

CME INTERROGATORY #1

INTERROGATORY

Reference: Operational Services shared with Gazifère

In this application, Enbridge Gas Distribution ("EGD") requests that the Board grant it a permanent exemption from section 2.2.4 of the Code, and any other applicable Code provisions, to permit the sharing of operational employees between EGD and Gazifère Inc. ("Gazifère"). Are the exemptions sought in this application exactly the same as the exemptions approved in EB-2008-0275? If not, please identify the differences between the exemptions sought in this application and those previously approved in EB-2008-0275.

RESPONSE

The exemption request for the on-going sharing of emergency on-call services is the same exemption that was sought in the EB-2008-0275 application. However, the Board did not address this relatively minor aspect of the application in its decision. As noted in this application, Enbridge sent a letter to the Board on January 26, 2009 requesting that the Board address this aspect of the application, and was advised by Board staff to file a new application.

In this application, Enbridge is providing the Board with further information about the requested Gazifère exemption, as more information is known now that Enbridge and Gazifère are well into the process of separating the customer information and related systems of the two companies. Through this separation process, the companies have been able to clarify service requirements, and gain a better understanding of what will be workable in future.

More specifically, Enbridge submitted in its January 26, 2009 letter that Gazifère personnel would only have direct access to Enbridge customer information after the new CIS systems are in place via Enbridge dispatch. Enbridge now knows that access to certain Enbridge systems as described in the application will be required.

CME INTERROGATORY #2

INTERROGATORY

Reference: Operational Services shared with Gazifère

EGD has filed a draft Inter-corporate Services Agreement ("ISA") which, when executed, will govern the relationship between EGD and Gazifère. Is this ISA the exact same as the ISA approved in EB-2008-0275? If not, please identify the differences, and provide an explanation as to why the ISA has been modified.

RESPONSE

There are two primary differences between the ISA filed in EB-2008-0275 ("prior ISA") and the agreement filed at Appendix III in this application. They are:

- 1) dates and pricing have changed to reflect a new service period of January 1, 2011 to December 31, 2013. The prior ISA was effective January 1, 2008 to December 31, 2010; and
- 2) Enbridge has added a new paragraph at the end of section 2.0 describing the emergency on-call services, as explained in response to Board Staff Interrogatory #1, at Exhibit I, Tab 1, Schedule 1.

The ISA has been modified to make it current, and to provide for an explanation of how the companies intend to share the emergency on-call services, as the companies now understand how their respective operations systems will interact.

CME INTERROGATORY #3

INTERROGATORY

Reference: Extended Provision of Services to Enbridge Wind Farms

Please confirm that the exemption which EGD seeks for the Talbot wind farm and the Greenwich wind farm is exactly the same as the exemption previously approved by the Board for the Kincardine wind farm in EB-2008-0275. If not, please set out the differences between the exemptions sought in this application and those previously provided in EB-2008-0275.

RESPONSE

The exemption that Enbridge is requesting in this application is the same with respect to the type of services that Enbridge wishes to provide its affiliates, and the transfer pricing principles that would apply, but is for different affiliates or facilities than those discussed in EB-2008-0275. Enbridge is seeking a more generic exemption in this application to avoid having to return to the Board if other similar affiliate operations require the same control services.

CME INTERROGATORY #4

INTERROGATORY

Reference: Extended Provision of Services to Enbridge Wind Farms

EGD is also requested that the Board grant a generic form of exemption to allow EGD to provide the Control Services for any affiliated wind farm operation. At this time, is EGD able to identify any such wind farm operations?

RESPONSE

Enbridge Inc. has advised that it has another wind farm under construction in the state of Colorado, which is expected to be commissioned in October 2011. It has not been decided yet how Control Services will be provided for this wind farm. Enbridge Inc. continues to seek new wind energy investments as part of its overall corporate strategy. Additional wind farms may be acquired in Canada or the United States as part of this strategy.

CME INTERROGATORY #5

INTERROGATORY

Reference: Extended Provision of Services to Enbridge Wind Farms

Currently, when approving exemptions specific to a particular wind farm operation, the Board reviews the draft ISA, which includes proposed hourly rates and SCADA fees for EGD's services. By doing so, the Board and interested parties are provided an opportunity to ensure that EGD charges Enbridge Inc. for the Control Services on a fully allocated basis. If the Board were to grant a generic form of exemption to allow EGD to provide Control Services to any affiliated wind farm operation, would the Board and interested parties still have an opportunity to undertake such a review? If the answer is yes, please set out the process under which the Board and interested parties would have an opportunity to review the ISA provided to a particular wind farm operation under the auspices of the generic exemption.

RESPONSE

Enbridge is seeking a generic form of exemption in this case in order to avoid having to make repeat applications to approve essentially identical requests. As part of its application, Enbridge is requesting the Board to approve the manner in which Enbridge will charge its affiliate for services, on a fully-allocated cost basis. If the Board approves Enbridge's application, Enbridge does not anticipate the need for any further formal review of extension of the Control Services to additional affiliated facilities. Enbridge would be bound by the Board's decision in how it implements such services arrangements.

Except for the fact that the ARC requires a Board exemption to provide the Control Services, the related ISAs are no different than the many other ISAs that Enbridge administers on a regular basis in accordance with the ARC. The Board may ask for these ISAs from Enbridge at any time, pursuant to the Natural Gas Reporting & Record Keeping Requirements Rule for Gas Utilities, or in the context of a relevant audit or proceeding.