

June 22, 2018

**VIA ELECTRONIC FILING**

Mr. Daniel P. Wolf  
Executive Secretary  
Minnesota Public Utilities Commission  
121 Seventh Place East, Suite 350  
Saint Paul, MN 55101-2147

**Re: In the Matter of the Application of Enbridge Energy, Limited Partnership for a Certificate of Need for the Line 3 Replacement – Phase 3 Project in Minnesota from the North Dakota Border to the Wisconsin Border  
MPUC Docket No. PL-9/CN-14-916; OAH Docket No. 65-2500-32764**

**In the Matter of the Application of Enbridge Energy, Limited Partnership for a Pipeline Route Permit for the Line 3 Replacement Project in Minnesota from the North Dakota Border to the Wisconsin Border  
MPUC Docket No. PL-9/PPL-15-137; OAH Docket No. 65-2500-33377**

Dear Mr. Wolf:

As requested by the Minnesota Public Utilities Commission (“Commission”), Enbridge Energy, Limited Partnership (“Enbridge”) provides these comments regarding the additional commitments made by Enbridge related to the Line 3 Replacement Project (“Project”). Enbridge provides these commitments in response to stakeholder concerns, to further minimize potential impacts of the Project, and to further reflect Enbridge’s commitment to safe, reliable and responsible service. Specifically, these comments discuss Enbridge’s commitments to: (1) provide a parental guaranty from Enbridge Inc.; (2) purchase renewable energy credits (“RECs”); (3) participate in a pipeline decommissioning trust working group; (4) contract with tribal businesses for services related to the Project; and (5) remove segments of existing Line 3 upon landowner request. For ease of Commission reference, these comments also provide certain other commitments requested and agreed to in the record. Each of these commitments is addressed in more detail below. Because these issues were first identified in written testimony or public comment, where appropriate, cites to the record have been provided.

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### ***Parental Guaranty***

In response to DOC-DER testimony regarding financial assurances, Enbridge offered to provide a parental guaranty from Enbridge Energy Partners, L.P. (“EEP”) in the form similar to that approved by this Commission for the Sandpiper Pipeline Project.<sup>1</sup> Despite Enbridge’s testimony<sup>2</sup> regarding the financial resources and demonstrated ability of EEP to adequately fund the response and recovery to an accidental release, should it occur, DOC-DER and the Administrative Law Judge recommended that the parental guaranty be provided by Enbridge Inc.<sup>3</sup>

In its opening statement on June 18, 2018, Enbridge committed to providing a parental guaranty from Enbridge Inc. in the form previously approved by the Commission for the Sandpiper Pipeline Project. Enbridge Inc. is the third largest company in Canada, and has substantial financial assets.<sup>4</sup>

Attachment A includes a copy of Exhibit EN-98, the parental guaranty previously approved by the Commission for Sandpiper.<sup>5</sup> This parental guaranty was extensively negotiated with the DOC-DER over multiple months.<sup>6</sup> At the conclusion of those negotiations, Mr. Grant, on behalf of DOC-DER, stated to the Commission:

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<sup>1</sup> Ex. EN-42 at 5 (Johnston Rebuttal); Evid. Hrg. Tr. Vol. 10B (Nov. 16, 2017) at 118-119 (Eberth). That Commission-approved guarantee was entered into the record as Ex. EN-98 (Parental Guaranty).

<sup>2</sup> See Ex. EN-42 (Johnston Rebuttal).

<sup>3</sup> See Evid. Hr. Tr. Vol. 8B at 126-27 (Dybdahl) (“... and the mothership’s got two billion bucks, and the U.S. operations has \$100 million. So even in a general business downturn, Enbridge, the Company, the mothership, they’re into renewable energy, they’re diversified. . .”).

<sup>4</sup> Evid. Hrg. Tr. Vol. 6A at 130-32 (Johnston); see also <https://www.enbridge.com/investment-center/reports-and-sec-filings/investor-documents-and-filings> for Enbridge Inc.’s U.S. Securities and Exchange Commission (“SEC”) filings and audited financial reports.

<sup>5</sup> Order Granting Certificate of Need With Conditions, *In the Matter of the Application of North Dakota Pipeline Company LLC for a Certificate of Need for the Sandpiper Pipeline Project in Minnesota*, Docket No. PL-6668/CN-13-473 (Aug. 3, 2015) at 50.

<sup>6</sup> See, e.g., Letter from DOC-DER Regarding Financial Assurance: Status *In the Matter of the Application of North Dakota Pipeline Company LLC for a Certificate of Need for the Sandpiper Pipeline Project in Minnesota*, Docket No. PL-6668/CN-13-473 (Apr. 7, 2015); North Dakota Pipeline Company LLC’s Exceptions to the ALJ Report (Apr. 28, 2015); Letter from North Dakota Pipeline Company LLC Regarding Financial Assurance and SAX Construction Updates (May 22, 2015); Letter from DOC-DER Regarding Parental Guaranty of Enbridge Energy Partnership, LP (May 22, 2015).

The Department concludes that the parental guaranty filed by NDPC on May 22, 2015, once executed and filed in this matter, satisfies this important condition by ensuring that NDPC's parent organization, Enbridge Energy Partnership, would stand in the financial shoes of NDPC in such an event and would cover not just cleanup costs, but actual damages in the event of a spill. Enbridge has agreed to be fully and completely responsible for any obligations that could not be met by NDPC. And, again, we appreciate the efforts that went into this proposed resolution, which we believe provide[s] important protections for the State of Minnesota.<sup>7</sup>

When approving this form of parental guaranty, the Commission found:

DOC-DER and NDPC negotiated a parental guaranty by Enbridge Energy Partners, L.P. in favor of the State of Minnesota, including all agencies and political subdivisions, and any person damaged by a release from the Project. The guaranty memorializes and evidences NDPC's and Enbridge's commitments to operate the Project safely and responsibly. In particular, the guaranty provides that, in the event NDPC is unable to fund the obligations resulting from a release, Enbridge will be fully and completely responsible for such obligations.<sup>8</sup>

Because this form of parental guaranty was extensively negotiated with DOC-DER, approved by the Commission in a previous case, and provided into this record, Enbridge does not anticipate further negotiations about the substantive provisions would be required, although Enbridge acknowledges that non-substantive changes will obviously be necessary (e.g., changes to the recitals and the substitution of Enbridge Inc. for Enbridge Energy Partners, L.P. throughout). While Enbridge disputed the Commission's authority to require a guaranty from the Applicant's Canadian parent over the objection of Enbridge Inc., Enbridge is not aware of any legal impediments to Enbridge Inc. voluntarily agreeing to provide it. Similarly, Enbridge is not aware of any obstacle to such a guaranty being enforced, if necessary, once executed.

