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Ontario Energy Board
P.O. Box 2319
27th Floor, 2300 Yonge Street
Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: Enbridge Gas Distribution Inc. (Enbridge) – 2018 Rate Adjustment Application
OEB File No. EB-2017-0086
TransCanada PipeLines Limited (TransCanada) Interrogatories

Enclosed are the interrogatories of TransCanada PipeLines Limited. Should you have any questions, please contact the undersigned.

Yours truly,
TransCanada PipeLines Limited

Original signed by

Matthew D. Ducharme
Legal Counsel
Canadian Law, Natural Gas Pipelines

cc: Mr. Andrew Mandyam, Enbridge Gas Distribution Inc. (electronic only)
Mr. David Stevens, Aird & Berlis LLP (electronic only)
All Intervenors in EB-2017-0086 (electronic only)

Enclosure

ONTARIO ENERGY BOARD
EB-2017-0086

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998 c. 15, Sched. B., as amended;

AND IN THE MATTER OF an Application by Enbridge Gas Distribution Inc. for an Order or Orders approving or fixing rates for the sale, distribution, transmission and storage of gas.

TRANSCANADA PIPELINES LIMITED
INTERROGATORIES TO ENBRIDGE GAS DISTRIBUTION INC.

To: Ms. Kirsten Walli
Board Secretary
Ontario Energy Board

IR Number: Interrogatory #1

Reference:
1) Exhibit D1, Tab 2, Schedule 9, Page 1 of 2
2) Exhibit D1, Tab 2, Schedule 3, Page 7 of 15

Preamble: In Reference 1, EDGI provides the status of its transportation contracts for 2018.

In Reference 2, EDGI stated that:

"When the Vector Pipeline recently held an Open Season for capacity for the 2018 winter, the Company evaluated the economics of bidding into the available capacity. However, upon a review of a cost analysis of acquiring incremental Vector capacity versus Dawn purchases the least cost option was to not bid in for Vector capacity."

Request:

a) Please provide a copy of the cost analysis referred to in Reference 2. If that analysis has not been reduced to writing, please do so for this response.

IR Number: Interrogatory #2

Reference:

1) Attachment 1: "Enbridge Inc. Reports Third Quarter 2017 Results" – Enbridge.com News Release (excerpt), November 2, 2017, Page 4.
2) EB-2015-0166/EB-2016-0175, Decision and Order (December 17, 2015), Page 3, Footnote 8.

Preamble:

In Reference 1, Enbridge Inc. states that the "[t]otal capital cost for the [NEXUS] project has been updated to US$1.3 billion with an expected in-service date in the third quarter of 2018."

In Reference 2, the OEB states that "Enbridge's cost estimate reflects the base case for the NEXUS toll, which does not reflect any capital cost overruns related to the greenfield portion of the pipeline. The actual cost for the transportation capacity on NEXUS could be higher or lower, depending on the actual costs to build the NEXUS pipeline."

Request:

a) Based on EGDI's understanding:

   i. Please confirm that NEXUS is a 50-50 joint venture, with Enbridge Inc. either directly or indirectly holding a 50% stake in the project. If not confirmed, please describe the joint venture structure, or other structure by which Enbridge Inc. is invested in NEXUS, and in either event include Enbridge Inc.'s share.

   ii. Please provide Enbridge Inc.'s approximate share of the total estimated capital cost of the NEXUS project at the time of EGDI's application to the OEB for pre-approval of NEXUS costs. If unknown, please provide the total estimated capital cost at the time of EGDI's application for pre-approval with the OEB.

b) Please confirm that the EGDI-NEXUS Precedent Agreement contains a capital cost tracking adjustment mechanism. If confirmed, please set out and explain the mechanism.

c) Based on the new capital cost estimate:

   i. Does EGDI expect its NEXUS rate will be set higher than the "base case" noted in Reference 2? If yes, please provide the toll. If no or unknown, please provide EGDI's estimate of the NEXUS transportation toll in light of the new estimated project cost in Reference 1.

   ii. Please provide the total incremental impact to ratepayers over the term of EGDI's NEXUS commitment as a result of the change in i).

IR Number: Interrogatory #3

Reference:
1) Exhibit D1, Tab 2, Schedule 11, Page 2 of 14
2) Attachment 1: "Enbridge Inc. Reports Third Quarter 2017 Results" – Enbridge.com News Release (excerpt), November 2, 2017, Page 4

Preamble: In Reference 1, EGDI states that NEXUS' in-service date has been delayed to 2018.

In Reference 2, Enbridge Inc. states that the "[t]otal capital cost for the [NEXUS] project has been updated to US$1.3 billion with an expected in-service date in the third quarter of 2018."

