



# Gas Distribution

**Glenn Beaumont**  
**President, Enbridge Gas Distribution**

# Key Messages

---

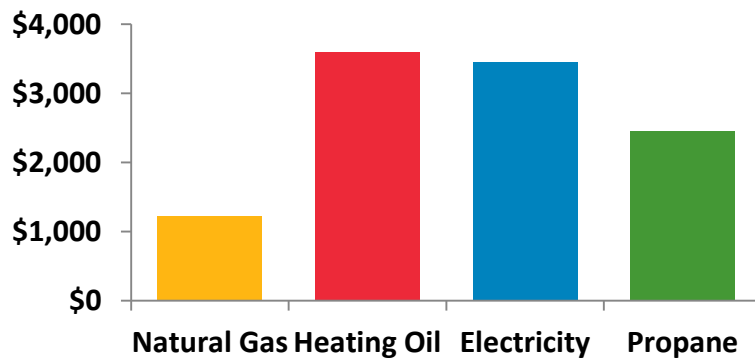
- **Strong business fundamentals**
- **Approval of incentive regulation model provides a solid foundation for continued investment**
- **GTA project approval provides flexibility, reliability and access to supply basins for gas customers**
- **Gas supply, storage and pipeline capacity strategies designed to protect and enhance customer value**

# Business Fundamentals

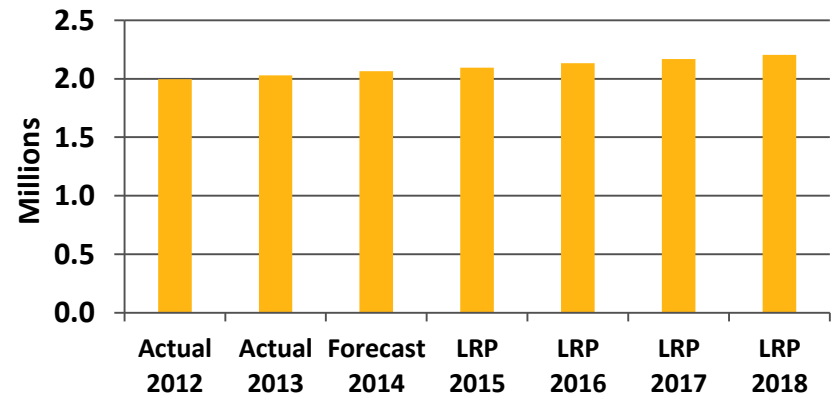
## Strong competitive position and continued growth

- Natural gas remains competitive vs. other fuels
- Customer additions remain steady
- New majority Liberal government in Ontario supports expanding access to natural gas