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<sup>7</sup> PUC Meeting Transcript, *In the Matter of the Application of North Dakota Pipeline Company LLC for a Certificate of Need for the Sandpiper Pipeline Project in Minnesota*, Docket No. PL-6668/CN-13-473, at 227-28 (June 3, 2015).

<sup>8</sup> Order Granting Certificate of Need with Condition, *In the Matter of the Application of North Dakota Pipeline Company LLC for a Certificate of Need for the Sandpiper Pipeline Project in Minnesota*, Docket No. PL-6668/CN-13-473, at 35 (Aug. 3, 2015).

Enbridge is committed to standing behind its operating assets, and this parental guaranty creates a legal obligation for Enbridge Inc. to do so. Moreover, a parental guaranty provides a more direct and certain form of financial assurance than other financial assurance recommendations under consideration in this proceeding.

### ***Purchase of Renewable Energy Credits***

In direct testimony, DOC-DER asserted that the Commission should require Enbridge to “to apply the neutral footprint approved in the second upgrade to Line 67 (Docket No. EL9/CN-13-153) to increased electricity use.”<sup>9</sup> This program would “offset the increased emissions from electricity use due to the proposed Project or any certificate of need granted in this proceeding.”<sup>10</sup>

Overall, the record demonstrates that the Project has been designed to improve the energy efficiency of the Enbridge Mainline System. Specifically, the Project as proposed will reduce electric energy consumption on the Enbridge Mainline System on a per barrel basis.<sup>11</sup> However, to address DOC-DER’s recommendation, further minimize the indirect greenhouse gas emissions from the Project, and further the State’s renewable energy goals, Enbridge commits to purchase renewable energy credits in the amount equal to the incremental increase in total non-renewable electric energy usage on the Enbridge Mainline after Line 3 Replacement is in service, as stated in DOC-DER’s surrebuttal testimony:

1. Enbridge shall acquire renewable energy as defined by Minn. Stat. § 216B.2422, subd. 1(c) to offset all the incremental increase in non-renewable energy consumed by the Project;
2. Beginning no later than one year after the initial in-service date, Enbridge will make annual filings regarding its compliance with [this requirement]. These filings shall include a calculation of (a) the incremental increase in Enbridge’s energy consumption due to the Project and (b) the share of that energy that comes from non-renewable sources;
3. [Within five years from the initial in-service date], and annually thereafter, Enbridge will document – in a manner that precludes double-counting – that it has complied with the kWh-for-a-kWh requirement. Enbridge may rely on renewable energy credits from its own generators, or from a third

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<sup>9</sup> Ex. DER-1 at 98 (O’Connell Direct).

<sup>10</sup> *Id.* at 115.

<sup>11</sup> EN-19 at 5 (Glanzer Direct).

party offering verifiable renewable energy credits. Verification shall be from the Minnesota Renewable Energy Trading System (“M-RETS”) or another entity the Commission determines to be substantially equivalent to M-RETS.<sup>12</sup>

DOC-DER did not recommend other elements of Enbridge’s former Neutral Footprint program, and, as demonstrated in the record, Enbridge concluded that program in 2015 in order to pursue other environmental initiatives.<sup>13</sup>

### ***Decommissioning Trust Working Group***

DOC-DER recommended that Enbridge be required to establish a decommissioning trust fund for the Line 3 Replacement Project. As explained in Enbridge’s briefs, the record does not support singling out Enbridge for such a requirement for this pipeline.<sup>14</sup> However, Enbridge commits to participating in a broader stakeholder process to establish decommissioning trust funds for all pipelines in Minnesota.<sup>15</sup> Attachment B includes additional details Enbridge anticipates will need to be addressed by such a stakeholder group, based on its participation in a similar effort conducted by the National Energy Board in Canada.

### ***Removal upon Landowner Request***

During the evidentiary and public hearings, a limited number of landowners requested that Enbridge remove existing Line 3 on their property once it is taken out of service.<sup>16</sup> As Enbridge stated in its June 7, 2018 letter, if the Commission approves Enbridge’s applications for the Project, Enbridge commits to working with landowners, upon their request, to remove segments of existing Line 3 that cross their property.<sup>17</sup> Attachment C contains additional detail regarding Enbridge’s planned landowner communications, the process for permitting any removal activities, financial responsibility, and plans addressing removal and restoration.

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<sup>12</sup> Ex. DER-6 at 15-16 (O’Connell Surrebuttal).

<sup>13</sup> Ex. EN-30 at 25-26 and Schedule 3 (Eberth Rebuttal).

<sup>14</sup> Enbridge Initial Post-hearing Brief at 124-26 and Enbridge Reply Brief at 59-60.

<sup>15</sup> Evid. Hrg. Tr. Vol. 8A at 43 (“Enbridge would be willing to talk about that on a policy level, you know, if it was applied to all the pipeline operators.”); Vol. 10B at 101 (“[W]e would participate in discussion relative to policymaking on that topic.”) (Eberth).

<sup>16</sup> Ex. DY-1 (Dyrdal Direct); Evid. Hrg. Tr. Vol. 3B at 47-48 (McKay) (“There are two or three landowners that have brought that to our attention, that that’s their opinion.”); Pub. Hrg. Tr. Vol. 3A at 75-76 (Struble).

<sup>17</sup> Letter from Enbridge Regarding Removal Commitment (June 7, 2018).

### ***Benefits to Tribal Communities & Businesses***

Mr. Eberth's rebuttal testimony described Enbridge's ongoing efforts to comply with tribal employment ordinances and provide training programs and contracting opportunities for tribal-owned businesses.<sup>18</sup> On June 1, 2018, Enbridge made a public statement that Enbridge is targeting \$100 million in tribal economic spending on the Line 3 Replacement Project in the United States.<sup>19</sup>

Enbridge expects to achieve this target within three years of the Project going into service. Activities within the scope of this commitment include: surveys prior to construction; construction of the Line 3 Replacement; deactivation of existing Line 3; removal of segments of existing Line 3; restoration following construction; and other related activities. While preference will be given to Minnesota-based tribal members and businesses, non-Minnesota based tribal members and businesses are included in the \$100 million target.

