#### COMMISSION OF THE CANADA ENERGY REGULATOR

**IN THE MATTER OF** the *Canadian Energy Regulator Act*, and the regulations made thereunder;

**AND IN THE MATTER OF** an Application made by Enbridge Pipelines Inc. pursuant to Parts 1, 3 and 9 of the *Canadian Energy Regulator Act* for approval of the Mainline Tolling Settlement to be used on the Canadian Mainline

#### **ENBRIDGE PIPELINES INC.**

# MAINLINE TOLLING SETTLEMENT APPLICATION

**December 15, 2023** 

To: Ramona Sladic
Secretary of the Commission
Canada Energy Regulator
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#### 1. INTRODUCTION

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Enbridge Pipelines Inc. ("Enbridge") is applying to the Commission of the Canada Energy Regulator ("Commission" or "CER") for approval of a new tolling settlement – the Mainline Tolling Settlement ("MTS") – for its Canadian Mainline pipeline system<sup>1</sup> for the period from July 1, 2021 to December 31, 2028 (the "Term"). The most recent service and tolling framework, the Competitive Toll Settlement ("CTS"), expired on June 30, 2021, and the Canadian Mainline has been operating under interim tolls<sup>2</sup> since that time.

Specifically, Enbridge is applying for an order or orders under Section 226 of the Canadian Energy Regulator Act<sup>3</sup> (the "CER Act"), for approval of:

- the MTS in respect of tolls on the Canadian Mainline from July 1, 2021 through December 31, 2028;
- final Line 3 replacement surcharges on the Canadian Mainline for July 1, 2021 through to September 30, 2021; and
- final receipt and delivery tankage tolls on the Canadian Mainline from July 1, 2021 to the month in which the new tolls calculated in accordance with the MTS take effect following MTS approval.

The MTS is a product of negotiations between Enbridge and the Post CTS Mainline Tolling & Services Subcommittee (the "Negotiation Subcommittee") – a negotiating team comprised of stakeholders including producers, refiners, and integrated companies. After extensive negotiations and consultation, the MTS was approved by a vote of the Representative Shipper Group ("RSG")<sup>4</sup>. The Issue Resolution Sheet ("IRS") and a copy of the MTS and supporting schedules, which served as the basis of the RSG vote, are attached as Appendix 1 to this Application.

The MTS negotiations were conducted in accordance with the Commission's *Revised Guidelines for Negotiated Settlements of Traffic, Tolls and Tariffs.*<sup>5</sup> The MTS will result in

<sup>&</sup>lt;sup>1</sup> As defined in Schedule "A" to the MTS (the "Canadian Mainline").

<sup>&</sup>lt;sup>2</sup> With the exception of the LMCI surcharge and non-performance penalty credits in effect from July 1, 2021 and the Line 3 Replacement Surcharge in effect from October 1, 2021, as discussed in paragraph 100 of the Application. <sup>3</sup> S.C. 2019, c. 28, s. 10.

<sup>&</sup>lt;sup>4</sup> Now referred to as the Representative Stakeholder Group under the MTS; refer to paragraph 91 of the Application for further information.

<sup>&</sup>lt;sup>5</sup> Attachment to Board Letter dated 12 June 2002, File 4600-A000-3.



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tolls for the Canadian Mainline that are just and reasonable pursuant to Section 230 of the CER Act.

The MTS establishes Canadian Local Tariff tolls ("CLT Tolls") for all volumes received and delivered on the Canadian Mainline in Western Canada or received on the Lakehead System in the United States ("US") and delivered on the Canadian Mainline in Eastern Canada<sup>6</sup>, as well as International Joint Tariff tolls ("IJT Tolls") for volumes received in Western Canada and shipped to delivery points on the Lakehead System and delivery points on the Canadian Mainline in Eastern Canada. The Lakehead System is owned and operated by Enbridge Energy, Limited Partnership ("EELP"), an affiliate of Enbridge, and is regulated in the US by the Federal Energy Regulatory Commission (the "FERC").

Enbridge requests that this Application be approved as a single, integrated application and that any single component of the toll and settlement relief requested herein not be approved in the absence of any other component.

#### 2. BACKGROUND

# 2.1 <u>Enbridge Mainline Pipeline System</u>

Enbridge was incorporated in 1949 as Interprovincial Pipe Line Company and, in 1980, continued under the *Canada Business Corporations Act* as Interprovincial Pipe Line Limited. The Enbridge name was adopted in 1998. Enbridge is a wholly owned subsidiary of Enbridge Inc.

