5 Year Gas Supply Plan

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Storage

Benefits of Storage

- Enhances Operational Reliability: Physical storage assets provide the flexibility to increase/decrease supply within the day, which improves operational capability to balance intra-day demand swings

- Provides Supply Security: Since supply is injected during the summer and is in the utility's storage accounts, the portion of demand met with storage assets is more likely to be available when it is needed vs relying entirely on third-party suppliers' ability to provide supply on the day

- Limits exposure to risk of high winter commodity prices: Natural gas storage assets allow for purchase of supply in the summer months when commodity prices tend to be lower for use in the winter months when prices tend to be higher

Storage Pricing & Allocation

Union Rate Zone

- 100 PJ of cost-based storage
- “Excess storage” sold at market rates
  - Sharing Mechanism
    - 90% Ratepayer
    - 10% Shareholder

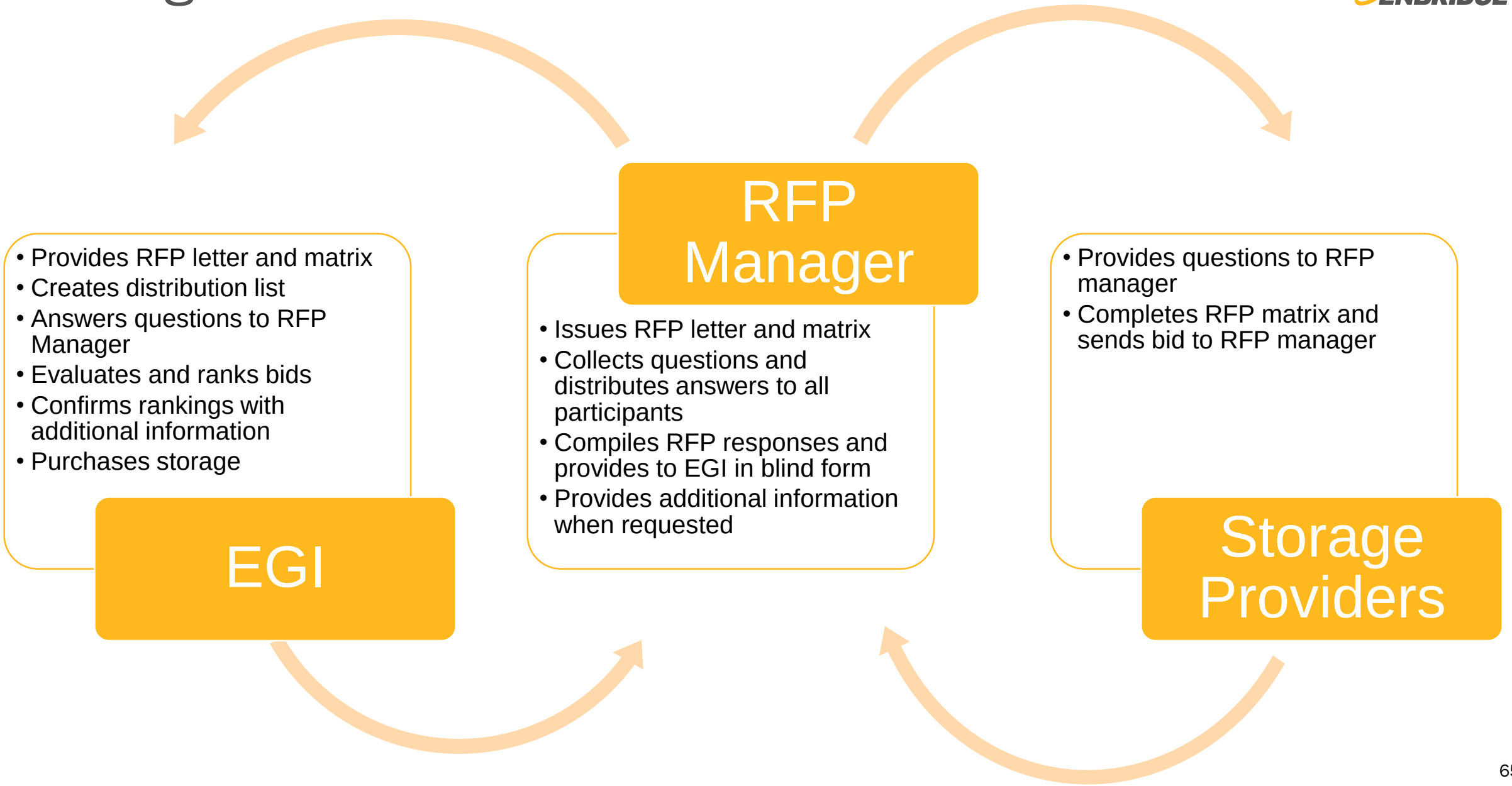
Enbridge Rate Zone

- 99.4PJ of cost-based storage
- 26.4PJ of market-based storage
- Will continue to purchase storage using “blind RFP” process