Annual Bill Comparison



Average Number of Customers

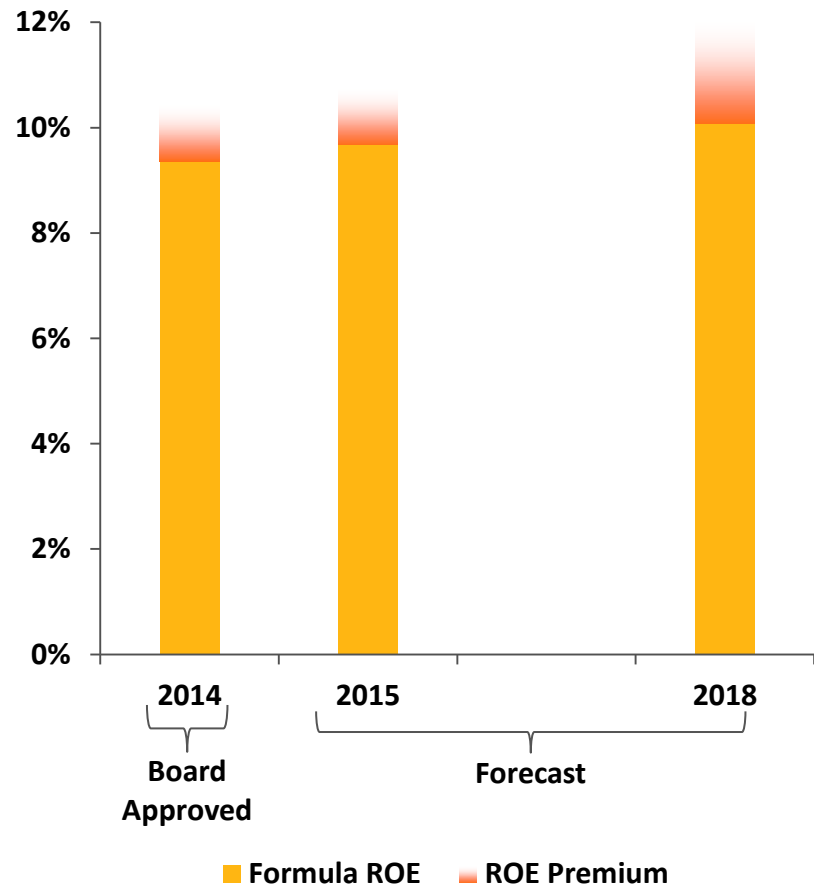


# Custom Incentive Regulation Plan

## A solid foundation for continued investment

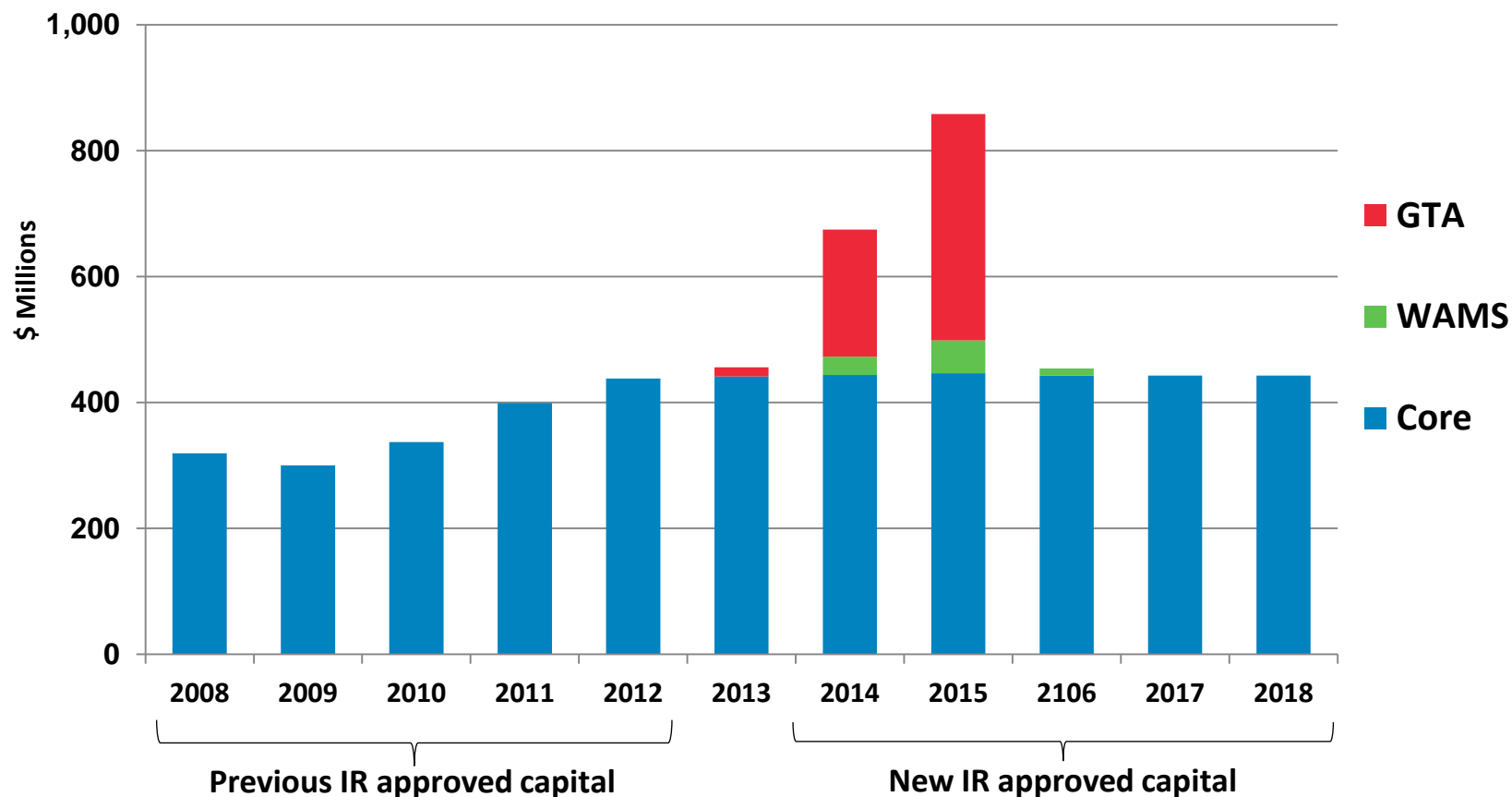
- **First Custom IR plan approved in Ontario**
- **Five-year plan (2014 - 2018 inclusive)**
- **Fair and balanced decision for customers and shareholders**
  - **Allows for ROE upside and supports capital investment**