The target was set based on our assessment of the following:

- Local capacity of tribal member-owned businesses, tribal-owned businesses and tribal members working on past projects;
- Enbridge's experience in hiring tribal member-owned businesses, tribal-owned businesses and tribal members for past project and maintenance work in Minnesota; and
- Enbridge's experience in a similar tribal economic engagement effort on the construction of Line 3 Replacement in Canada last year.

Enbridge will report the results of our tribal economic engagement efforts for Line 3 Replacement quarterly to the Commission. Attachment D contains additional detail regarding Enbridge's plans to achieve this target.

### ***Other Commitments Responsive to DOC-DER Recommendations***

Beyond the additional commitments outlined during opening statements and further described in these comments, Enbridge previously agreed to a number of other DOC-DER recommendations. To assist the Commission in identifying the record support for those commitments, they are listed below, with citations to the record.

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<sup>18</sup> Ex. EN-30 at 19-23 (Eberth Rebuttal).

<sup>19</sup> See Open Letter from Al Monaco, President & CEO, Regarding "Our commitment to the people of Minnesota" (June 1, 2018), available at <http://www.enbridge.com/13commitment>.

1. Enbridge will name the State of Minnesota as an additional insured under its insurance program once the Project is operational.<sup>20</sup>
2. Enbridge will construct two PLM shops east of Clearbrook, Minnesota.<sup>21</sup>
3. Enbridge will remove exposed pipe along the existing Line 3 in Minnesota provided it can be completed without unnecessary harm to the environment.<sup>22</sup>
4. Enbridge will report annually about any exposed pipeline segments on existing Line 3 that are not yet removed and identify how and when Enbridge will meet federal requirements as to exposed pipeline.<sup>23</sup>
5. Enbridge will provide periodic, high-level information related to its cyber security systems.<sup>24</sup>
6. Enbridge will provide an updated, final Field Emergency Response Plan for the Superior Region prior to commencing construction of the Project.<sup>25</sup>

Finally, Enbridge notes that Staff Certificate of Need Briefing Papers Decision Option A.2.g also included the following modification: “demonstrate that it has adequate and reliable facilities, such as distributed generation or other back-up power available for use to provide power to valves if there is an interruption in power.” As noted in Enbridge’s opening statement, Enbridge believes this language should be modified to reflect that DOC-DER testified that the information previously provided in Enbridge’s rebuttal testimony fully addressed the DOC-DER’s concern on this issue. Specifically, DOC-DER explained that Enbridge “stated that, if there were a loss of power, an alarm would be sent to line operators who would be responsible to initiate communications to the On-call personnel with first responder responsibilities. The On-call first responder personnel are to remain within a one-hour radius (at a legal speed limit) for their respective area being covered.”<sup>26</sup> DOC-DER then testified that the information provided by

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<sup>20</sup> Ex. EN-43 at 13 (Lim Rebuttal).

<sup>21</sup> Evid. Hrg. Tr. Vol. 4B (Nov. 6, 2017) at 140 (Haskins).

<sup>22</sup> Evid. Hrg. Tr. Vol. 8A (Nov. 14, 2017) at 45-46 (Eberth).

<sup>23</sup> Ex. EN-45 at 41 (Simonson Rebuttal).

<sup>24</sup> Ex. EN-34 at 3-4 (Baumgartner Rebuttal).

<sup>25</sup> Ex. EN-33 at 6 (Haskins Rebuttal).

<sup>26</sup> Ex. DER-6 at 58 (O’Connell Surrebuttal).

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Enbridge addressed its concern: “I appreciate [Enbridge’s] responses and conclude that [they] addressed these issues reasonably.”<sup>27</sup>

***Conclusion***

As stated in Enbridge’s opening statements, Enbridge makes these commitments because it is dedicated to the success of this Project and to safe, reliable and responsible operations. We appreciate the opportunity to further clarify these commitments and would be happy to answer any additional questions Commissioners may have when the Commission resumes its consideration of this matter on June 26, 2018.

These comments have been e-filed today through [www.edockets.state.mn.us](http://www.edockets.state.mn.us) and are also being served upon the persons on the Official Service List of record.

Sincerely,

*/s/ Christina K. Brusven*

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<sup>27</sup> *Id.*

**ENBRIDGE ENERGY PARTNERS, L.P.  
GUARANTY**

**GUARANTY**, effective as of the date executed by Enbridge Energy Partners, L.P., (the “**Guarantor**”), in favor of the State of Minnesota including all agencies and political subdivisions (the “**State**”) and any person damaged by an Occurrence (as defined below) (collectively, the “**Beneficiaries**” or, individually, “**Beneficiary**”).

**WHEREAS**, North Dakota Pipeline Company LLC, a Delaware limited liability company (including its successor and assigns, the “**Guaranteed Party**”), is a joint venture owned in part by Guarantor;

**WHEREAS**, Guaranteed Party has requested, in Docket Number PL-6668/CN-13-473, that the State approve a Certificate of Need for the construction and operation of the Minnesota portion of a crude oil pipeline between Tioga, North Dakota and Superior, Wisconsin (as constructed pursuant to a Certificate of Need issued by the Minnesota Public Utilities Commission, the “**Project**”);

**WHEREAS**, as Guarantor is the controlling member of and directly owns a majority ownership interest in Guaranteed Party, Guarantor expects it will derive benefit from the Project;

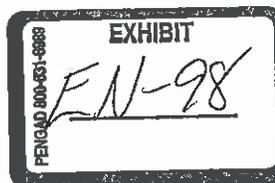
**WHEREAS**, the State, through the Minnesota Department of Commerce-Division of Energy Resources (“**Department**”), has recommended that any approval by the Minnesota Public Utilities Commission of Guaranteed Party’s application for a Certificate of Need must be conditioned on Guaranteed Party’s provision of financial assurance with respect to the Obligations (defined below);

**WHEREAS**, in the event that Guaranteed Party is unable or unwilling to fully and completely fulfill its Obligations, and as a means to satisfy the Department’s recommended financial assurance condition, Guarantor agrees to be fully and completely responsible for all of Guaranteed Party’s unsatisfied Obligations that result from an Occurrence; and

**WHEREAS**, Guarantor assures the State that it has the financial resources to be fully and completely responsible for all of Guaranteed Party’s Obligations.

**FOR VALUE RECEIVED**, receipt of which is hereby acknowledged, Guarantor agrees as follows:

1. **Definitions**. For the purposes of this Guaranty, the following terms have the following meanings:
  - (i) “**Damages**” means any amount the Guaranteed Party is legally liable to pay to a Beneficiary resulting from an Occurrence pursuant and according to the terms of (a) a written settlement agreement between Guaranteed Party and a Beneficiary or (b) a final non-appealable order or judgment by an agency, political subdivision, or court of competent jurisdiction.



