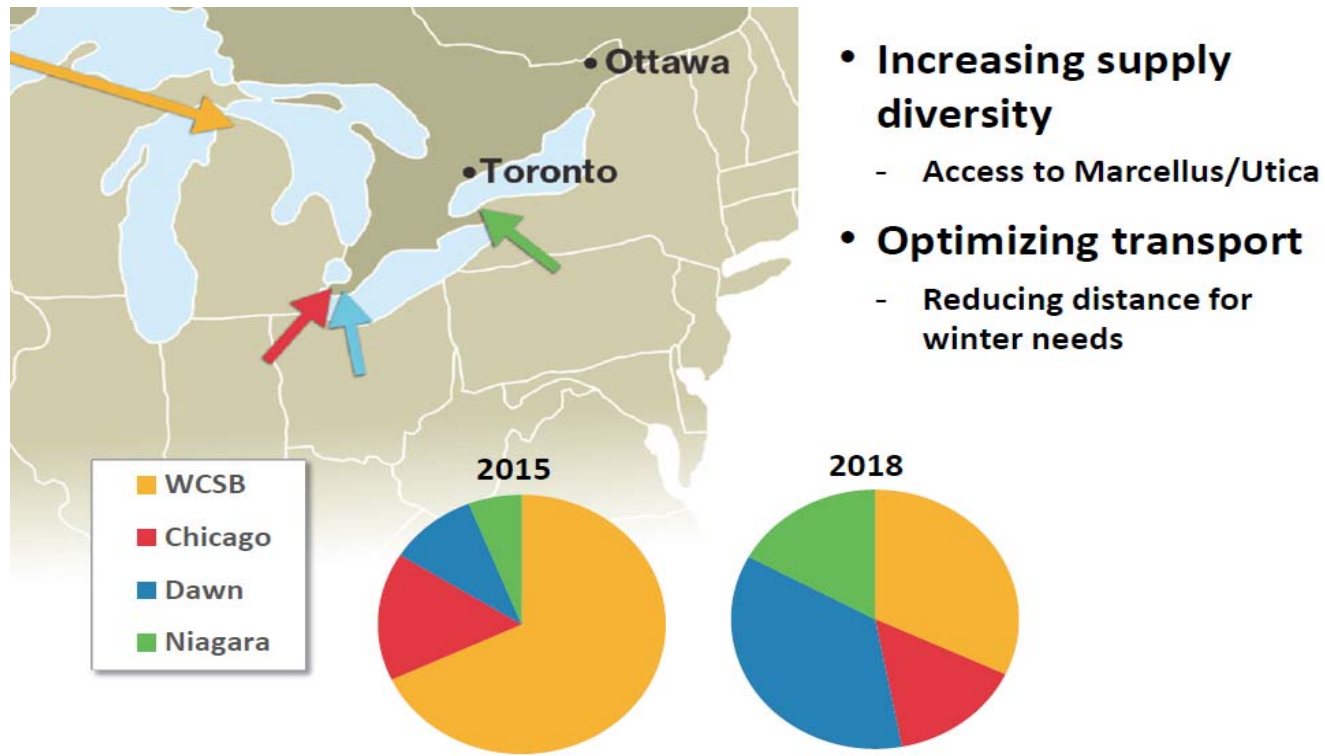




Ontario Energy Board 2014 Natural Gas Market Review EB-2014-0289

Session 4: North American and Ontario Natural Gas Markets to
2020

Gas Supply Plan Evolution



EGD is taking steps to ensure access to new supply basins while maintaining connectivity with traditional sources of supply. Increased access to new supplies will shift reliance to paths of shorter haul, increase diversity and reliability and lower costs.

Gas Supply Plan Evolution Continued

- EGD recently completed process with stakeholders: The Dawn Access Consultative
 - Settlement Agreement approved by the Board mid-November
 - Two phased approach with election process for each phase
 - Phase 1: November 15' to October 17' – Dawn access provided to customers in the CDA via assignment of existing short haul capacity
 - Phase 2: November 17' onwards – EGD to extend Dawn access for CDA and EDA plus other access (subject to limitations) via allocation of existing capacity and new capacity as required
- EGD has committed to continue consultation
 - With bundled customers to provide access to points other than Dawn
 - With unbundled customers to provide additional service options

Access to new sources of supply for Direct Purchase customers will improve supply plan diversity and reliability and provide for lower cost transportation to EGD's markets.

EGD Comments: Board Considerations

- EGD expects market to continue to evolve at a rapid pace
 - Shift to new sources of supply via paths of shorter haul
 - Storage rationalization in light of past winter experience

We are in a period of significant change. Co-ordination with all stakeholders is critical. The Board will need to be prepared to approve outcomes from consultations and longer term commitments required to facilitate market transition.