Enbridge is a "company" within the meaning of the CER Act. Enbridge owns and operates the Canadian Mainline, which is a "pipeline" within the meaning of the CER Act.

The Canadian Mainline encompasses various pipelines and associated facilities that are operated as an integrated system in order to optimize both domestic and export transportation service. Specifically, the Canadian Mainline includes:

Lines 1, 2A/2B, 3A, 4 and 67 (Alberta Clipper) originating in Edmonton, Alberta; Line
 93 ("Line 3 Replacement", "L3R" or "Line 3R") originating in Hardisty, Alberta; and

<sup>&</sup>lt;sup>6</sup> Such volumes would pay the local Lakehead rate for the segment of the route beginning at the receipt point and terminating at the US-Canada border near Sarnia, ON, and would pay the CLT Toll on the segment of the route beginning at the US-Canada border and terminating at the delivery point on the Canadian Mainline.



Line 65 (Light Sour Replacement) originating in Cromer, Manitoba; all of these pipelines connect to the Lakehead System at the Canada-US border near Gretna, Manitoba and Neche, North Dakota (the "Canada-US Border");

- Lines 5 and 78B, both connecting to the Lakehead System at the US-Canada border in Ontario, near Marysville, Michigan, and terminating at Sarnia, Ontario;
- Line 7 originating at Sarnia, Ontario and terminating at Westover, Ontario where it connects with Line 11; and
- Line 11 originating at Westover, Ontario and terminating at Nanticoke, Ontario.

The Canadian Mainline is operated in conjunction with the Lakehead System. Similar to the Canadian Mainline, the Lakehead System encompasses various pipelines and associated facilities that are operated as an integrated system in order to optimize service. The Lakehead System, operated by EELP, includes:

- Lines 1, 2B, 4, 67 (Alberta Clipper) and 93 (Line 3 Replacement) connecting to the Canadian Mainline at the Canada-US Border and terminating at Superior, Wisconsin;
- Line 65 (Light Sour Replacement) connecting to the Canadian Mainline at the Canada-US Border and terminating at Clearbrook, Minnesota;
- Line 5 originating in Superior, Wisconsin and connecting to the Canadian Mainline at the US-Canada border near Marysville, Michigan;
- Lines 6 and 14/64 originating in Superior, Wisconsin and terminating at Griffith,
   Indiana;
- Line 78A originating at Flanagan, Illinois and terminating at Stockbridge, Michigan;
- Line 78B originating at Stockbridge, Michigan and connecting to the Canadian Mainline at the US-Canada border near Marysville, Michigan;
- Line 61 (Southern Access) originating at Superior, Wisconsin and terminating at Flanagan, Illinois; and
- Line 62 originating at Griffith, Illinois and terminating at Flanagan, Illinois.

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The combined Canadian Mainline and Lakehead System is referred to as the "Enbridge Mainline" or "Mainline". A schematic that depicts the various pipelines comprising the Enbridge Mainline is found in Schedule "A" of the MTS.

# 2.2 <u>Canadian Mainline Tolling History</u>

Enbridge has a longstanding practice of negotiating terms of service and tolls with its shippers. Enbridge was the first Group 1 oil pipeline company to implement an incentive-based, negotiated settlement to set tolls when, in February 1995, it sought approval from the National Energy Board ("NEB" or "Board") for the Incentive Toll Principles of Settlement governing the 1995-99 period ("ITS") for the Canadian Mainline.

Since the ITS was approved in 1995, the Canadian Mainline has been subject to successive toll settlements until the recent expiry of the CTS. In 2000, Enbridge and CAPP entered into a successor five-year incentive tolling settlement<sup>7</sup>, followed by another five-year settlement in 2005<sup>8</sup> and one-year transition settlements in 2010 and 2011<sup>9</sup>.

The CTS was a 10-year negotiated tolling framework for the Canadian Mainline that went into effect on July 1, 2011 and expired on June 30, 2021. The CTS marked a change in the nature of tolling settlements associated with the Canadian Mainline: in addition to establishing local tolls for volumes shipped exclusively on the Canadian Mainline, the CTS established IJT tolls for petroleum shipped from Western Canadian receipt points on the Canadian Mainline to delivery points on the Lakehead System and on the Canadian Mainline in Eastern Canada.

On December 19, 2019, Enbridge filed an application with the Commission for firm service on the Canadian Mainline as a successor to the CTS. After an extensive hearing process, the CER ultimately denied Enbridge's application in November 2021 in CER Reasons for Decision RH-001-2020 ("Reasons for Decision on Mainline Contracting").<sup>11</sup>

<sup>&</sup>lt;sup>7</sup> NEB Order <u>TO-3-2000</u>, issued June 15, 2000.