Storage Contracts

Contract	Start Date	End Date	Maximum Storage Balance (GJ)	Maximum Withdrawal (GJ)	Maximum Injection (GJ)
1	01-04-2015	31-03-2020	3,000,000	36,000	22,500
2	01-04-2015	31-03-2020	3,000,000	120,000	60,000
3	01-05-2017	30-04-2020	1,055,056	6,988	4,930
4	01-05-2018	30-04-2020	2,110,112	13,974	9,861
5	01-04-2016	31-03-2021	1,500,000	18,000	11,250
6	01-05-2019	31-03-2021	1,055,056	8,648	5,734
7	01-04-2019	31-03-2021	1,582,584	13,080	6,486
8	01-04-2017	31-03-2022	5,000,000	60,000	37,500
9	01-04-2019	31-03-2022	2,110,122	17,672	29,542
10	01-04-2018	31-03-2023	3,000,000	36,000	22,500
11	01-04-2019	31-03-2024	3,000,000	36,000	22,500

Storage Blind RFP Process



Q & A

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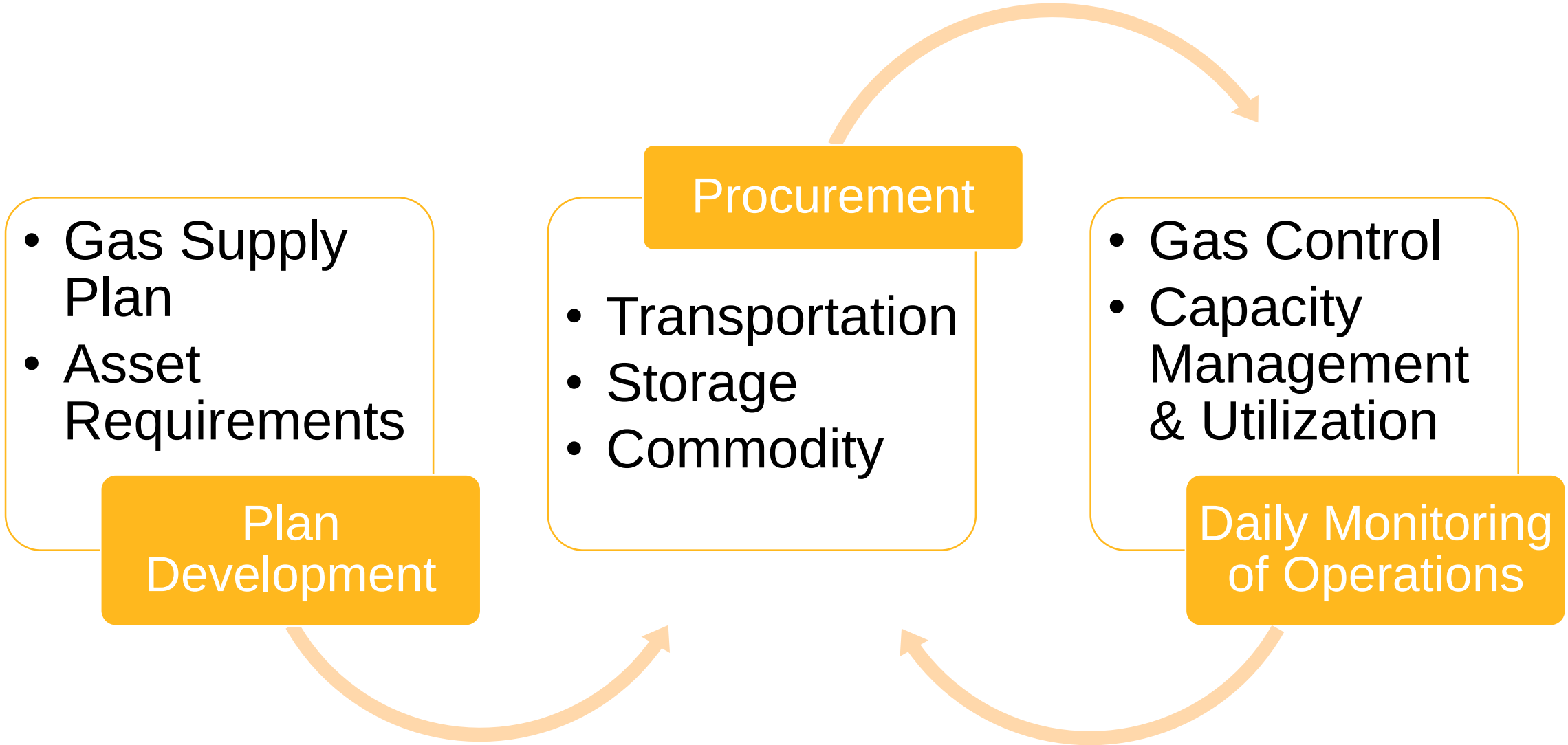
Execution & Risk Mitigation

