UNDERTAKING JT1.36

UNDERTAKING

Technical Conference TR, page 157

To provide a written response to the eight questions from Energy Probe.

RESPONSE

TCQ Energy Probe 1

Ref: BT1S3; I.T2.EGDI, Energy Probe 4; I.T3.EGDI, Energy Probe 2; I.T2.EGDI, CCC.11

Topic 2015 (Board Directed) Targets vs 2014 Achievement and 3 year average Achievement

a) Please provide the EP Excel Schedule (Tab 2) with Corrections/Updates (live Excel format)
b) Please provide for each Program with Reference to I.T2.EGDI.CCC.11, the Basis of the 2015 Targets/ Scorecards
c) For each Program provide Explanatory notes how the Targets are appropriate relative to 2014 Actual Achievements and to 2012-2014 average Achievement

Energy Probe Exhibit				**Comparison of 2015 Scorecard Metrics to 2014**												
B Tab 1 Schedule 1		**2015 (Board-Directed) Rollover Scorecard**					Ref. I.T2.EGDI.EP.4		**2014 Scorecard**				Ref. I.T3.EGDI.EP.2; I.T2.EGDI.EP.4 and I.T2.EGDI.CCC.11			
Performance Band	**Actual YTD**	**Weight**	**Lower**	**Middle**	**Upper**	**SPEND $m**	**Actual YTD**	**Weight**	**Lower**	**Middle**	**Upper**	**SPEND $m**	**Changes 2014-2015 mid per % 2014 Achieved**	**2012-14 3 year avg**		**Comments**
Resource Acquisition Total																
Resource Acquisition CCM	tbd	92%	758.9	1,011.90	1,264.90	**$ 16.64**	**664.37**	92%	744.05	992.06	1240.08	**$16.58**	**152%**	**820**		
Residential Deep Savings	tbd	8%	571	762	952		**5,213**	8%	560	747	934		**15%**	**2357**		
Commercial/Industrial Deep Savings																
Low Income Total																
Single Family - Part 9	tbd	50%	18.1	24.1	30.2	**$ 6.86**	**25.67**	50%	17.7	23.6	29.5	**$6.42**	**94%**	**27.76**		
Multi-Residential - Part 3	tbd	45%	51.6	68.7	86		**29.8**	45%	48.15	64.2	80.25		**231%**	**34.01**		
Part 3 - RIR	tbd	5%	30%	40%	50%		**74.39%**	5%	30%	40%	50%		**54%**	**79.70%**		
SBD Residential Total (MT)																
Builders Enrolled	tbd	60%	13	18	22	**$ 4.89**	**23**	60%	12	16	20	**$3.05**	**78%**	**17**		
# of Completed Units	tbd	40%	833	1,111	1,389		**1,059**	40%	750	1000	1250		**105%**	**1013**		
SBD Commercial Total (MT)																
Commercial New Construction	tbd	100%	11	18	24		**19**	100%	8	12	19		**95%**	**12**		
Home Labeling Total (MT)																
Number of Committed Realtors	tbd	50%	N/A	5,001	10,001		**40,040**	70%	0	5,001	10,001		**12%**	**42200**		
Ratings performed	tbd	50%	2,250	4,500	6,750		**662**	30%	750	1,500	2,250		**680%**	**400**		
					Subtotal	**$ 28.39**						**$ 26.05**				
					Overheads	**$ 6.60**						**$6.45**				
					Incrementa	**$ 5.25**						**0**				
					TOTAL	**$ 40.24**						**$ 32.50**				
										Residential	**$1,836,456**	**Budget**				
										Spend	**$8,605,657**	**Actual**				

Witnesses: K. Mark
F. Oliver-Glasford
B. Ott
C. Welch

Enbridge provides the following response:

a) Please see below a screenshot of the requested excel spreadsheet. An excel format inclusive of responses to questions 1, 3 and 4 in Exhibit JT1.36 will be sent to Energy Probe, copying the Board. Should any other party be interested in this excel format they may contact Enbridge directly.

Energy Probe Exhibit				Comparison of 2015 Scorecard Metrics to 2014											
B Tab 1 Schedule 1		2015 (Board-Directed) Rollover Scorecard					Ref. I.T2.EGDI.EP.4	2014 Scorecard					Ref. I.T3.EGDI.EP.2; I.T2.EGDI.EP.4 and I.T2.EGDI.CCC.11		
Performance Band	Actual YTD [1]	Weight	Lower	Middle	Upper	SPEND $m	Actual YTD	Weight	Lower	Middle	Upper	SPEND $m	Changes 2014-2015 mid per % 2014 Achieved	2012-14 3 year avg	Comments
Resource Acquisition Total															
Resource Acquisition CCM	89.29	92%	758.9	1,011.90	1,264.90	$ 16.64	664.37	92%	744.05	992.06	1240.08	$16.58	152%	820	
Residential Deep Savings	2,761	8%	571	762	952		5,213	8%	560	747	934		15%	2357	
Commercial/Industrial Deep Savings															
Low Income Total															
Single Family - Part 9	4.67	50%	18.1	24.1	30.2	$ 6.86	25.67	50%	17.7	23.6	29.5	$6.42	94%	27.76	
Multi-Residential - Part 3	1.54	45%	51.6	68.7	86		29.8	45%	48.15	64.2	80.25		231%	34.01	
Part 3 - RIR	N/A [2]	5%	30%	40%	50%		74.39%	5%	30%	40%	50%		54%	79.70%	
SBD Residential Total (MT)															
Builders Enrolled	12	60%	13	18	22	$ 4.89	23	60%	12	16	20	$3.05	78%	17	
# of Completed Units	227	40%	833	1,111	1,389		1,059	40%	750	1000	1250		105%	1013	
SBD Commercial Total (MT)															
Commercial New Construction	9	100%	11	18	24		19	100%	8	12	19		95%	12	
Home Labeling Total (MT)															
Number of Committed Realtors	15,000	50%	N/A	5,001	10,001		40,040	70%	0	5,001	10,001		12%	42200	
Ratings performed	100	50%	2,250	4,500	6,750		662	30%	750	1,500	2,250		680%	400	
					Subtotal	$ 28.39						$ 26.05			
					Overheads	$ 6.60						$6.45			
					Incremental	$ 5.25						0			
					TOTAL	$ 40.24						$ 32.50			
										Residential	$1,836,456	Budget			
Notes:										Spend	$8,605,657	Actual			
1. Actual YTD results provided are as of May 2015															
2. Low Income Part 3 RIR results are determined at year-end. For that reason, Actual YTD results are not available.															