Request:

a) Please provide the most recent version of the EGDI-NEXUS Precedent Agreement. Has the agreement been amended since December 17, 2015? If so, please provide a summary of the changes as well as a blackline version of the updated Precedent Agreement.

b) Does the Precedent Agreement contain a clause or clauses allowing the Customer (EGDI) to cancel its commitment to NEXUS without liability, including with respect to pre-service costs, should the pipeline be delayed beyond a certain date? If so:
   i. Please reference the clause(s), state the threshold date(s), and describe any provisions regarding notification to EGDI of such a delay.

c) Please state whether EGDI agrees with the following statement: Although the OEB has pre-approved the costs associated with the NEXUS pipeline, this pre-approval does not preclude EGDI from acting in the best interests of its ratepayers should it have the opportunity to do so. If EGDI disagrees, please explain.

d) Should at any point the Phase II NEXUS facilities not be expected to be in-service by the date provided in b), and should EGDI have the ability to terminate the PA without cost liability:
   i. Will EGDI commit to undertaking a new upstream contracting analysis, including a landed cost analysis, prior to any extension of the estimated commencement date, to determine if more suitable alternatives exist at the time? If not, please explain why not.
   ii. Will EGDI commit to publicly filing any such analysis with the Ontario Energy Board?

e) Since December 17, 2015, has EGDI had any discussions with NEXUS regarding the provision in b) or regarding the possibility of an in-service date occurring after the date provided in b)? If yes, please provide any correspondence.

f) Please provide EGDI's Landed Cost Analysis as filed in response to TransCanada information request 1.1(g) in the NEB Dawn Long Term Fixed Price Service proceeding (RH-003-2017)

g) Please update the Landed Cost Analysis from f) with the expected NEXUS toll changes as provided in TransCanada IR 2 c).

IR Number: Interrogatory #4

Reference: 1) Exhibit D1, Tab 2, Schedule 11, Page 6 of 14

Preamble: In Reference 1, EDGI states:

"exploring opportunities such as contracting for capacity on pipelines that deliver to Dawn, as described elsewhere in the 2018 gas supply evidence, or to allow for the utility's winter requirement at Dawn to be shifted to the summer months by contracting for a level of incremental storage capacity, or shorter term hybrid seasonal exchanges at Dawn. In the longer-term, additional diversity could be achieved through contracting for new transportation services to Dawn, or through the acquisition of supply points other than Dawn such as Iroquois should it become a more liquid hub".

Request:

a) Please confirm the EGDI Precedent Agreement with NEXUS allows EGDI to increase its maximum daily quantity (MDQ) by 40,000 Dth/d. If not confirmed, please detail whether or not EDGI has an option or options to increase MDQ and provide the details, including option end date(s) and volume(s).

b) Has EGDI conducted any analysis on increasing its NEXUS capacity as part of its stated intention to explore long term transportation services in Reference 1? Please provide any such analysis. If EGDI has not conducted an analysis, please state whether EGDI plans to conduct such analysis; and, if so, when.

IR Number: Interrogatory #5

Reference: 1) Exhibit D1, Tab 2, Schedule 2, Page 22 of 27

Preamble: In Reference 1, EGDI states:

"Price assumptions reflect the market's assessment (at the time evidence is prepared) of the various expected delivery points in the Company's gas supply plan. The market's assessment can be determined at any point in time by the use of a simple average of forward quoted prices as reported by various media and other services, over a period of 21 business days for a basket of pricing points and pricing indices that reflect the Company's gas supply acquisition arrangements".

Request:

a) Please list the "various media and other services" noted in Reference 1. Are these sources the same as those used for EGDI's landed cost analyses? If not, please list the sources EGDI utilizes in its landed cost analyses.

Enbridge Inc. Reports Third Quarter 2017 Results

November 2, 2017

CALGARY, ALBERTA–(Marketwired - Nov. 2, 2017) -

Q3 HIGHLIGHTS

(all financial figures are unaudited and in Canadian dollars unless otherwise noted)

- Earnings were $765 million or $0.47 per common share for the third quarter and $2,322 million or $1.57 per common share for the nine-month period, both including the impact of a number of unusual, non-recurring or non-operating factors
- Adjusted earnings were $632 million or $0.39 per common share for the third quarter and $1,969 million or $1.33 per common share for the nine-month period
- Adjusted earnings before interest and income taxes (EBIT) were $1,738 million for the third quarter and $4,966 million for the nine-month period
- Available cash flow from operations (ACFFO) was $1,334 million or $0.82 per common share for the third quarter and $3,873 million or $2.61 per common share for the nine-month period
- Management re-affirms 2017 ACFFO per share guidance range of $3.60-$3.90 per common share
- Line 3 Replacement Program progressing well with construction in Canada and in Wisconsin; Minnesota regulatory hearings under way
- Enbridge brought an additional $3 billion of growth projects into service since the end of the second quarter of 2017
- Enbridge received an amended Presidential Permit for the expansion of the Alberta Clipper liquids pipeline