(ii) “**Notice of Payment Demand**” means a written notice by a Beneficiary to the Guarantor after the occurrence of a Payment Default setting forth a description of the applicable Damages, the applicable Payment Default, the remaining amount of Damages required to be paid in connection therewith and containing a statement that the Beneficiary is giving a Notice of Payment Demand pursuant to this Guaranty.

(iii) “**Obligations**” means any Damages, or monetary obligations incurred during the pendency of any insolvency of Guaranteed Party, regardless of whether allowed or allowable in such proceeding.

(iv) “**Occurrence**” means any release from the Project, however occasioned, including, but not limited to, through accident, rupture, spill or other similar incident.

(v) “**Payment Default**” means the failure or inability of the Guaranteed Party to pay any Damages (a) when due pursuant and according to the terms of the applicable written settlement agreement between Guaranteed Party and a Beneficiary or final non-appealable order or judgment by an agency, political subdivision, or court of competent jurisdiction or (b) if no payment term is provided, within 60 calendar days of Damages being determined pursuant to Section 1(i).

2. **Guaranty.** Guarantor hereby unconditionally and irrevocably guarantees the full and complete payment of the Obligations. Any payment by Guarantor hereunder shall satisfy the Obligations to the extent of such payment, and Guarantor shall only have payment obligations hereunder in the event of a Payment Default with respect to any applicable Obligations and to the extent a Beneficiary complies with the terms of this Guaranty with respect to such Obligations. Guarantor shall pay any Obligations within 60 calendar days after a Notice of Payment Demand is received by Guarantor with respect to such Obligations pursuant to Section 1(ii).
3. **Expenses.** Guarantor agrees to pay reasonable out-of-pocket expenses, including reasonable attorneys’ fees and court costs, incurred by Beneficiaries in any litigation, arbitration or proceeding to enforce its rights under this Guaranty, but only to the extent that the Guarantor is found in such litigation, arbitration or proceeding to be in default or in breach of any of the terms of this Guaranty.
4. **Limitations.** The liability of Guarantor under this Guaranty shall be and is specifically limited to payments expressly required to be made in accordance with this Guaranty and out-of-pocket expenses payable pursuant to Section 3 of this Guaranty. For the avoidance of doubt, this Guaranty does not create any new obligations of the Guaranteed Party or waive any applicable defenses pursuant to the terms of this Guaranty.
5. **Term.** This Guaranty will remain in full force and effect until: (i) all Obligations have been fully satisfied or extinguished, or (ii) such time the State consents in writing to the termination of the Guaranty.
6. **Nature of Guaranty.** Guarantor’s obligations with respect to any Obligation are absolute and will not be affected by (1) any change in the name, ownership, objects, capital, constating documents or by-laws of the Guarantor or Guaranteed Party, or (2) any amalgamation, sale, merger or re-organization of the Guarantor or Guaranteed Party. In the event of a sale of

Guaranteed Party to a non-affiliated entity, Guarantor's obligation with respect to the Obligations hereunder may be assigned upon written approval of the State, through the Minnesota Public Utilities Commission. If any payment to Beneficiaries for any Obligation is rescinded or must otherwise be returned for any reason, Guarantor will remain liable hereunder for such Obligation as if such payment had not been made. The Guarantor hereby waives all suretyship defenses of every kind and all payments required hereunder shall be made in accordance with the terms hereof. Notwithstanding the foregoing, in any action or demand for payment under this Guaranty, Guarantor reserves the right to assert all rights, counterclaims and defenses that Guaranteed Party may have against the payment of any Obligation, other than defenses (1) arising from the bankruptcy, insolvency, incapacity, dissolution or liquidation of Guaranteed Party, (2) expressly waived in this Guaranty, (3) arising from the lack of due authorization, execution or delivery by the Guaranteed Party of this Guaranty, and (4) previously asserted by the Guaranteed Party and successfully and finally resolved in favor of the Beneficiaries by a court of competent jurisdiction and last resort. Nothing in this Guaranty prohibits or limits Guarantor from being named as a party in any action to determine Damages before a Payment Default has occurred, and Guarantor expressly agrees not to raise Payment Default as a basis to be dismissed from any action to determine Damages. Guaranteed Party, however, must be named in any action to determine Damages. Guaranteed Party shall use good faith efforts to resolve actions to determine Damages through settlement agreements with Beneficiaries.

7. **Consents, Waivers and Renewals.** Guarantor agrees that Beneficiaries may, without giving notice to or obtaining the consent of the Guarantor, enter into agreements and transactions with the Guaranteed Party, amend or modify agreements with the Guaranteed Party, settle or compromise any of the Obligations, grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, whether full, partial, conditional or otherwise, perfect or fail to perfect any securities, release any undertaking, property or assets charged by any securities to third parties and otherwise deal or fail to deal with the Guaranteed Party and others (including, without limitation, any other guarantors) and securities, hold moneys received from the Guaranteed Party and others or from any securities unappropriated, apply such moneys against part of the Obligations and change any such application in whole or in part from time to time, all as the Beneficiary may see fit, without prejudice to or in any way discharging or diminishing the liability of the Guarantor under this Guaranty, in each case, except to the extent that the same constitutes a discharge or release, whether full, partial, conditional or otherwise, of the Obligations to the Guaranteed Party. Except as provided in Section 2, Beneficiaries may resort to Guarantor for payment of any of the Obligations whether or not any Beneficiary has previously resorted to any collateral security or proceeded against any other obligor principally or secondarily obligated for any of the Obligations. Guarantor hereby waives notice of acceptance of this Guaranty, and also presentment, protest and notice of protest or dishonor of any evidences of indebtedness guaranteed hereunder.
8. **Demands and Notice.** If a Payment Default occurs with respect to any applicable Obligations, and any Beneficiary elects to exercise its rights under this Guaranty with respect thereto, Beneficiary shall send a Notice of Payment Demand to Guarantor pursuant to Section 1(ii) with respect to such Obligations. A Notice of Payment Demand conforming to the requirements of this Guaranty will be sufficient notice to Guarantor to pay under this Guaranty. Notices under



grounds. Guarantor agrees that venue for any action brought by the State will be in Ramsey County District Court and waives any right to claim that this Guaranty is not valid and enforceable by the Beneficiaries. The Guarantor consents to the service of process in any action or proceeding relating to this Guaranty by Notice to the Guarantor in accordance with the provisions of Section 8 hereof.