b) In Enbridge's view the basis for 2015 targets is outlined in full within CCC Interrogatory #11 found at Exhibit I.T2.EGDI.CCC.11, wherein the Company cites the Board's direction to escalate targets from 2014 to 2015 in the same fashion as was done from 2013 to 2014, and subsequently provides the escalation factors used for each scorecard metric from 2013 to 2014. For convenience, the relevant portions of this response have been included below:

> Section 15.1 of the DSM Framework calls on the gas utilities to "…increase their budgets, targets and shareholder incentive amounts in the same manner as they have done throughout the current DSM Framework (i.e., 2013 updates to 2014 should now apply as 2014 updates to 2015)."

Witnesses: K. Mark
F. Oliver-Glasford
B. Ott
C. Welch

To determine Enbridge's 2014 targets in EB-2012-0394 the Board approved the following increases from the targets of 2013:

- Resource Acquisition
  - 2% for all targets
- Low Income
  - 2% for the Single-Family Part 9 target
  - 7% for the Multi-residential Part 3 target
  - No increase to the target for the percentage of Part 3 participants which enrolled in Run it Right / Utility Management
- Residential Savings by Design
  - 9% for the lower band of the Builder Enrollment target
  - 14% for the middle band of the Builder Enrollment target
  - 11% for the upper band of the Builder Enrollment target
  - 11% for all Completed Unit targets
- Commercial Savings by Design
  - 33% for the lower band target
  - 50% for the middle band target
  - 27% for the upper band target
- Home Labelling
  - No increase to the Realtor Commitment target
  - 300% increase to the Ratings Performed target

In keeping with the Board's direction in section 15.1 of the new DSM Framework and the escalation factors approved in EB-2012-0394 to increase DSM targets from 2013 to 2014, Enbridge applied the above noted escalations to its 2014 scorecard targets to establish 2015 targets.

c) Please see Enbridge's response to b).

Witnesses: K. Mark
F. Oliver-Glasford
B. Ott
C. Welch

TCQ Energy Probe 2

Ref: I.T2.EGDI, Energy Probe 4, Page 10

Topic Update re Clearance of 2014 accounts to rate Classes

Please provide an estimate in the Format of Page 10 of the IR Response and qualify this re Estimate/Unaudited etc,

Enbridge provides the following response:

Please see below an estimate of the Company's DSM accounts for the 2014 program year:

2014 Rate Allocation (Illustrative Purposes Only)

Rate Class	DSMIDA	LRAM	DSMVA	TOTAL
Rate 1**	$4,476,362	N/A**	$6,968,595	$11,444,957
Rate 6**	$2,647,166	N/A**	-$3,576,246	-$929,080
Rate 9*	$326	$0	-$93	$234
Rate 110	$228,800	-$11,825	-$307,460	-$90,486
Rate 115	$108,728	-$3,701	-$488,902	-$383,875
Rate 125*	$12,230	$0	-$3,488	$8,741
Rate 135	$23,438	$658	-$86,721	-$62,625
Rate 145	$54,091	-$30,189	-$934,532	-$910,629
Rate 170	$91,047	-$20,282	-$1,217,209	-$1,146,445
Rate 200*	$4,240	$0	-$1,209	$3,030
Rate 300*	$815	$0	-$233	$582
Total	$7,647,242	-$65,339	$352,502	$7,934,405

Rates 9, 125, 200 & 300 will not have any LRAM component included in the rate allocation since customers in these rates classes are not eligible for DSM programs. These rate classes will however, be subject to rate allocations for DSMVA and applicable DSMIDA related to the Low Income Program.

**** Rate 1 and Rate 6 are not included in the LRAM amount for clearance above as these rate classes are covered under the Average Use True-Up Variance Account (AUTUVA)**

Note: Numbers may not add up due to rounding

Note: 2014 values are provided above for illustrative purposes. 2014 results are subject to final approval through the 2014 Clearance of Accounts proceeding to be submitted to the Board

Witnesses: K. Mark
F. Oliver-Glasford
B. Ott
C. Welch

TCQ Energy Probe 3

Ref: Exhibit I.T2.EGDI, Energy Probe 4; I.T3.EGDI, Energy Probe 7; I.T3.EGDI, Energy Probe 14 c, d, e

Topic Efficiency Metrics $/CCM 2012-2014 and 2015

Enbridge provides the following response:

Please see TCQ Energy Probe 4 for Enbridge's Response.

