral account to reduce load balancing costs?
- c) How would any other incremental costs or benefits generated by MDV changes be allocated?

RESPONSE

- a) EGD flows its long haul TCPL capacity at a 100% Load Factor with no UDC. If capacity came back to Enbridge as a result of an MDV change, the utility would, as today, manage it and its other gas supplies to manage market demand and storage requirements with no UDC related costs.
- b) EGD is not permitted to sell gas outside of its franchise area.
- c) It is not anticipated there will be other incremental costs or benefits.

Witnesses: I. Macpherson  
B. Manwaring

FRPO INTERROGATORY #2

INTERROGATORY

REF: Page 3 of 13

In the absence of a Pool composition change, a variation in a consumer's actual consumption versus its original forecasted consumption, would not trigger the Pool MDV re-establishment process.

REF: Page 4 of 13

Load balancing functionality for suspension requests will be limited to a maximum length of one month, but cannot cross over a month end. Each suspension request will be validated against the effective MDV of the respective month. The system will allow for the editing of suspension/make-up requests up until two business days prior to the effective date. Makeup functionality is otherwise unaffected.

REF: EB-2008-0106 Exhibit IR 10, Schedule 2, page 1 of 5 (IR Response to FRPO)

As explained at the Technical Conference (Tr. p. 146 to 149) there is a crossfunctional team that meets on a regular basis to review near term projections of supply and demand, make decisions to adjust the levels of seasonal supply if necessary. This team reviews the BGA positions to determine if there is a need for suspensions and/or makeups. The team, after looking at the near term projections of supply and demand, determines whether we can offer suspensions and/or makeups without affecting storage targets and meeting customers' demands and establishes a level of suspensions and/or makeup that will be made available on a go forward basis which is then allocated to the DP customers on a first come first served basis.

Preface: We understand the MDV proposal includes provision for MDV re-establishment when there is a change in Pool composition. For circumstances when actual volumes differ substantially from forecast and there is no change in Pool composition, EGD provides suspension or make-ups. With addition of algorithms to provide weather normalized forecasting, EGD will have enhanced data for determinations of the position of a Direct Purchase Account (DPA) relative to forecast.

How will EGD use the additional data from the systems developed in this proposal in the determination of available room for suspensions or need for makeup on a total system basis?

Witnesses: I. Macpherson  
B. Manwaring

## RESPONSE

Historically, load balancing has been required because of Pool composition change, economic conditions or weather variance from normal. MDV re-establishment functionality will serve to mitigate the effects of composition changes. Suspension and make-ups will then be relied on to manage the effect of production and weather variations.

Suspension and make-up allowances will continue to be determined in the same manner based on overall BGA positions and forecasted physical operating conditions. In addition to suspension and make-up, Enbridge offers customers a number of other load balancing tools including in-franchise title transfers, ex-franchise title transfers, BGA rollovers, general service account MDV adjustment, and mid-term enrollment of accounts.

The MDV proposal does not include new or enhanced functionality with respect to reporting direct purchase pool balances or BGA balances to forecast. The MDV proposal is intended to better align deliveries to account for customer migration and to establish MDV on a weather normalized basis.

Please refer to the response to Board Staff Interrogatory #4, at Exhibit MDV IR24, Schedule 4.

Witnesses: I. Macpherson  
B. Manwaring

FRPO INTERROGATORY #3

INTERROGATORY

REF: Page 3 of 13

In the absence of a Pool composition change, a variation in a consumer's actual consumption versus its original forecasted consumption, would not trigger the Pool MDV re-establishment process.

REF: Page 4 of 13

Load balancing functionality for suspension requests will be limited to a maximum length of one month, but cannot cross over a month end. Each suspension request will be validated against the effective MDV of the respective month. The system will allow for the editing of suspension/make-up requests up until two business days prior to the effective date. Makeup functionality is otherwise unaffected.