*[Signatures follow on the next page.]*

This Guaranty is executed by Guarantor's duly authorized representative as of the date written below.

**ENBRIDGE ENERGY PARTNERS, L.P.**

By: *Enbridge Energy Management, L.L.C.*  
*as delegate of Enbridge Energy Company, Inc.*  
*its Sole General Partner*

By: \_\_\_\_\_  
Name:  
Title:

Date: \_\_\_\_\_

**ACCEPTED AND AGREED TO BY:**

**GUARANTEED PARTY-NORTH DAKOTA PIPELINE COMPANY LLC**

By: \_\_\_\_\_  
Name:  
Title:

**BENEFICIARY-STATE OF MINNESOTA**

By: \_\_\_\_\_  
Name:  
Title:

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## **Attachment B – Decommission Trust Workgroup**

### Enbridge Commitment to Participate in an Initiative to Establish Decommissioning Trust Funds

Enbridge commits to participating in a broad stakeholder process to establish decommissioning trust funds for all pipelines in Minnesota.<sup>1</sup>

Enbridge defers to the Commission regarding the most appropriate procedure for such a stakeholder process. For example, the Commission has engaged in rulemaking as well as opened Commission investigation dockets to facilitate discussions of decommissioning activities for other large energy infrastructure.<sup>2</sup> Based on its experience in the National Energy Board's process in Canada,<sup>3</sup> Enbridge anticipates this Minnesota group will likely need to address the following issues:

- The scope and applicability of the decommissioning funds to oil and gas pipelines;
- The methodology for determining cost estimates for the amount that will be required to decommission a pipeline, including:
  - the anticipated method of decommissioning;
  - a land use analysis to determine current and future uses of the lands and how that affects decommissioning and cost estimates;
  - decommissioning assumptions for different facilities, sizes of pipe, and location in relation to land use;
  - cost assumptions for different types of facilities and sizes of pipe; and
  - categories of cost estimates and what those should include, such as engineering and project management, land access and clean up, contingency funds, etc.
- The assumed timing of decommissioning of the pipeline and the timing by which funds must be set aside for that purpose;
- How and when funds are collected;

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<sup>1</sup> Evid. Hrg. Trans. Vol. 8A at 43 and Vol. 10B at 101 (Eberth).

<sup>2</sup> See, e.g., Minn. R. 7854.0500, subp 13; *In the Matter of a Commission Inquiry into Decommissioning Policies Related to Depreciation*, MPUC Docket No. E,G-999/CI-13-626; and *Wind and Solar Decommissioning Workgroup*, MPUC Docket No. E,999/M-17-123.

<sup>3</sup> See, e.g., National Energy Board Decisions [RH-2-2008](#) *Land Matters Consultation Initiative Stream 3, May 2009, Pipeline Abandonment – Financial Issues*; [MH-001-2012](#) *Abandonment Cost Estimates, February 2013, Pipeline Abandonment – Financial Issues*; and [MH-001-2013](#) *Set-aside and collection mechanisms, May 2014, Pipeline Abandonment – Financial Issues*. The National Energy Board consideration of this matter took considerable time and, in addition to the hearings resulting in those Decisions, many technical conferences, filings and rulings. The process, which also required amendments to legislation, took seven years between the introduction of the issue and collection of funds. See Decision RH-2-2008 at p. 12 reference to February 25, 2008 letter identifying the commencement of a process to examine abandonment cost issues; and [NEB Decisions](#) approving the collection of funds commencing January 2015.

- The manner in which the funds for decommissioning must be held;
- Consideration of any tax implications;
- Assumptions to be used in determining the growth of a fund, including inflation rates, investment options, and return on funds expectations and risk tolerance;
- The form of a trust agreement and investment plan;
- Requirements for trustees;
- Future review plans to determine changes to the decommissioning cost estimates, life of the assets, and funds available for decommissioning;
- How and when decommissioning funds are accessed and oversight of the use of decommissioning funds; and
- Whether any changes to legislation and/or regulations may be required (including but not limited to laws related to tax, trust, and property) to provide authority for the development, implementation, and oversight of a decommissioning trust.

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### **Attachment C: Enbridge Landowner Commitment on Removal of Line 3**

Enbridge is committed to working with landowners along the existing mainline and commits to following this landowner program providing choice to the landowner for removal or decommissioning in-place. The commitment is referred to as the “Landowner Choice Program” below.

#### **Landowner Choice Program Details**

##### **Schedule:**

###### *Landowner Communications*

Upon receipt of the Minnesota Public Utilities Commission’s written order granting Enbridge’s Certificate of Need and Route Permit Application, Enbridge will formally commence landowner outreach via an introductory letter introducing basic details about the Landowner Choice Program. Before that time, Enbridge will respond to inquiries on a case-by-case basis. However, if the number or character of inquiries about the Landowner Choice Program after the Commission’s vote but before the Commission’s written order is issued is such it would be prudent for Enbridge to send the introductory letter to all landowners before the Commission’s written order is received, Enbridge may adjust the letter referenced below and send it before the Commission’s written order is received. Upon receipt of the necessary permits and/or authorizations to commence the construction of the Line 3 Replacement Project, Enbridge will begin implementing the Landowner Choice Program. Enbridge will be prepared with appropriate staffing, documents and/or outreach materials to begin implementing this commitment to landowners immediately.

###### *Deactivation Activities*

After the Line 3 Replacement pipeline is in service, Enbridge has obligations under federal regulations and a Consent Decree with the United States that require certain deactivation work to be completed in connection with existing Line 3. Enbridge has 90 days to purge existing Line 3 of oil and 365 days after that to complete required deactivation work (facilities removal, valve flushing, valve removal, disconnections, segmentations, under road and under railroad grouting, cathodic protection, etc.).

###### *Landowner Choice and Removal Activities*

Landowners must notify Enbridge, in writing, of their choice to participate in the Landowner Choice Program prior to the completion of deactivation activities. Once landowners’ choices are known, Enbridge will diligently pursue any required permits and other authorizations, and the removal work that is permitted will be completed in due course. This will involve some level of survey and study work, which may take place over multiple seasons.

At this point, because the scope(s) is/are not known, it is not possible to establish the schedule beyond the milestones discussed above. However, Enbridge will provide landowners and other stakeholders updates regarding scheduling as scopes are developed and work plans are scheduled. Enbridge will also provide the Minnesota Public Utilities Commission with updates about the scopes and schedules at appropriate intervals.