Witnesses: K. Mark
F. Oliver-Glasford
B. Ott
C. Welch

TCQ Energy Probe 4

Ref: I.T3.EGDI, Energy Probe, 14.

Topic Efficiency Metrics $/CCM 2016-2020

The Efficiency Metrics provided in the referenced IR responses are not easily reconciled with data provided in other IR Responses:

a) Please provide a set of efficiency metrics ($/CCM) in the format provided in the Template provided in the EP Schedule. Provided in KT 1.1 subject to a copy in Excel Format, and subject to part b)
b) Please provide any qualifiers/comments as to how these metrics fit with the prefiled evidence and IR Responses,
c) Provide Reconciliations with the prefiled evidence, for example Exhibit BTab1 Schedule 2 Table 1 and IRRs e.g. I.T3.EGDI.CME.3

				or	or	or	or	or
				$/Participant	$/Participant	$/Participant	$/Participant	$/Participant
FORMAT	**I.T3.EGDI.EP.14**							
Large C&I Customers (Sum)		0.0120	?	0.0123	0.0126	0.0128	0.0130	$0.0132
Large Custom				0.0114	0.0117	0.0119	0.0121	$0.0123
Large Prescriptive				0.0195	0.0200	0.0203	0.0207	$0.0210
Small C&I Customers (Sum)		0.0111	?	0.0414	0.0417	0.0417	0.0417	$0.0417
Small Custom				0.0257	0.0259	0.0259	0.0259	$0.0259
Small Prescriptive				0.0138	0.0139	0.0139	0.0139	$0.0139
Small DI				0.0821	0.0827	0.0827	0.0827	$0.0827
Small Commercial New				N/A	0.0893	0.1335	0.1251	$0.1073
Residential Thermostats			?	0.0367	0.0320	0.0304	0.0296	$0.0294
Residential HEC (CCM)		0.0959	?	0.1184	0.1111	0.1067	0.1037	$0.1017
TOTAL				0.0330	0.0362	0.0385	0.0386	$0.0387
Low Income		0.0930	?	?	?	?	?	?
TOTAL	**I.T3.EGDI.CME.3**		0.0490	0.0630	0.0680	0.0690	0.0700	0.0700
FORMAT REQUESTED								
Resource Acquisition		**2014 $/CCM**	**2015 $/CCM**	**2016 $/CCM**	**2017 $/CCM**	**2018 $/CCM**	**2019 $/CCM**	**2020 $/CCM**
Residential								
Commercial								
Industrial								
Total Resource Acquisition								
Low Income								
Single Family - Part 9								
Multi Residential - Part 3								
Private								
Total Low Income								
TOTAL RA								

Witnesses: K. Mark
F. Oliver-Glasford
B. Ott
C. Welch

Enbridge provides the following response:

a) Below please find the $/ccm chart in the format requested. As noted above, Enbridge shall provide an excel format of the below directly to Energy Probe, copying the Board. Should any other party wish to receive this excel format they may contact Enbridge directly.

FORMAT REQUESTED									
Resource Acquisition	**2012 $/CCM [1]**	**2013 $/CCM [1]**	**2014 $/CCM [1]**	**2015 $/CCM [2]**	**2016 $/CCM [3]**	**2017 $/CCM [3]**	**2018 $/CCM [3]**	**2019 $/CCM [3]**	**2020 $/CCM [3]**
Residential	$0.154	$0.068	$0.096	$0.102	$0.103	$0.091	$0.084	$0.083	$0.081
Commercial	$0.012	$0.010	$0.011	$0.013	$0.023	$0.025	$0.026	$0.026	$0.026
Industrial	$0.009	$0.012	$0.012	$0.014	$0.020	$0.021	$0.022	$0.023	$0.023
Total Resource Acquisition	$0.012	$0.013	$0.023	$0.021	$0.033	$0.036	$0.038	$0.038	$0.038
Low Income [4]									
Single Family - Part 9	$0.233	$0.141	$0.175	$0.185	$0.199	$0.206	$0.212	$0.218	$0.225
Multi Residential - Part 3	$0.032	$0.026	$0.044	$0.041	$0.056	$0.055	$0.055	$0.054	$0.054
Private	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Low Income	$0.105	$0.089	$0.093	$0.085	$0.116	$0.118	$0.116	$0.117	$0.117
TOTAL RA & LI	$0.018	$0.019	$0.029	$0.028	$0.040	$0.043	$0.045	$0.045	$0.045

1. 2014 $/CCM, as per response to Energy Probe IR# 4
2. 2015 $/CCM Forecast as of May 2015. $/CCM calculations based on Forecasted Program Spending, not OEB Approved Budget (in EP# 7)
3. 2016-2020 C&I $/CCM calculation includes CEM, RIR, Energy Compass, and budget from Energy Leaders
4. 2016-2020 Low Income $/CCM calculation excludes LI New Construction

b) Without further context, Enbridge does not have any qualifiers/comments regarding how these metrics fit with the pre-filed evidence and Interrogatory responses.

c) Using the example provided (Exhibit B, Tab1, Schedule 2, Table 1 and CME Interrogatory #3 found at Exhibit I.T3.EGDI.CME.3), a reconciliation shows that the same evidence was presented in both the submitted plan and the interrogatory response.