- Enbridge continues to execute on its funding plan, further strengthening its financial position with the issuance of nearly $3 billion of hybrid debt securities for which credit rating agencies assign 50% equity treatment

- Enbridge today announces that it intends to file with the Ontario Energy Board an application for amalgamation of Enbridge Gas Distribution Inc. and Union Gas Limited

Enbridge Inc. (Enbridge or the Company) (TSX:ENB)(NYSE:ENB) today reported third quarter 2017 adjusted EBIT of $1,738 million. Third quarter ACFFO was $1,334 million, or $0.82 per common share. This was the second full quarter of operations subsequent to the merger transaction with Spectra Energy Corp that closed on February 27, 2017 (the Merger Transaction).

The largest driver of EBIT growth for the third quarter of 2017 relative to the third quarter of 2016 was the contribution from Enbridge's new natural gas, liquids and utility assets acquired in the Merger Transaction.

Also contributing to year-over-year EBIT growth was stronger crude oil throughput on the Mainline system, new projects coming into service in both the Liquids Pipelines and Gas Pipelines and Processing segments, and stronger realized foreign exchange hedge rates. These positive contributors were partially offset by lower natural gas gathering and processing volumes and margins related to lower natural gas prices and drilling activity in certain areas, as well as slightly weaker results in the Green Power Transmission and Energy Services segments. Financial impacts from the hurricanes in the Gulf Coast region and Florida were not material to the quarterly results.

ACFFO for the third quarter was $1,334 million, an increase of $482 million over the comparable prior period in 2016, driven largely by the same factors noted above. ACFFO of $0.82 per share was lower year-over-year primarily as a result of the issuance of additional shares as consideration under the Merger Transaction.

"Overall, third quarter performance was in-line with our expectations," said Al Monaco, Enbridge's President and Chief Executive Officer. "Looking ahead to the fourth quarter, we anticipate a further acceleration of financial performance driven by increased liquids volumes, a full quarter of new projects in service, ongoing incremental synergy capture and momentum from the seasonal nature of our business which typically strengthens in the winter months.

"Given these factors, along with the stable and reliable nature of the base business, we remain on track to deliver full year 2017 financial results within the previously disclosed guidance range of $3.60/share to $3.90/share."

Commenting on the continued execution of the business plan, Mr. Monaco noted: "We've had a very productive year so far. It's now been only eight months since the Spectra transaction closed and we're pleased with our progress on integrating operations of these two large companies. We've also made good strides in strengthening and streamlining the organization with the restructuring of Enbridge Energy Partners, L.P. and the buy-in of Midcoast Energy Partners, L.P. earlier this year. In addition, we've raised over $10 billion in the capital markets, of which $3 billion is equity or equity equivalent, and we've increased total non-core asset sales since the announcement of the Merger Transaction to $2.6 billion.

"As we move forward, we'll continue to evaluate ways to further strengthen and streamline both our business operations and sponsored vehicle structures, reduce costs and enhance our financial position," he added. "We look forward to our upcoming investment community conferences on December 12th and 13th to provide a full strategic and financial update."

Line 3 Replacement Program

The Line 3 Replacement is a critical energy infrastructure program that will support the economy and assure a reliable and cost-effective supply of energy. It will comprise the newest and most advanced pipeline technology and will enhance safety, reliability and throughput capacity on the Mainline system.

All required regulatory permitting is in place in Canada and construction began this summer on certain segments of the pipeline and is progressing well. Regulatory permitting is also in place in North Dakota as well as in Wisconsin where construction is under way.

The most significant remaining permitting process for the Line 3 Replacement Program is in Minnesota. The Final Environmental Impact Statement was issued in August and its adequacy determination is expected from the Minnesota Public Utilities Commission (MPUC) in December. In the parallel Certificate of Need and Route Permit dockets, progress continues according to schedule with public hearings currently under way. The MPUC is expected to issue a decision on the Certificate of Need and Route Permit in the second quarter of 2018. Based on this regulatory process and timeline, Management continues to anticipate an in-service date for the project in the second half of 2019.

