Enbridge Mainline Tolling Negotiations

Virtual Industry Open House

March 17, 2022 3:00pm to 4:00pm







Enbridge and the Post CTS Sub-Committee to provide a status update, the path forward and seek preliminary feedback on the Enbridge Mainline Tolling negotiations.

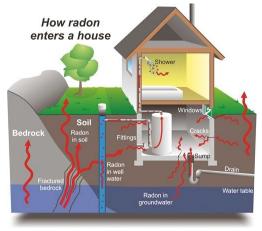


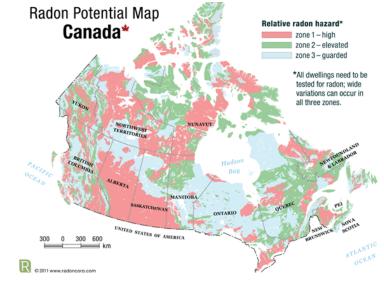
Safety Moment

Household Radon Exposure

- In Canada there are an estimated 3,300 deaths per year from lung cancer related to radon exposure in the home
- 6.9% of Canadians are living in homes with radon levels above the current radon guideline of 200 Bq/m3
- The only way to know if a home has an elevated level of radon is to test, regardless of location. Alberta has a higher risk of greater concentrations
- Everyone should measure the lowest level of the home, especially in areas of the home occupied for more than four hours per day
- No Excuses! Testing for radon is inexpensive (~\$50) and easy to do

Get your radon test online or at your local hardware store.





Meeting Agenda



- 1. Introductions
- 2. Scope of Negotiations
- 3. Schedule
- 4. Preliminary Feedback
- 5. Contact Information

Speaker Introductions



Enbridge

Brent Heinz

Director, Mainline Negotiations

Representative Shipper Group Sub-Committee

Nancy Bérard-Brown RSG Designated Member







Path Forward for Negotiations



- Negotiations are a collaborative effort between Enbridge and our stakeholders
- Negotiations are confidential and without prejudice as defined in the RSG Membership Agreement due to the nature of information being exchanged
 - Negotiations are also subject to the RSG Anti-Trust Guidelines
- The RSG Sub Committee members are a subset of the current RSG membership who have volunteered with an understanding of the time, effort, and resource commitment required which is expected to be at least 15 hours per week
- The RSG Sub Committee will be the official counterparty to Enbridge in the negotiations and represents an appropriate cross section of all Industry stakeholders
- Regular meetings will be set with the RSG Members to seek feedback and provide updates
- Any negotiated settlement will be subject to an RSG Vote under the RSG's voting procedures.

Progress to Date



Key Principles:

- No term contracts will be offered and there will be no priority access
- The Enbridge Mainline will continue to provide 100% uncommitted service to all prospective shippers
- Nomination structure will continue to be month to month, as is today
- Toll negotiations will start with cost-based information

Information Sharing:

- Enbridge has shared with the RSG Sub Committee members, on a confidential and without prejudice basis, the following:
 - Historical cost information; and
 - Forecasted cost information

Scope of Negotiations



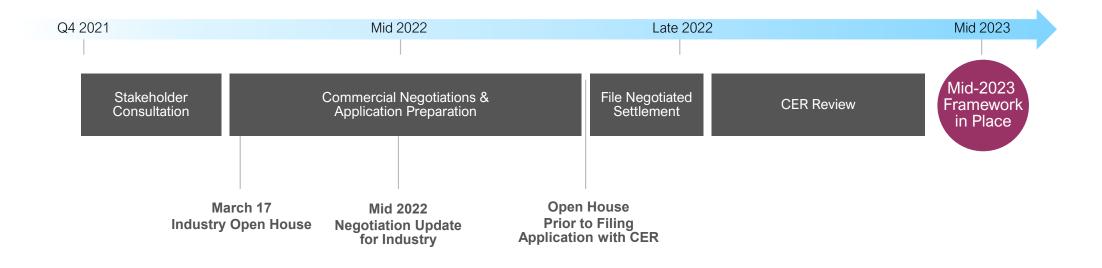
Negotiations will primarily be focused on the tolls and the key principles of the agreement

Parameters to be evaluated:

- IJT tolling and/or local tolling options
- Currency of toll for the Canadian Mainline CAD and/or USD
- Toll escalation structure
- Tolls for the interim period (July 2021 to new agreement start date)
- Term length of agreement
- Incentives for Enbridge
- Others



Schedule



A Negotiated Settlement Application is targeted to be filed with the CER before the end of 2022

Preliminary Feedback



- What is important to your organization?
- Do you have any recommendation(s) on the path forward for negotiations?
- Are there any additional parameters that should be considered as part of the negotiations?
- How would you like to provide feedback and receive updates during negotiations?

Contact Information



To receive more information or provide feedback please contact:

Enbridge Negotiating Team <u>canadianmainline@enbridge.com</u>

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