Witnesses: K. Mark
F. Oliver-Glasford
B. Ott
C. Welch

TCQ Energy Probe 5

Ref: I.T2.EGDI, Energy Probe 26

Topic Declining Efficiency on RA and MTEM Scorecards

a) The IR Response indicates Declining RA Program Efficiency ($/CCM) please provide information on two (hypothetical) scenarios

   1. The target be shifted down by 25% i.e. 100% at 75% and 125%

      Please provide the scorecard for this Scenario and Show the Budget, CCM and Incentives for the Rate 1 and Rate 6.

   2. Eliminate the 150% Stretch from the Scorecard

      Please provide a revised Scorecard and show the Impacts on Budgets CCM and Shareholder Incentive allocated to Rate 1 and Rate 6

b) With regard to the Response on the MTEM Program (accepting that the MTEM Program has two goals-- CCM and MT) it appears that for the CCM portion the 150% stretch factor is showing dramatically higher costs allocated to Rates 1 and 6 and significantly lower efficiency $/CCM
   Please provide (as a hypothetical) revised Scorecard with no 150% stretch and provide the impact on CCM and shareholder Incentive

Enbridge provides the following response:

a) 1. On the following page, Enbridge has provided an illustrative 2016 Resource Acquisition scorecard and Rate 1 and 6 budget allocation under a scenario in which the total DSM budget has been reduced by 25% below proposed levels (i.e., the 75% scenario in the Company's sensitivity analysis now forms the basis for the 100% target on the scorecard).

Witnesses: K. Mark
F. Oliver-Glasford
B. Ott
C. Welch

Resource Acquisition

Component	Offers Counted	Metric	Weight	Lower	Middle	Upper
Large Volume Customers[1]	Custom, Prescriptive, Direct Install, RiR, CEM	CCM (millions)	40%	322.3	429.7	644.6
Small Volume Customers	Custom, Prescriptive, Direct Install; Small Comm. New Construction; HEC; Adaptive Thermostats	CCM (millions)	40%	159.9	213.3	319.9
TOTAL RESOURCE ACQUISITION CCM				482.2	643.0	964.4
Residential Deep Savings	HEC	Number of participants[2]	20%	4005	5340	8010

1) Large volume consumers include commercial customers with a 3 year average annual consumption of greater than 75,000m^3/year or industrial customers with a 3 year average consumption of greater than 340,000m^3/year
2) Number of participants with at least 2 major measures (average annual gas savings across all participants must be at least 15% of combined baseline space heating and water heating usage for any incentives to be earned)

	Illustrative Rate Allocation of DSM Budget & 100% Level Shareholder Incentive
Rate 1	$28,252,768
Rate 6	$20,617,685

2. Please see on the following page a revised version of the above noted illustrative 2016 Resource Acquisition scorecard in which the 150% stretch target has been reduced to a level of 125%. Enbridge's budgets have been designed to enable achievement at the 100% target level, making the 150% level of achievement a highly challenging stretch. For this reason however, elimination of the 150% stretch target has no impact, upwards or downwards, on Enbridge's proposed

Witnesses: K. Mark
F. Oliver-Glasford
B. Ott
C. Welch

DSM budgets. In regards to shareholder incentives, the above Rate Allocations for Rates 1 and 6 included the shareholder incentives available at the 100% target levels and thus are unchanged in this illustrative scenario. For clarity however, Enbridge does not believe that any adjustment of its scorecards made by the Board in this proceeding warrants a reduction in the potential shareholder incentive available to the Company, which is critical to attaining and retaining the focus of senior utility management. Thus a reduction of the target shall make the maximum potential shareholder incentive amount for Resource Acquisition available at the 125% achievement level.

Illustrative 2016 Resource Acquisition Scorecard (without 150% Stretch)

Resource Acquisition

Component	Offers Counted	Metric	Weight	Lower	Middle	Upper
Large Volume Customers[1]	Custom, Prescriptive, Direct Install, RiR, CEM	CCM (millions)	40%	322.3	429.7	537.1
Small Volume Customers	Custom, Prescriptive, Direct Install; Small Comm. New Construction; HEC; Adaptive Thermostats	CCM (millions)	40%	159.9	213.3	266.6
TOTAL RESOURCE ACQUISITION CCM				482.2	643.0	803.7
Residential Deep Savings	HEC	Number of participants[2]	20%	4005	5340	6675

1) Large volume consumers include commercial customers with a 3 year average annual consumption of greater than 75,000m^3/year or industrial customers with a 3 year average consumption of greater than 340,000m^3/year

2) Number of participants with at least 2 major measures (average annual gas savings across all participants must be at least 15% of combined baseline space heating and water heating usage for any incentives to be earned)

Witnesses: K. Mark
F. Oliver-Glasford
B. Ott
C. Welch

b) Please see below an illustrative MTEM scorecard in which the 150% stretch target has been reduced to the 125% level. As noted above, since the Company's budgets have been designed at the 100% target level and shareholder incentives allocated within rates were done so assuming the 100% achievement level, there is no impact on rate allocations for rates 1 and 6 by removing the 150% target.