Project Execution

Enbridge continues to make good progress executing on its $31 billion secured growth capital program. These projects are supported by low-risk long-term take-or-pay contracts, cost-of-service frameworks or similar commercial arrangements and cover a wide range of business platforms, regulatory jurisdictions and project sizes.

Since the second quarter of 2017, $3 billion of these projects were brought into service. This includes the JACOS Hangingstone crude oil pipeline lateral in Alberta, a suite of natural gas pipeline expansions and extensions on the Texas Eastern and Algonquin gas pipeline systems, the Chapman Ranch wind power generation project in Texas, as well as various utility growth initiatives in Ontario. This now brings the total year-to-date project completions to over $9 billion, generally all on time and on budget.

Enbridge is also advancing the execution of projects scheduled for 2018 and 2019 in-service dates. The NEXUS gas pipeline has now received its notice to proceed from the Federal Energy Regulatory Commission (FERC) and began construction work in October. Total capital cost for the project has been updated to US$1.3 billion with an expected in-service date in the third quarter of 2018. In the renewable power business, the $0.8 billion Rampion offshore wind power generation project in the United Kingdom has now installed its final turbine with first power expected later this quarter and full operations in the second quarter of 2018.

In addition, subsequent to quarter-end, Enbridge received an amended Presidential Permit for the Alberta Clipper (Line 67) expansion project.

"We're very pleased with the execution progress our Major Projects team is making on the secured project inventory," said Mr. Monaco. "This progress highlights the fact that critical energy infrastructure projects are getting permitted and built in the current environment."

Funding Progress

Enbridge continues to be pro-active with capital markets activities, making significant progress on the execution of its funding plan and improving its financial position. In particular, Enbridge has recently raised almost $3 billion of hybrid debt securities in the Canadian and United States markets on attractive terms. These instruments serve to further strengthen Enbridge's balance sheet, as 50% of the principal is treated as equity capital by the credit rating agencies.

During the quarter Enbridge also announced the sale of the St. Lawrence Gas utility in New York State for $0.1 billion, which is expected to close in 2018. This brings total non-core asset sales to $2.6 billion since last September, well above the Company's target of $2.0 billion.

"We've made good progress strengthening the balance sheet, in line with the prudent financing plan that we've shared with the credit ratings agencies," added Mr. Monaco. "We continue to have broad access to capital, as demonstrated by the attractive financings we've completed in both the Canadian and U.S. markets, and we're committed to maintaining strong investment grade credit ratings."

Other Business

Later today Enbridge plans to file an application with the Ontario Energy Board (OEB) to amalgamate Enbridge Gas Distribution Inc. and Union Gas Limited. Given the complimentary nature of these franchises, the amalgamation is expected to provide benefits to both the rate payers and the shareholders. This filing will initiate the regulatory review process which is expected to continue into 2018. Assuming an acceptable regulatory outcome, the amalgamation would be expected to take effect in 2019.

Mr. Monaco concluded his third quarter remarks by acknowledging the Company's response to the recent hurricanes. "I'd like to highlight how proud I am of the way our people responded to the difficult conditions caused by the hurricanes this past quarter. Not just through the great efforts by our teams to maintain the safe and reliable operations of our assets, but how they reached out and supported each other and our communities during this time of crisis. This demonstrates the quality of our people and how we've really come together as one company."

THIRD QUARTER 2017 PERFORMANCE OVERVIEW

For more information on Enbridge's growth projects and operating results, please see Management's Discussion and Analysis (MD&A) which is filed on SEDAR and EDGAR and also available on the Company's website at www.enbridge.com/InvestorRelations.aspx.

HIGHLIGHTS

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	**2017**	2016
(unaudited, millions of Canadian dollars, except per share amounts)				
Earnings attributable to common shareholders				
Liquids Pipelines	**1,326**	(87)	**3,722**	2,168
Gas Pipelines and Processing	**615**	67	**1,636**	147
Gas Distribution	**83**	20	**511**	342
Green Power and Transmission	**20**	34	**121**	124
Energy Services	**(150)**	(25)	**(12)**	(38)
Eliminations and Other	**101**	(102)	**(255)**	71
Earnings/(loss) before interest and income taxes	**1,995**	(93)	**5,723**	2,814
Interest expense	**(653)**	(397)	**(1,704)**	(1,178)
Income tax recovery/(expense)	**(327)**	253	**(818)**	(174)
(Earnings)/loss attributable to noncontrolling interests and redeemable noncontrolling interests	**(168)**	207	**(633)**	166
Preference share dividends	**(82)**	(73)	**(246)**	(217)
Earnings/(loss) attributable to common shareholders	**765**	(103)	**2,322**	1,411