

**Gas Costs, Transportation and Storage**Reference: *Exhibit D1, Tab 1, Schedule 2, Page 2 of 2*

1. Please provide a breakout of the main drivers behind the \$80.3M increase between:
  - a. Updated 2015 volume forecast.
  - b. Gas Supply Plan
  - c. October 1, 2014 QRAM prices.

Reference: *Exhibit D1, Tab 2, Schedule 1, Page 4 of 11*

2. Please confirm the allocation of Peaking Services to Load Balancing
  - a. If not confirmed, please provide the allocation methodology and basis for the allocation.
  - b. Please provide the methodology to separate the commodity cost from other allocations.
3. How does Enbridge determine the value of Peaking Services relative to other alternatives?
  - a. Please describe the process using the 2014/15 winter for context.

Reference: *Exhibit D1, Tab 2, Schedule 1, Page 5 of 11*

4. Please breakdown the respective contributions to peak day increase demand (in GJ/day) between:
  - a. an increase in the overall peak day demand due to growth
  - b. a decline in the level of interruptible volume largely stemming from a decline in the number of interruptible customers
  - c. the migration of Ontario T-Service ("OTS") customers to either System Sales or Western T-Service ("WTS")
  - d. a decrease in available delivered service supplies
    - i. Please elaborate on the decrease in available deliverable supplies

Reference: *Exhibit D1, Tab 2, Schedule 1, Page 5 and 6 & Exhibit D1, Tab 2, Schedule 6*

Preamble: In past proceedings starting with EB-2010-0231 Enbridge increased its firm capacity. In EB-2014-0259, Enbridge established a Settlement Agreement with intervenor groups for the increase in FT capacity and the associated UDC risk.

5. Please confirm that no such Agreement was reached for the incremental FT capacity contracted for and that type of Agreement was not sought by the company.
6. Please provide the term of the incremental FT contracts categorized by end date of the contract.
7. Please provide and quantify the compensatory steps that Enbridge assessed and planned (plans) to take to mitigate the additional UDC risk including:
  - a. Reduction in deliveries at Dawn
  - b. Changes in storage (capacity and deliverability) for 2014/15
  - c. Planned changes in storage (capacity and deliverability) for 2015/16

Preamble: In EB-2012-0459, Enbridge provided a response to FRPO letter regarding additional detail on transportation, degree days and UDC risk on February 27, 2014.

8. Please reproduce the table provided on page 4 with actual results to October 31, 2014 adding:
  - a. Actual degree days
  - b. Actual percentage storage capacity fill.
9. Please replicate the same table for Nov. 1, 2014 to October 31, 2015.

Reference: *Exhibit D1, Tab 2, Schedule 1, Page 9 of 11*

10. Historically, how did Enbridge determine the date for which full storage deliverability would be maintained i.e., the specific date each year between the end of January and early February?
11. Please provide the date or range of dates in the 2015 plan.

12. Please provide the standard percentage full the storage must be maintained to secure firm deliverability.

Reference: *Exhibit D1, Tab 2, Schedule 1, Page 10 of 11*

Preamble: Enbridge states:

*Depending on a number of factors (such as the point in the winter when the decision is being made, where storage balances are relative to target, what is happening in the markets where the Company purchases gas) the Company may choose to adjust its month ahead and/or seasonal purchases taking into consideration not only budgeted weather but also medium term weather forecasts. The cost consequences of such decisions will be reflected within the PGVA*

13. Will Enbridge be documenting these decisions, the alternatives considered and the data available that was relied upon in these decisions?
- If so, how?
  - If not, why not?

Reference: *Exhibit D1, Tab 2, Schedule 4, Page 1 of 2*

14. Please provide the methodology used to allocate Niagara cost between commodity, transport and load balancing (if there is a component of localized load balancing).

Reference: *Exhibit G2, Tab 1, Schedule 1, Page 27*

Preamble: Enbridge states:

*New developments in providing customer service, operating practices, capital expansion, and gas supply, for example, are regularly monitored and cost classifications systematically reviewed each year. This ensures that cost classifications reflect cost incurrence and that similar costs are consistently treated.*

15. Please summarize the significant changes in cost allocation and classification methodologies included in the proposed rates.
- For gas supply costs, please ensure a description of the changes to approach impacting commodity, transportation and load balancing.