### **Implementation Details:**

#### *Landowner Communications*

Enbridge has dedicated eight Land Rights representatives to work on the Landowner Choice Program. Enbridge will begin the process by notifying landowners with an introductory letter. A draft template letter is included in this commitment as Addendum 1. The letter will introduce landowners to the process and inform them of Enbridge's intention to contact them by phone to arrange an in-person meeting with an Enbridge representative.

At the in-person meeting and in any subsequent exchanges, the Enbridge representative will serve as a resource to all landowners, providing information and/or resources about the landowners' options under the Landowner Choice Program, both removal and deactivation-in-place. As part of the outreach to landowners, Enbridge's subject matter experts will answer any questions that arise during our meetings that may need a more involved or technical explanation to the landowner. Landowners will have until the end of the decommissioning work required under federal regulations and the Consent Decree to make their decision under the Landowner Choice Program. If a landowner does not make a timely decision to participate in the Landowner Choice Program, Enbridge will deactivate the pipeline in place on that landowners' property consistent with the Deactivation Plan. Landowner decisions on removal preference will be systematically recorded along with a record of contact in Enbridge's Land database application.

#### *Removal Activities*

Enbridge will likely need to obtain one or more permits and/or authorizations for every requested removal. The permits required may range from stormwater permits to United States Army Corp of Engineers permits, and may be subject to various levels of environmental review as well. Enbridge must, of course, be able to complete any requested removal work safely for the human and natural environments to obtain such permits. Enbridge will pursue these permits and/or authorizations diligently and in good faith, and entirely at Enbridge's expense, although landowner coordination may be required for access, surveys, and other permitting-related work.

Assuming that the necessary permits and/or authorizations are obtained, Enbridge can then schedule the removal work to be completed under the Landowner Choice Program. The scope of

such work cannot be identified yet, because specific information about landowners' choices and permitting are not known. However, based on anecdotal information obtained to date, it is unlikely that the Landowner Choice Program will result in removals that are substantially different in scope than integrity digs. As a result, generally speaking, Enbridge anticipates that each location of removal will be similar in scope to integrity-dig like work (excavation, pipe removal, restoration). While there is a potential that removal work will involve areas slightly larger than a typical integrity dig, Enbridge presently expects that requested removals will still be similar to the efforts made in connection with a typical integrity dig and very targeted compared to removal of longer sections of pipe. Areas disturbed in connection with the removal efforts will be restored consistent with the applicable permits, regulations, and standards. Regardless of the scope of the removal, all removal and restoration activities will be completed at Enbridge's expense.

At this point, based on its operational experience as well as its experience in conducting several hundred integrity digs in connection with existing Line 3 in the last several years, Enbridge has no factual basis to suspect that contamination will be found. However, in the event that any localized contamination is found during a removal,<sup>1</sup> Enbridge will abide by its Contaminated Sites Management Plan,<sup>2</sup> coordinate with appropriate resource agencies and authorities, and comply with Minnesota law regarding reporting and mitigation of any contamination.

#### *Compensation and Other Considerations*

Where landowners choose decommissioning-in-place, they will be compensated (subject to the negotiation of a mutually acceptable compensation arrangement between Enbridge and the landowner). Enbridge anticipates that payments will be roughly equivalent to those made as part of the deactivation process for the Canadian portion of the Line 3 Replacement Project pipeline. Enbridge will also be responsible for removal of all above ground appurtenances to the pipeline. These appurtenances, such as valves and gauges, will be removed during the decommissioning project to restore use of the property to the landowner.

As set forth above, the deadline for landowners to make a decision under the Landowner Choice Program will be at the end of period in which Enbridge must complete all decommissioning work on existing Line 3, as required by federal regulations and the Consent Decree, after the

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<sup>1</sup> Enbridge screens for contaminated soils at integrity dig locations following standard protocol contained in Enbridge's MLP Due Diligence Process for Screening Pipeline Maintenance Locations for Possible Contamination and would employ the screening protocol in connection with the removal activities under the Landowner Choice Program. A copy of the protocol is available as Attachment D to Enbridge's July 2017 DEIS Comments.

<sup>2</sup> The Contaminated Sites Management Plan ("CSMP") will be similar to the Contaminated Sites Management Contractor Plan, Wisconsin, Segment 18 Project, a copy of which was included as Attachment E to Enbridge's July 2017 DEIS Comments.

Line 3 Replacement Project is in-service. Where landowners choose removal, that decision will be incorporated into the decommissioning plan. The contents of the plan will depend in large part on the scope of the landowner-requested removal work and, therefore, will be prepared at that time.

Landowners will be compensated for needed temporary workspace, crop damages, and other damages incurred during or after removal of the pipe and appurtenances.

Enbridge will continue to monitor and maintain the right-of-way along the existing Line 3 corridor. Enbridge will maintain cathodic protection along the segments of existing Line 3 that are deactivated-in-place.

**Restrictions:**

As explained above, Enbridge's ability to remove existing Line 3 will be subject to the receipt of necessary permits and/or authorizations for each requested removal. Enbridge commits to making all reasonable efforts to obtain the necessary permits for decommissioning per the landowner preference and honoring those preferences. Despite those efforts, in some cases Enbridge may be prohibited from honoring preferences as a consequence of permit denials or where removal is simply not feasible. The feasibility of any particular requested removal will not be known until the requests are made, but considerations will include whether the pipeline was installed via boring methods rendering the pipe inaccessible or whether other safety concerns cannot be reasonably mitigated. Enbridge will provide landowners with relevant information if Enbridge is unable to honor a preference due to feasibility or permit issues. In these circumstances, Enbridge will negotiate the terms of deactivation-in-place with the affected landowner.

**Landowner Cooperation Needed to Implement:**

In order to effectively implement the above commitments, landowner cooperation will be needed in several areas.

Landowners will be required to make a timely and informed written decision about their preference.

Landowners will need to provide access to their parcel and, at a minimum, not interfere with environmental and other surveys needed to complete the decommissioning plan and draft required permits.

Reasonable availability of landowners to meet with Enbridge representatives will be needed. Landowners will also need to accept service of required documents and notices during the process and further be prepared to accept and review educational and outreach materials prepared specifically for this process.

Parcel ownership information will need to be communicated to Enbridge in cases where ownership details may not be publically available, such as trusts, land contracts and other unrecorded interests.