Execution


Plan Development
• Gas Supply Plan
• Asset Requirements
Procurement
• Transportation
• Storage
• Commodity
Daily Monitoring of Operations
• Gas Control
• Capacity Management & Utilization

Procurement Policy

- Objectives
  - Market-sensitive, reasonable price through diversified portfolio
  - Minimize exposure to risk
  - Fair and equitable practices
- Controls
  - Executive and management approvals
  - Segregation of duties
  - Credit and risk monitoring
  - Internal audit
- Transaction process and approved instruments

Gas Supply Procurement

- Execution in line with Gas Supply Procurement Policy

- Transportation & storage assets
  - Achieve diversity in path, services, term, contract terms, supply basin

- Commodity
  - Achieve diversity in terms, suppliers, pricing

EGI Supplier Count November 2017-Oct 2018 Gas Year

	Dawn	Michcon	Niagara	Panhandle	TCPL	Vector	Chippawa	NOVA
Supplier's <1 PJ	1	5	3	4	3	4		5
Suppier's 1 PJ< >3 PJ	8	2	1	3	7	4		2
Supplier's > 3 PJ's	11	2	3	1	4	7	2	6
Total	20	9	7	8	14	15	2	13

UDC – Unabsorbed Demand Charge

- EGD Rate Zone
  - Flow long haul transportation at 100% capacity
- Union North Rate Zone
  - Transportation flows at most-economical capacity
- Union South Rate Zone
  - Transportation flows at 100% capacity

($000s)	2016	2017	2018
UDC Costs Incurred	19,568	15,343	7,748
Released Capacity Revenue	10,451	7,577	3,739
Net UDC Costs	9,117	7,766	4,009
Released Capacity (PJ)	19.9	14.6	7.1

Risk Mitigation

Inherent Risks in the Plan

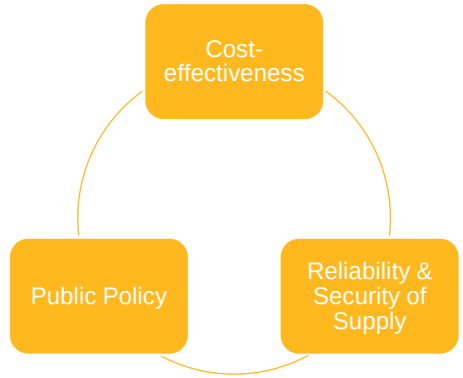
- Variation to planned assumptions
  - Weather variation
  - Demand forecast variation
  - Price variation
- Supply interruption
- Transportation interruption

Risk Mitigation

- 100% creditworthy counterparties
- Large number of unique counterparties
- Supply procurement of varying terms
- Supply basin diversity
- Transportation & storage contracts of varying lengths
- Transportation path diversity
- Storage utilization

Risk Analysis

- Scenario results are illustrative and highlight weather and price risk, which are out of EGI's control
  - Each legacy utility's SENDOUT model is different which creates notable differences (i.e. Apples-to-Oranges)
    - Daily demand vs monthly demand, storage and pipeline utilization assumptions
    - Cannot compare and do not indicate one rate zone is any more at risk than another
- Scenario Creation
  1. Weather variation – Using 80+ years of weather data, ICF simulated most extreme pricing scenarios for North American natural gas supply prices to give 'high', 'base', 'low' scenarios
  2. Demand forecast variation – Using corresponding years for high/base/low, EGI simulated demand changes across its weather zones
  3. Portfolio cost variation – Using existing SENDOUT models, assumed scenario commodity costs and demands to create results
- Risk analysis highlights that energy markets are unpredictable and maintaining flexibility and diversity, in conjunction with reliable supply assets in supply Plans is important to manage unpredictability and manage gas supply costs for ratepayers



Q & A

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Performance Measurement

Scorecard/Metric Development

Principles to Achieve

1. Cost Effective
   Achieved by:
   1. Balancing Principles
   2. Executing Efficiently
2. Reliability & Security
   Achieved by:
   1. Supply to various receipt points
   2. Meet peak & seasonal delivery requirements
3. Public Policy
   Achieved by:
   1. Support & align where appropriate

Gas Supply Planning Criteria

- Demand Forecast Analysis
- Supply Option Analysis
- Risk Mitigation Analysis
- Achieving Public Policy
- Procurement Process & Policy Analysis

Strategic Measures

- Receipt Points
- Reliability
- Diversity
- Flexibility
- Execution of Plan
- RNG Procurement

Q & A

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Additional Q&A