REF: EB-2008-0106 Exhibit IR 10, Schedule 2, page 1 of 5 (IR Response to FRPO)

As explained at the Technical Conference (Tr. p. 146 to 149) there is a crossfunctional team that meets on a regular basis to review near term projections of supply and demand, make decisions to adjust the levels of seasonal supply if necessary. This team reviews the BGA positions to determine if there is a need for suspensions and/or makeups. The team, after looking at the near term projections of supply and demand, determines whether we can offer suspensions and/or makeups without affecting storage targets and meeting customers' demands and establishes a level of suspensions and/or makeup that will be made available on a go forward basis which is then allocated to the DP customers on a first come first served basis.

Preface: We understand the MDV proposal includes provision for MDV re-establishment when there is a change in Pool composition. For circumstances when actual volumes differ substantially from forecast and there is no change in Pool composition, EGD provides suspension or make-ups. With addition of algorithms to provide weather normalized forecasting, EGD will have enhanced data for determinations of the position of a Direct Purchase Account (DPA) relative to forecast.

Will the relative amount of difference between forecast and actual for an individual Direct Purchase Account provide increased priority for customers in greater need of adjustment (i.e., if a DPA is projected to be long by 40%, would that DPA have priority access to suspensions versus a DPA that is projected to be 10% long)?

Witnesses: I. Macpherson  
B. Manwaring

RESPONSE

Suspension and make-up will continue on a first come first serve basis. Currently, there are no plans to give a priority to load balancing requests for customers deemed to have greater need. EGD operates direct purchase pools on terms of one point or annual balancing and under this proposal will allow customers to manage their BGA positions throughout the contract term. Customers also have access to a number of other load balancing tools which are not subject to the types of operational restrictions experienced for suspensions.

Witnesses: I. Macpherson  
B. Manwaring

FRPO INTERROGATORY #4

INTERROGATORY

REF: Page 3 of 13

In the absence of a Pool composition change, a variation in a consumer's actual consumption versus its original forecasted consumption, would not trigger the Pool MDV re-establishment process.

REF: Page 4 of 13

Load balancing functionality for suspension requests will be limited to a maximum length of one month, but cannot cross over a month end. Each suspension request will be validated against the effective MDV of the respective month. The system will allow for the editing of suspension/make-up requests up until two business days prior to the effective date. Makeup functionality is otherwise unaffected.

REF: EB-2008-0106 Exhibit IR 10, Schedule 2, page 1 of 5 (IR Response to FRPO)

As explained at the Technical Conference (Tr. p. 146 to 149) there is a crossfunctional team that meets on a regular basis to review near term projections of supply and demand, make decisions to adjust the levels of seasonal supply if necessary. This team reviews the BGA positions to determine if there is a need for suspensions and/or makeups. The team, after looking at the near term projections of supply and demand, determines whether we can offer suspensions and/or makeups without affecting storage targets and meeting customers' demands and establishes a level of suspensions and/or makeup that will be made available on a go forward basis which is then allocated to the DP customers on a first come first served basis.

Preface: We understand the MDV proposal includes provision for MDV re-establishment when there is a change in Pool composition. For circumstances when actual volumes differ substantially from forecast and there is no change in Pool composition, EGD provides suspension or make-ups. With addition of algorithms to provide weather normalized forecasting, EGD will have enhanced data for determinations of the position of a Direct Purchase Account (DPA) relative to forecast.

Will EGD allow for suspensions or makeups for individual DPA's if that DPA is projected to be out of tolerance even if the entire system is projected to be in tolerance with the gas supply plan? If so, is the threshold for approval a projection of +/- 5.5% difference or another number to justify adjustments to an individual DPA?

Witnesses: I. Macpherson  
B. Manwaring

RESPONSE

Enbridge will not allow suspensions and make-up for individual contracts based on projected demand. Suspension and make-up availability is offered on a first come first serve basis and is offered based on forecasted operating conditions.

Witnesses: I. Macpherson  
B. Manwaring