Current ROE Forecasts (2014 – 2018)



# Custom Incentive Regulation Plan - Capital

- Approval of five-year estimated capital to meet customer growth and system expansion



# GTA Project

Provides increased capacity, reliability and supply diversity for gas customers

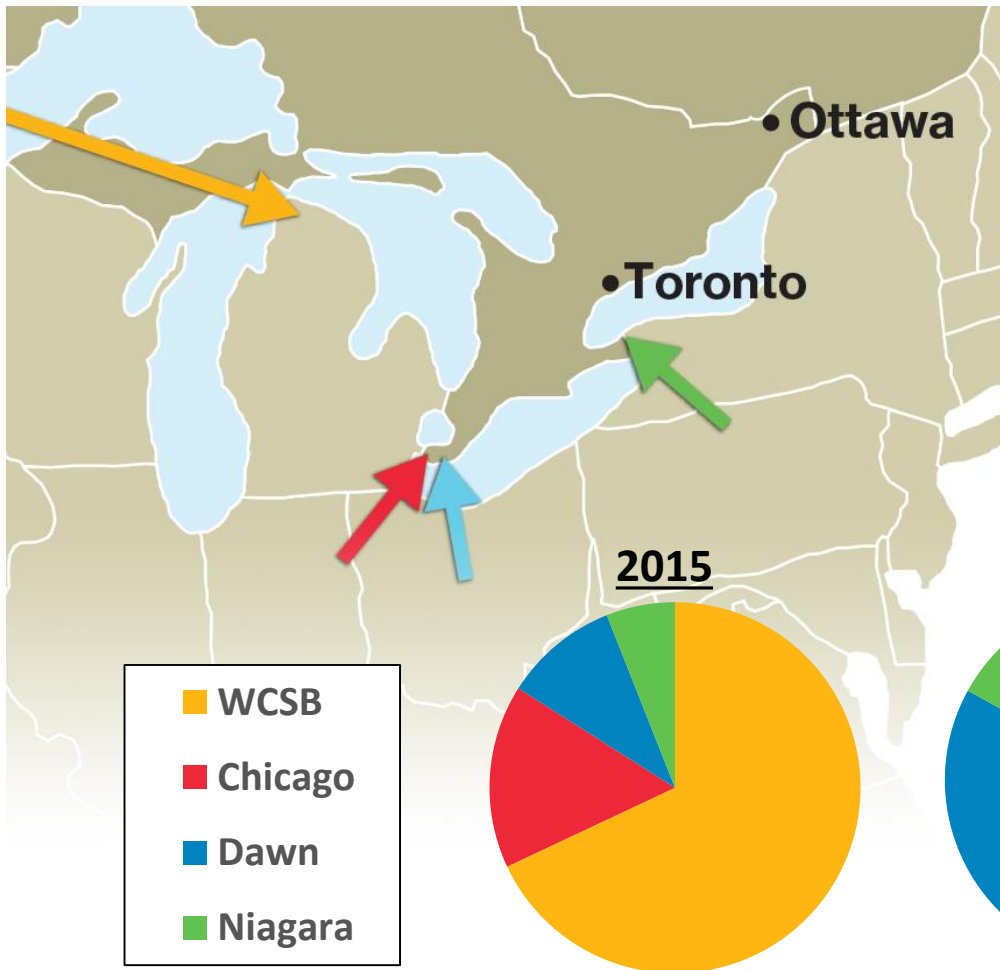


Total Cost =  
**~\$700 M**

- Approved by Ontario Energy Board in January
- Increases capacity/reliability in the GTA/downtown Toronto
- Provides additional supply/basin optionality
- Construction begins: December 2014
- In service: Fall 2015