Market Transformation & Energy Management

Component	Offers Counted	Metric	Weight	Lower Band	Middle Band	Upper Band
Energy Management	Opower	CCM (millions)	5%	14.6	19.5	24.4
	School's Energy Competition	School's Enrolled	5%	38	50	62.5
	RiR	Participants	20%	56	75	93.8
	CEM	Participants	20%	5	6	7.5
New Construction	Residential Savings by Design	Builder Enrolments	10%	23	30	37.5
		Homes Built	15%	1875	2501	3125
	Commercial Savings by Design	New Developments	15%	23	30	37.5
	New Construction Commissioning	Enrollments	5%	15	20	25.0
Home Rating	Home Rating	Ratings Completed	5%	447	596	745.3

Witnesses: K. Mark
F. Oliver-Glasford
B. Ott
C. Welch

TCQ Energy Probe 6

Ref: I.T3.EGDI, Energy Probe, 15; I.T8.EGDI.CCC.30

Topic Value Proposition for Residential customer paying $0.67/month in 2014 and 2.00/month in 2016 and beyond

Preamble: EGD has not accepted the Proposition in the Interrogatory-We asked EGD to provide in qualitative/quantitative terms the incremental value received by a typical Residential Customer that Paid on average $0.67/month for DSM Programs in 2014 and will now pay above 2.00/month in 2016 onward.

Referred to I.T8.EGDI.CCC.30. So EP requests a response based on that IRR.

Background
EGD Distinguishes Participants and Non Participants in the HEC RA program.

Participants
Exhibit BTab 1Schedule 4 Page 9 Table 7, shows a budget (including Overheads) of $12.5 million for HEC (and $0.88 million for Adaptive Thermostats); Table 8 shows CCM of 290.2 m3 and 7,508 Participants

Direct Benefits are cited (based onTRC?) as $23.6 million in 2016, while the incremental costs to the (participating) customer, after receiving an incentive from Enbridge, is $10.9 million. Please provide EGD's Cost/Benefit Analysis for the 7,508 HEC participants?

a) Confirm who receives Incentive
b) Provide an analysis of Direct Benefits (breakdown of the inputs/outputs of the TRC + Test?)

For Example (illustrative) :
Benefits to Participating customers: 7508 x avg. Incentive=$X million
Benefits to All Customers: TRC+ benefits =$Y million
Net Benefit (Y-X): =Z Million

Non-Participants
IRR states "The benefits to non-participants are largely societal in nature and include impacts such as environmental benefits through reduced greenhouse gas emission, societal benefits, particularly for low income consumers, and economic stimulus."

Witnesses: K. Mark
F. Oliver-Glasford
B. Ott
C. Welch

c) Please Provide a Qualitative/quantitative analysis of Cost to Non participants:
For Example (Illustrative)
Benefits:
Avoided Cost $m
GHG Reductions (monetized $)

d) Explain relevance of Societal (Low Income) benefits from a Residential RA program as opposed to Low Income program paid by other ratepayers

e) Economic Stimulus; Is this the gross capital investment times an appropriate multiplier? Does it include annual operating costs/benefits. Please provide an cost/benefit analysis.

Enbridge provides the following response:

The Company believes that its response to Environmental Defence Interrogatory#13, filed as Exhibit I.T3.EGDI.ED.13, will assist in addressing Energy Probe's inquiry. Specifically, Enbridge has provided a relevant excerpt below for convenience:

> Determining the value of savings directly attributable to the average residential is a highly challenging undertaking which the Company cannot endeavor to complete at this time. This is due to the fact that the benefits to the average customer are largely societal, as captured in the TRC Plus test. Direct benefits of Enbridge's Programs are largely attributable to participants, which is why the Company is pleased that the Board has encouraged increased participation levels in the DSM Framework.

Having said the above, Enbridge believes that DSM may create other non-energy benefits such as industrial productivity, poverty alleviation, health and well-being, local employment, disposable income with associated economic stimulus and environmental benefits. As it has always been difficult to quantify these benefits with any accuracy, these benefits may or may not be fully captured by the 15% adder applied to the avoided costs of the TRC test in order to create the TRC Plus test.

In relation to costs, Enbridge has outlined that in 2015 the monthly cost of its DSM programs to the typical residential customer will be $0.85 per month, an amount which will increase to reach $2.21 by 2020 without accounting for inflation.[1]

[1] Exhibit B, Tab 2, Schedule 4, assuming the utility claims the shareholder incentives available at 100% target achievement

Witnesses: K. Mark
F. Oliver-Glasford
B. Ott
C. Welch

TCQ Energy Probe 7

Ref: C Tab 1, Schedule 1; I.T2.EGDI, Energy Probe 34

Topic Alignment of Residential and Low Income Sector Budgets and CCM to Navigant DSM Potential Study

a) Please Clarify all references to Tables in the text of the Response and provide the specific evidentiary references
b) Confirm the Budget 2015-2020 of $302.1m includes "only non CCM" and indicate if it does/does not include Overheads. Clarify what is included/excluded at program level etc..
c) Chart Provided in IRR Part a) Figure 1 Gas Savings with Simulated Plan
Please provide a chart/graph or charts showing the Savings and Budgets 2015-2020:
Savings
Achievable Savings Potential lines –Base case and upper and lower scenarios and positioning the Plan Savings (100%) from 2015-2020.

