

Information prepared by TransCanada to assist Union and Enbridge in answering Undertaking J1.1

The following tables pertain to the First Quarter 2011 costs associated with construction of the following facilities necessary to provide the requested service:

- 1) Construct 13 km of NPS 42 pipeline in Brampton between MLV 204 and Credit View Road (10 km) and between Station 130 and Vaughn (3 km);
- 2) Modify compressor stations at Sunridge (119), Bracebridge (123), Barrie (127) and Kirkwall (1301) to enable bi-directional compression;
- 3) Install bi-directional metering at the Niagara export and Chippawa export locations along with the appropriate over pressure control facilities at the Douglastown (1703) compressor station; and
- 4) Install additional compressor facilities at Maple (130).

**Estimated Liability of Enbridge Gas Distribution
First Quarter 2011
(For informational purposes only)**

Estimate of Enbridge Liability based on TransCanada's best estimate of the shippers proceeding with contracts past the effective date:

	January 31, 2011	March 31, 2011
TransCanada related costs	\$36,000	\$54,000
Union M12X Costs	*\$10,357,000	*\$10,357,000
Total	\$10,393,000	\$10,411,000

Estimate of Enbridge liability based on all other shippers cancelling prior to effective date with Enbridge remaining past the following dates:

	January 31, 2011	March 31, 2011
TransCanada related costs	\$291,000	\$435,000
Union M12X Costs	*\$10,357,000	*\$10,357,000
Total	\$10,648,000	\$10,792,000

* \$10,357,000 represents the estimated cost of the M12X service over 10 years that is required on the Union Gas system to provide service for the requested service.

Estimated Liability of Union Gas Limited
First Quarter 2011
(For informational purposes only)

Estimate of Union Gas liability based on the Niagara Falls to Kirkwall contract:

	January 31, 2011	March 31, 2011
TransCanada related costs	\$ 0	\$0
Total	\$0	\$0

Although the approximate cost for facilities to bring in Marcellus gas up to Kirkwall is \$13,000,000, it is not expected that the expenditure required in 2011 will be required prior to March 31, 2011 and therefore TC has estimated at this time that there will be no costs to that point. As noted in Exhibit K1.4, facilities costs of approximately \$110 million will be incurred to move gas from Niagara to Maple.