# Gas Supply

Focused on ensuring customer access to sufficient supply at lowest cost



- **Increasing supply diversity**

- Access to Marcellus/Utica

- **Optimizing transport**

- Reducing distance for winter needs

# Natural Gas Storage

Increased storage facilities to protect customers from cost variability



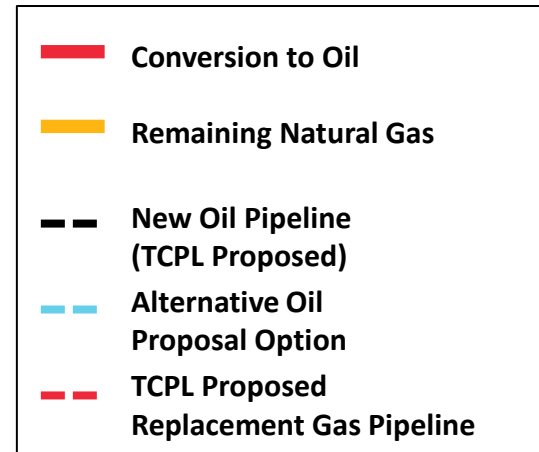
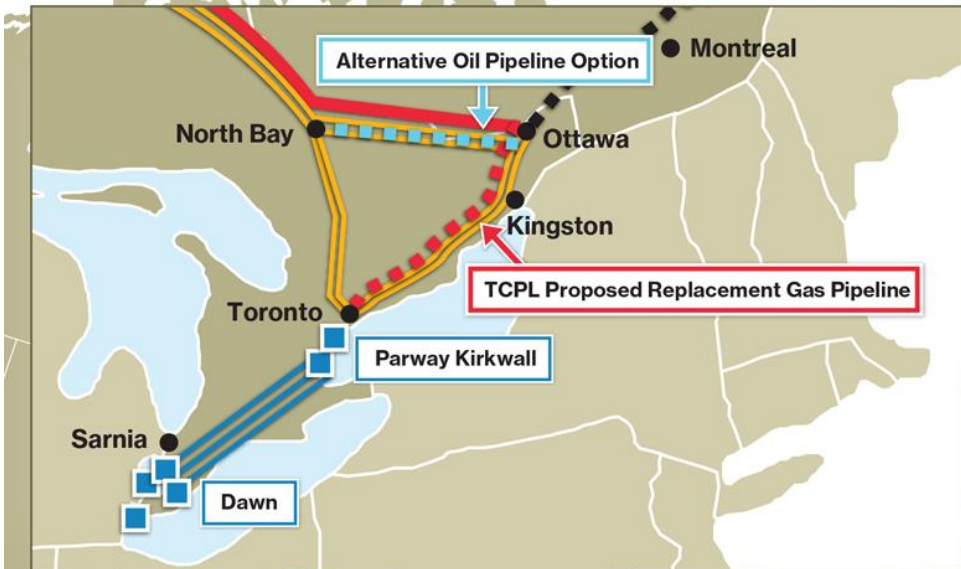
- Access to Dawn storage key to managing price volatility for customers
- More reliance on storage in future
- Increased storage development



# TCPL Capacity Requirements

Ensure no impairment of customer supply access or increased Eastern Canada rate base burden

- Retention of required existing capacity and access
- Continued economic/ industrial competitiveness vs. nearby jurisdictions



# Key Takeaways

---

- **Business fundamentals remain strong**
- **Incentive Regulation model provides stability**
  - **First of its kind, custom plan in Ontario that allows for required investments**
- **GTA Project Approval provides increased flexibility, reliability and access to supply basins**
- **Gas supply, storage and pipelines capacity strategies will benefit customers**



## Q&A

**Glenn Beaumont**  
**President, Enbridge Gas Distribution**