Budgets/Spend
On the same or separate chart the Achievable Scenario Budgets Base Case Upper and Lower and Plan Budgets

Enbridge provides the following response:

a) Please see below clarification regarding the tables re-created in response to Energy Prove Interrogatory # 34 found at ExhibitI.T2.EGDI.EP.34:

- Table 1 compares Enbridge's proposed DSM budgets by sector to the DSMSim scenario budgets which were inserted into the model for the purpose of answering Energy Probe Interrogatory #34
- Table 2 presents the Gross Annual Achieveable m3 savings by sector according to Navigant's model based on the DSMSim scenario budgets.
- Figure 1 is a re-creation of Figure ES-1, located at Exhibit C, Tab 1, Schedule 1, page 13 .
- Table 3 is a re-creation of Table ES-1, located at Exhibit C, Tab 1, Schedule 1, page 13.
- Table 4 is a re-creation of Table 5-17, located at Exhibit C, Tab 1, Schedule 1, page 129.

Witnesses: K. Mark
F. Oliver-Glasford
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- Table 5 is a re-creation of Table 5-18, located at Exhibit C, Tab 1, Schedule 1, page 129.
- Table 6 is a re-creation of Table 5-20, located at Exhibit C, Tab 1, Schedule 1, page 133.
- Table 7 is a re-creation of Table 5-16, located at Exhibit C, Tab 1, Schedule 1, page 128.
- Table 8 is a re-creation of Table 5-22, located at Exhibit C, Tab 1, Schedule 1, page 160.

b) The total of $302.1 million does include overheads and portfolio costs (e.g. DSM IT chargeback, evaluation, collaboration and innovation fund), however these costs were included at the portfolio level and not the sector level for the purpose of running the analysis requested. Sector level totals can be found in Table 1 of Exhibit I.T2.EGDI.EP.34. In regards to program dollars, "non-CCM" offers excluded include Low Income New Construction and Market Transformation & Energy Management ("MTEM") offers[2].

c) Enbridge interprets Energy Probe's statement as a request to compare Enbridge's proposed DSM targets against the outputs received from the DSMSim model for the purpose of answering Energy Probe Interrogatory #34.
The Company has provided this comparison in the table below, subject to the following caveats and explanations:

- For the purpose of this analysis, the Company's DSM Plan proposal has been labeled as "DSM Plan" and the outputs of the DSMSim model have been labeled as "DSMSim";
- The budgets calculated by the DSMSim model were not exact replicas of Enbridge's proposed budgets, though best efforts were made to do so and their proximity is within reason. Budgets are an output of the DSMSim model, rather than an input. Navigant calibrated the model to generate total budgets for 2016-2020 to roughly equal Enbridge's total proposed budgets between 2016-2020. Because Navigant calibrated to the five-year totals, the year-by-year budgets will differ between the DSMSim outputs and Enbridge's proposed budgets. The five-year total budget, excluding non-CCM program costs, from DSMSim was $297.9 million, while Enbridge's proposed five-year budget was $302.1 million;
- Enbridge's proposed DSM Plan includes a significant ramp-up in budget across nearly all sectors. I n contrast, the DSMSim model relies on input parameters related to market adoption to derive the market diffusion

[2] Note that the Resource Acquisition portions of the Run it Right and Comprehensive Energy Management offers was included in the analysis as these offers do generate CCM, though the MTEM portion of these budgets was not.

characteristics exhibited in its achievable potential estimates. Those input parameters come from vetted and empirically-derived values observed across multiple product types. The combination of the market adoption parameters and the unique characteristics of the market analyzed in this study led to nearly flat achievable potential estimates and nearly flat budgets over the ten-year study horizon. For this reason, a direct comparison between the DSM Plan and DSMSim scenario targets and budgets is not apples to apples, particularly in the early years of the analysis. However, a Gross m3 / $ analysis has been provided to aid in this comparison; and,

- Enbridge's proposed DSM targets are net cumulative cubic metres ("CCM"), where the outputs of the DSMSim model are Gross Annual m3. For the purpose of comparison the Company has made the assumptions which it believes are reasonable to convert its CCM targets into Gross Annual m3 within an acceptable timeframe. This analysis will thus not provide an exact representation of what Enbridge's targets would be if converted from CCM to Gross Annual m3 on a measure by measure basis.

Gross Annual m3 (millions)	2016		2017		2018		2019		2020	
	DSM Plan	DSMSim	DSM Plan	DSMSim	DSM Plan	DSMSim	DSM Plan	DSMSim	DSM Plan	DSMSim
Residential	12.14	24	17.69	23.6	23.05	23.5	24.16	23.5	25.07	23.35
Low Income	8.43	4.9	8.85	4.8	9.60	4.7	9.74	4.7	9.89	4.8
Commercial / Industrial	73.68	84.7	74.99	85.2	75.63	86.1	76.23	86.5	77.12	86.2
Total Gross Annual m3	**94.25**	**113.6**	**101.53**	**113.6**	**108.28**	**114.3**	**110.14**	**114.7**	**112.08**	**114.35**
Budget ($ millions)	**2016**		**2017**		**2018**		**2019**		**2020**	
Residential	$13.0	$18.3	$16.7	$18.2	$20.2	$18.3	$20.6	$18.4	$21.0	$18.4
Low Income	$9.0	$9.6	$9.7	$9.7	$10.2	$10.0	$10.4	$10.2	$10.7	$10.5
Commercial / Industrial	$16.5	$18.6	$18.2	$18.7	$19.4	$19.0	$19.8	$19.1	$20.2	$19.1
Total "CCM" Program Budget	**$38.6**	**$46.5**	**$44.6**	**$46.6**	**$49.8**	**$47.3**	**$50.8**	**$47.7**	**$51.8**	**$48.0**
Gross m3 / $	**2016**		**2017**		**2018**		**2019**		**2020**	
Residential	0.93	1.31	1.06	1.30	1.14	1.28	1.17	1.28	1.19	1.27
Low Income	0.93	0.51	0.92	0.49	0.94	0.47	0.93	0.46	0.93	0.46
Commercial / Industrial	4.46	4.55	4.12	4.56	3.90	4.53	3.85	4.53	3.82	4.51
Total Gross m3 / $	**2.44**	**2.44**	**2.28**	**2.44**	**2.17**	**2.42**	**2.17**	**2.40**	**2.16**	**2.38**