For Enbridge to implement the choices made by landowners, they must be willing to grant workspace and access as needed. Landowners will also need to be willing to execute agreements and documents that will allow Enbridge to complete the work agreed to during the process. Some landowners may need to cooperate with Enbridge in connection with permit applications where landowner sign-off is required.

**Addendum 1 to Attachment C:**  
**Introductory Letter to Landowners Regarding the Landowner Choice Program**

**Enbridge (U.S.) Inc.**  
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Manager Lands & ROW Operations US  
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[Insert Landowner Name and Contact Information]

RE: Line 3 Replacement Project –Landowner Choice Program Introductory Letter

Dear [Name of Landowner],

As you know, Enbridge applied to the Minnesota Public Utilities Commission (the “Commission”) for a Certificate of Need and a Route Permit for the Line 3 Replacement Project (the “Project”). As you also know, in connection with the Project, Enbridge committed to work with the landowners across whose land existing Line 3 runs. Specifically, Enbridge is prepared to offer the choice of deactivation-in-place or removal of existing Line 3 after the Project is completed and the new pipeline is placed in-service (the “Landowner Choice Program”). The purpose of this letter is to provide additional details regarding the Landowner Choice Program and answer initial questions you may have about the process.

*What is the status of the Project?*

On \_\_\_\_\_, 2018, the Commission issued its written order approving Enbridge’s applications. Enbridge has assigned eight of its Land Rights representatives to the Landowner Choice Program. It is our intent that these agents will serve as a resource for you, and we invite you to reach out with any questions you have.

*What is the Landowner Choice Program?*

The Landowner Choice Program is Enbridge’s response to feedback it has received from stakeholders who participated in the Project’s regulatory process related to Enbridge’s Deactivation Plan for existing Line 3. The Landowner Choice Program’s key function is to offer you a choice with respect to existing Line 3.

1. You may choose to have Enbridge deactivate the pipeline in place; or
2. You may choose to have Enbridge remove all or parts of existing Line 3 from your property, after the Project is completed and in-service.

*When will I hear more about the Landowner Choice Program from Enbridge?*

As a follow up to this letter, an Enbridge Land Rights representative will be contacting you by telephone in the near future to provide you with information about the Landowner Choice Program and answer any questions you have. If the representative is not able to reach you, they will leave at least one voicemail message so that you can contact the representative at your convenience. If a Land Rights representative is not able to reach you and does not hear back from you within a reasonable period of time, a Land Rights representative will make an in-person visit to your residence. If the representative is unable to confer with you in person, the representative will leave a door-hanger with additional contact information about how you can make your choice under the Landowner Choice Program.

*What are the next steps?*

Enbridge understands that deactivation-in-place and potential removal of existing Line 3 each have potential impacts to landowners and that landowners' questions about their choice will be fact-dependent. Enbridge is committed to providing you with resources and information to help you decide what's right for you and your property. As your Land Rights representative will explain, if you choose to have existing Line 3 removed from your property, it will be necessary for Enbridge to obtain the necessary government permits and/or authorizations to complete the work. The sole costs to obtain these permits and/or authorizations will be paid by Enbridge, but Enbridge may need your help in completing permit applications, accessing the property, and other related matters. If, despite Enbridge's efforts to obtain the necessary permits and/or authorizations, the government unit or agency declines to issue a permit, Enbridge will work to provide as satisfactory an outcome as is possible under the circumstances.

*How long do I have to make my choice?*

You can make your choice at any time, starting when the Enbridge Land Rights representative reaches you until the Project is completed and in-service. Because there are some additional permits Enbridge must obtain before it can start construction of the Project, it is not yet possible to know the Landowner Choice Program schedule with certainty. Once the Project is in-service, then Enbridge will purge existing Line 3 of oil and clean it within 90 days. Then, in the 365 days that follow, Enbridge will complete work to disconnect existing Line 3 from service consistent with federal regulations. Once the actual dates become known, Enbridge will clearly communicate the deadline that applies to you if you have not made your choice by then.

*How long will it take Enbridge to remove the pipeline if I make that choice?*

Enbridge will know the scope of permitting and removal efforts that will be necessary to implement the Landowner Choice Program after the deadline described above has passed. At that point, Enbridge may be able to better predict the permitting and removal construction timelines. However, at this stage, Enbridge will not be able to predict exactly when work will be done under the Landowner Choice

Program, because that work cannot begin until after certain milestones are reached, including placing the Project in-service and completing the required deactivation work. That said, in order to provide you with a very general and preliminary understanding as to the potential timeline of the actual removal work that could occur under the Landowner Choice Program, below are some estimated date ranges based on the expected achievement of certain milestones in connection with the Project, the post-Project deactivation work, and then the Landowner Choice Program permitting:

- Day 1 (a presently unknown date) – Project is placed in-service;
- Day 2 through Day 91 – Existing Line 3 is purged of oil and cleaned;
- Day 92 through Day 457 – Enbridge completes work on existing Line 3 required by federal regulations to disconnect existing Line 3 from service;
- Day 458 through Day 548 – Enbridge, in collaboration with landowners and government agencies, prepares applications for permits and/or other authorizations necessary to complete removal of the segments of existing Line 3 designated for removal under the Landowner Choice Program; and
- Day 549 through Completion – Enbridge will execute removal of the segments of existing Line 3 designated for removal, assuming permits and/or authorizations are issued by the relevant government units and/or agencies, under the Landowner Choice Program.

Keep in mind that these dates are preliminary and approximate. Again, your Land Rights representative will be able to provide updated information, as it becomes available, throughout the Landowner Choice Program implementation.

*Will Enbridge restore the right-of-way after removal activities are complete?*

Yes. Enbridge is responsible for restoring the right-of-way after removal activities are completed.

*Is Enbridge guaranteeing that it will get the required permits and remove existing Line 3?*

No. This will depend on the facts existing on each parcel. There may be times where permits cannot be obtained or where conditions simply do not allow for removal (e.g., certain pipeline locations have been bored and are not readily accessible, certain pipeline locations may not be safe or environmentally compatible to remove).

*What if I choose for Enbridge to deactivate existing Line 3 in place?*

Enbridge's Land Rights representatives will be prepared to discuss the terms of deactivation of Line 3 in place across your property, including compensation. This will be true for landowners who choose deactivation-in-place and for removals that cannot be permitted or otherwise are not feasible. In either situation, Enbridge will work with you to help you understand what work will be performed to minimize impacts on the property as well as Enbridge's ongoing responsibility to monitor and maintain the pipeline right-of-way. Notably, after the scope of these activities is better known, there may be

locations where Enbridge determines to remove segments of existing Line 3 from your property, even if you do not wish to have it removed. Your Land Rights representative will be available to discuss these issues as well.

