REF: Exhibit A, Tab 2, Page 2 and EB-2013-0365 Exhibit A, Tab 4, page 24

Preamble: The Application Tab 2 states: "The quantities shown are the Dawn to Parkway equivalent of Dawn to Kirkwall turnback at an equivalency factor of approximately 73%.

Exhibit A, Tab 4, page 24 states: "The net effect of "re-purposing" the Dawn-Kirkwall capacity is that only a portion of the Dawn-Kirkwall capacity is available when converted to move gas from Dawn-Parkway. To compensate for this, Union has calculated an average Parkway equivalency factor for the purpose of this proposal at approximately 84% based on the configuration of the Dawn-Parkway system for each year."

We would like to understand the reduction in equivalency as it relates to new facilities.

1) Please provide an explanation of the impact of new facilities on the equivalency factor aided by schematics of the Dawn-Parkway system demonstrating the different equivalency levels.

REF: Exhibit A, Tab 2, Page 3

Preamble: We would like to understand more about the nature of the contracts being turned back.

2) Please expand Table 1 to provide the breakdown between Dawn-Kirkwall, Dawn-Parkway and Kirkwall-Parkway for each the years.
   a) Please include the results of turnback elections from the October 31, 2016 deadline in the updated Table.

REF: Exhibit A, Tab 2, Page 4, lines 16-18

Preamble: "*Union expects to conduct a customer election process during the second quarter of 2017 where customers will determine their level of participation in the PDO shift effective November 1, 2017*."

3) Please provide the cost $/GJ for the incremental capacity on the Dawn-Parkway system from the forecasted cost of each of the 2016 D-P Build and the 2017 D-P Build.
4) Given the incentive structure for PDCI proposed, would Union consider providing a reverse PDO (customer moving from Dawn to Parkway for obligated delivery) if the PDCI is less than the cost of required new Dawn to Parkway capacity through facility build? If not, why not?

REF: Exhibit A, Tab 3, Page 22, Figure 11

Preamble: We would like to understand the supply portfolio allocation for the Northeast.

5) What market forces or other factors contribute to the majority of gas for the Northeast being sourced from Chicago as opposed to other locations?

REF: Exhibit A, Tab 3, Page 24

Preamble: We would like to understand the risks being managed for customer migration.

6) For each of the last three years, please provide:
   a) The number of customers that moved from system gas to direct purchase
   b) The number above expressed as a percentage of the total system gas customers at the start of the period.
   c) The annual volume of gas associated with those customers
   d) The number above expressed as a percentage of the total system gas volume forecasted at the start of the period.
   e) Please provide the information in a) thru d) for the customers switching from direct purchase to system using direct purchase numbers and volumes for the expressed percentages.

REF: Exhibit A, Tab 3, pages 33-34

Preamble: Page 34 provides: *"Union's forecasted annual TransCanada transportation costs as of November 1, 2016, which includes FT, STS, and EMB, is currently forecasted to be approximately $123 million. The proposed tolling methodologies, if approved as filed and with no changes to Union's portfolio as a result, would increase Union's total TransCanada transportation costs by 30% percent."*

We would like to understand better the bill impacts of these potential changes if the NEB approves the application:

7) Using the applied for rates and their underpinning methodologies, please provide the bill impacts for customers in each TCPL delivery area broken out by changes to distribution, transmission and storage.

8) Please provide a total bill for a customer in the NDA assuming Union continued to provide service to the NDA from Empress.

9) Does Union contemplate consideration of changes in TCPL FT and STS contracting if the application is approved to adjust to the higher costs to use STS?
   a) If not, why not?
   b) If so, please outline the process for assessing the sourcing of gas (i.e., Empress versus Dawn) for the NDA and NCDA.
   c) Please provide a numeric example of the assessment for customers' bills in the NDA.

REF: Exhibit A, Tab 3, Appendix B

Preamble: We would like to understand better Union's approach, methodology and cost implications of the Supply Demand Balance.

10) Please explain why the use of TCPL FT falls considerably in the month of March to service Union North customers when it is one of the higher consuming months.
   a) Please provide a summary table of SENDOUT outputs that demonstrate that this approach is the lowest cost solution for Northern customers.
   b) Please explain why storage withdrawals are maximized in that month along with short-haul transport to the respective North delivery areas.
      i) Please ensure the explanation includes the impact on storage levels required to maintain deliverability and the incremental amount gas to maintain deliverability.
      ii) Please provide a financial assessment of the costs of carrying that incremental gas in storage.

REF: Exhibit A, Tab 4, page 1-20

Preamble: We would like to understand better the attributes and costs of the Customer Managed Service.

11) Please provide a high level summary of the main similarities and differences between Union's proposed Customer Managed Service and the former U7 service offering.

12) How does Union propose to replace the gas above ground at Dawn on peak days that was formerly provided by obligated deliveries from these customers on peak days?
   a) What is the forecasted cost of that replacement?
   b) Who bears the replacement cost?

13) What is the cost for systems changes required to manage, monitor, report and bill the CMS services?
   a) Who bears these incremental costs?

REF: Exhibit A, Tab 4, page 18, lines 14-16

Preamble: "*Union is proposing to set the rates for the DVA based on existing cost-based storage rates, in accordance with the Rate T2 rate schedule. The firm storage space is set at Union's existing annual firm storage space demand charge of $0.011/GJ*".

We would like to understand the derivation of the storage space demand charge.

14) Please show a comparable derivation of the storage space demand charge similar to Table 2 provided for the Injection and Withdrawal charges that demonstrates the composition of the rate.

REF: Exhibit A, Tab 4, Appendix C

Preamble: We would like to understand the charges associated with this new service.

15) For each the scenarios provided, please show the charges associated with this service with the utilization in the scenario.

16) Are the expected incremental revenues to be generated from this service sufficient to cover the costs identified above and any additional costs Union has identified?
    a) Please specify the nature of the additional costs and quantify the annual impact.