TCQ Energy Probe 8

Ref: C Tab 1 Schedule 1 Page 157-159 Figures E-3, E-4 and E-5; I.T2.EGDI,

Energy Probe 38; I.T13.EGDI, Energy Probe 36

Topic Benchmarking 2016 and Union Gas B/T1/S3/p. 6) T2.EGDI.CCC.11

a) Please explain why Navigant did not include Union Gas in sample
b) Please explain why it is not appropriate to position Union on the Bar Charts
c) Please explain why it is not appropriate to take the 2016 plans and position EGD and Union on the chart, assuming all other utilities stay at 2012 levels,
d) Please provide the requested information in the format of Charts E-2 and E3 based on the information filed in this combined EGD/Union hearing

Enbridge provides the following response:

a) The Company contracted Navigant to complete a DSM Potential Study for Enbridge Gas Distribution which was to include a high-level benchmarking analysis. The Company's consultant in this matter included the utilities in this analysis for which it had data and which it found to be most appropriate.

b) In Enbridge's view, it would not be specifically inappropriate to include Union Gas in the bar charts noted (i.e. Figures E-3, E-4 and E-5 within Appendix E of Exhibit C, Tab 1, Schedule 1).

c & d) Energy Probe's original request as responded to in Exhibit I.T2.EGDI.EP.38 pointed Enbridge and its consultant to reference page 16 of Exhibit C, Tab 1, Schedule 1, resulting in a misunderstanding of the requested analysis. The Company has made best efforts to respond to the request below, albeit in an alternative format due to time constraints.

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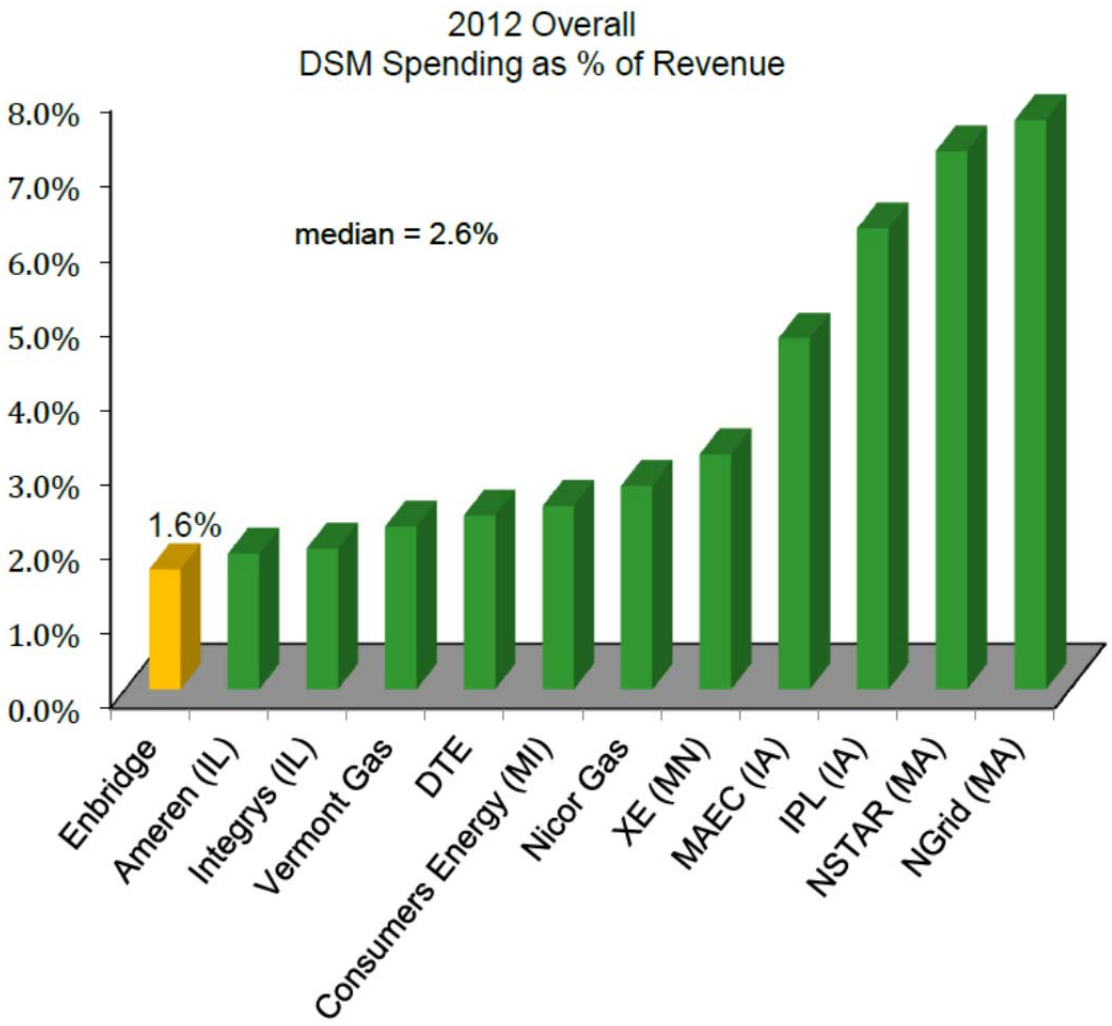
Figure E-2. 2012 DSM Spending as a Percentage of Revenue