In closing, we value our long-term relationship with you and all landowners and other stakeholders, and we are pleased to be able to offer the Landowner Choice Program to you. Please expect a follow-up call from an Enbridge Land Rights representative soon.

Regards,

## **Attachment D: Tribal Economic Spending Target**

### **Commitment**

Enbridge is targeting the creation of \$100 million (USD) in economic opportunities for tribal businesses and members on our Line 3 Replacement Program in the United States, including surveys prior to construction, construction of the Line 3 Replacement, deactivation of existing Line 3, removal of segments of existing Line 3, restoration following construction, and other related activities..

Tribal economic spending is a broad term, representing the expenditure of project capital through the use of tribal-owned contractors, purchasing of materials and equipment through tribal-owned suppliers, as well as the training and hiring of tribal members as part of the construction work force. Often this training leads to continued employment in the construction and maintenance fields.

This commitment represents a substantive and ambitious target, but one that is achievable based on our assessment of the existing and potential capacity of tribal member-owned businesses, tribal-owned businesses and tribal members and their demonstrated capacity on past projects. We're also able to draw on our own experience in hiring individuals and businesses for project and maintenance work in Minnesota. As well, our experience with construction of the Canadian portion of our Line 3 Replacement Program over the past year – and our investment to date of \$84 million (CAD) in Indigenous economic opportunities during the first year of the project – also provides us with confidence in our ability to meet this target.

While preference will be given to Minnesota-based tribal members and businesses, non-Minnesota based tribal members and businesses are included in the \$100 million target.

Enbridge commits to report quarterly to the Commission on tribal socio-economic results for Line 3 Replacement.

### **Background**

#### **Enbridge has adopted an Indigenous Peoples Policy that includes the following:**

*We commit to working with Indigenous Peoples to achieve benefits for them resulting from Enbridge's projects and operations, including opportunities in training and education, employment, procurement, business development and community development.*

In our annual corporate sustainability report, we report publicly on how we are implementing our Indigenous Peoples Policy. In addition, to demonstrate our commitment to increased transparency and collaboration, we recently released a special discussion paper that outlines our approach to protecting Indigenous rights and building relationships with Indigenous communities that live and work close to our projects and operations. We welcome feedback on this paper. It is

available here: <http://www.enbridge.com/sustainability-reports/indigenous-discussion-paper/preface>

### **Experience in Minnesota since the start of 2017**

In the past year and a half, Enbridge has spent \$6.3 million (USD) with tribal-owned businesses, tribal member-owned businesses, and on labor from tribal members during its maintenance and operations of its pipeline operations in Minnesota and on the efforts so far on Line 3 Replacement in the US.

Enbridge requires its contractors bidding on Enbridge work to have an Indigenous economic plan in their proposals.

Additional activities benefiting Minnesota Tribes and their members in the past year include facilitation of joint ventures between our contractors and tribal-owned businesses; providing support for the creation of new tribal-owned businesses; and purchasing products and services from a tribal member-owned business that will enable solar power to be used in our Bemidji office.

Enbridge has also helped to create job training opportunities to support long-term career opportunities for tribal members. Examples include the following:

- Enbridge collaborated with Local 49 (heavy equipment operators known as the “Forty Niners”) and the tribes on a training program for tribal members in 2017.
- Enbridge is supporting a large scale training program developed by the Minnesota Building Trades in cooperation with Minnesota Tribes. Enbridge is providing \$100,000 and our contractors have agreed to provide additional funding (\$95,000 so far). Graduation occurred on June 15, 2018.
- Enbridge has been providing scholarships to tribal community colleges annually in Minnesota since 2008.

### **Line 3 Replacement Program: Indigenous Economic Participation to date in the US and Canada**

In 2017, we strengthened our efforts to achieve greater economic inclusion of local Indigenous communities in our Line 3 Replacement Program, in both Canada and the US, by establishing a centralized team within Enbridge’s broader Supply Chain Management function (SCM). This team is dedicated to expanding opportunities for socio-economic participation by Indigenous Nations and groups. It includes specialists in Indigenous business development who work directly with interested First Nations and Metis in Canada and tribes in the US to further identify and define socio-economic opportunities that meet their needs and interests. They also support compliance with tribal requirements for employment and training related to our activities and operations on tribal land.

These changes are enabling us to execute a multi-faceted approach to responding to local community needs and interests based on opportunities for both direct contracting (through pre-qualification for Indigenous businesses that meet Enbridge requirements for safety, quality and technical capability), and through indirect sub-contracting for labor, supplies and employment.

As part of this approach, we've introduced a database of tribal-owned businesses and established robust requirements for tribal economic participation in all Requests for Proposal (RFPs) for contractors. In the RFP process, our contractors must submit a plan for inclusion of tribal businesses in any non-self-performed work, which then becomes part of their contractual obligation to Enbridge. Significant weighting is placed on our evaluation of contractor socio-economic plans to ensure meaningful award decisions are made. Contractor plans for Indigenous inclusion are actively managed through execution to ensure compliance. Enbridge also provides enhanced access to training-to-employment opportunities that include construction training and employment support programs.

#### Significant Outcomes to Date

As of Q2 2018, our Line 3 Replacement Program in Canada and the US has created approximately \$87 million (CAD) in Indigenous economic opportunities (\$84 million (CAD) in Canada and approximately \$3 million (CAD) in the US).<sup>1</sup> This amount includes contracting, labor, business development and training initiatives with Indigenous businesses and groups. We are currently targeting the creation of a total of at least \$250 million CAD in Indigenous economic benefits through to the end of construction. This goal represents a tenfold increase in Indigenous economic participation over our most recent project of comparable size and scope.

Together with interested Indigenous communities in Canada, we are also currently piloting a labor strategy that includes a web-based portal that can identify and connect qualified community members with interested contractors and trade unions. This initiative creates an opportunity for interested Indigenous organizations to provide a labor brokering service to Enbridge, with the goal of increasing the number of Indigenous workers on the project while also enabling participating communities to develop a revenue stream. We are also exploring opportunities to pursue a similar pilot in the US.

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<sup>1</sup> Indigenous nations and groups in Canada have received more economic opportunities to date because significant value was delivered during construction of the Line 3 Replacement Project in Canada last year. Should construction proceed in the US, we anticipate the numbers will converge significantly.