Though Enbridge does not have a 2016 Revenue Requirement available, if compared to its 2014 Revenue Requirement as filed in Energy Probe Interrogatory 337 found at Exhibit I.T13.EGDI.EP.37 the proposed 2016 DSM Budget represents 2.7%. In Union's case based on the Revenue Requirement for 2013 filed in the same noted exhibit the proposed 2016 budget represents 3.5%. Please note that the macro-level of this analysis may not match the granularity of Navigant's original analysis as seen above.

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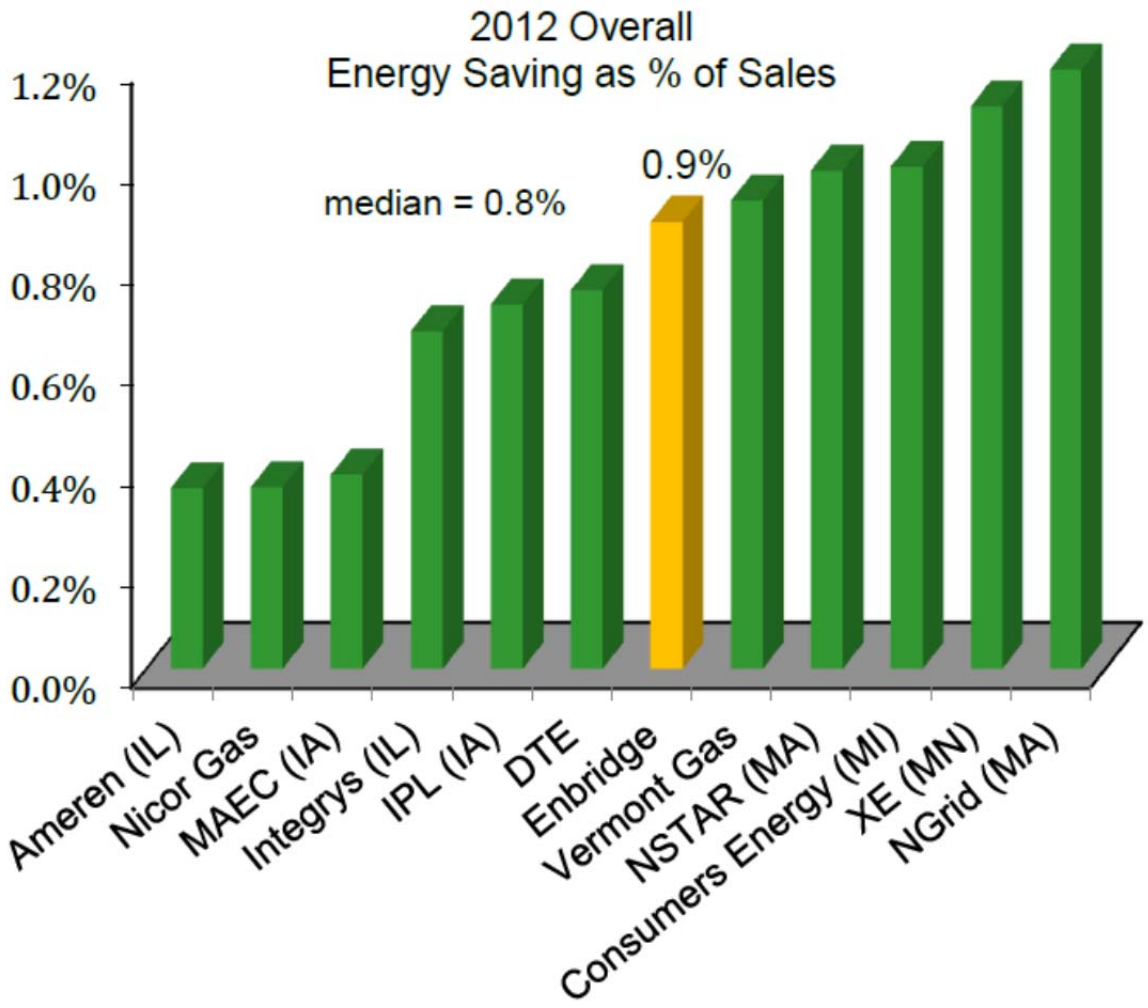
Figure E-3. 2012 Gross Energy Savings as a Percentage of Gas Sales



Based on the Gross Annual m^3 extrapolated in response to Enbridge Probe 7 c) above, and subject to the caveats included above, Enbridge's 2016 Gross Annual m^3 saved in 2016 will represent 0.84% of anticipated throughput in 2016[3]. The Company does not have the necessary information to calculate Gross Annual m^3 as a percentage of throughput for Union Gas.

[3] As filed in Exhibit B, Tab 2, Schedule 4

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