<sup>&</sup>lt;sup>8</sup> NEB Order TO-01-2006.

<sup>&</sup>lt;sup>9</sup> Tolls for 2010 and 2011 were approved as interim in Board Orders <u>TOI-01-2010</u> and <u>TOI-02-2011</u>, respectively, before being approved as final in Order TO-03-2011.

<sup>&</sup>lt;sup>10</sup> Enbridge Competitive Toll Settlement dated July 1, 2011 (<u>CTS</u>, Appendix 1). See also Letter and Order <u>TO-03-</u>2011 from the NEB to Enbridge (June 24, 2011).

<sup>&</sup>lt;sup>11</sup> RH-001-2020, November 2021.



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The IJT and CLT tolls that were in effect at the end of the CTS term automatically became interim tolls on July 1, 2021 pursuant to CTS section 25.1 and article 5 of TO-003-2011.<sup>12</sup>

Between July 1, 2021 and October 1, 2021, in addition to the interim IJT and CLT tolls, shippers paid the L3R surcharges for the Canadian portion of the Line 3 Replacement Project. Enbridge and shippers agreed that if the CTS expired prior to the full Line 3 replacement project going into service in the US, then the L3R surcharges for the Canadian portion would be applied on an interim basis commencing with the expiry of the CTS until such time as the L3R Surcharge, as prescribed by Final IRS #2013-02-A, was implemented.<sup>13</sup> The final L3R Surcharge went into effect on October 1, 2021 with the in-service date of the Line 3 Replacement Project in the US.<sup>14</sup>

Following negotiation of the MTS term sheet and a successful vote approving the MTS term sheet by the RSG, Enbridge filed for CER approval on May 31, 2023 new interim CLT and IJT tolls reflecting the negotiated initial MTS tolls. These tolls were approved as interim tolls by the Commission in an order issued on June 16, 2023<sup>15</sup> and became effective July 1, 2023.

# 3. MTS NEGOTIATION PROCESS

In the Reasons for Decision on Mainline Contracting, the Commission encouraged Enbridge to "continue to work with its stakeholders to develop new tools to address a changing industry." Consistent with the CER's direction, shortly after the release of the Reasons for Decision on Mainline Contracting, Enbridge developed an engagement plan for negotiating a settlement for the Canadian Mainline tolls. Central to that engagement was ensuring that a diverse set of stakeholders was consulted, including producers, refiners, integrated shippers, government entities, and industry associations.

<sup>&</sup>lt;sup>12</sup> CER Interim CLT No. 480 and CER Interim IJT No. 481, filed May 28, 2021.

<sup>&</sup>lt;sup>13</sup> See the <u>transmittal letter</u> for IJT Tariff CER No. 455 and CLT Tariff CER No. 454, filed on August 30, 2019, for an explanation of the Interim L3R Surcharges. See also the <u>transmittal letter</u> for CER Interim CLT No. 480 and CER Interim IJT No. 481 filed May 28, 2021, in which Enbridge noted the Interim L3R Surcharges were a component of the interim CLT and IJT tolls following CTS expiry.

<sup>&</sup>lt;sup>14</sup> CER Interim CLT No. 491 and CER Interim IJT 492, filed September 29, 2021.

<sup>&</sup>lt;sup>15</sup> Order <u>TOI-001-2023</u>.

<sup>&</sup>lt;sup>16</sup> RH-001-2020, PDF p. 17.



- In December 2021, Enbridge engaged with the RSG to establish a subcommittee of the RSG that would be responsible for negotiating on the RSG's behalf. On January 17, 2022, the RSG agreed to establish the Negotiation Subcommittee pursuant to the RSG Agreement for the purposes of conducting the negotiations and to provide an opportunity to other stakeholders that may be impacted by any Mainline tolling settlement to participate in the negotiations.
- On January 25, 2022, Enbridge met with the Negotiation Subcommittee to discuss tolling arrangements on the Canadian Mainline. The parties agreed that the RSG Revised Agreement dated September 22, 2021, as extended in May 2022 and May 2023<sup>17</sup> (collectively the "RSG Agreement") would govern the negotiation and any subsequent RSG vote on a proposed Mainline tolling settlement.
- Representatives from the following stakeholder organizations initially formed the Negotiation Subcommittee: the Canadian Association of Petroleum Producers ("CAPP"), BP Products North America Inc. ("BP"), Imperial Oil Ltd. ("Imperial"), Citgo Petroleum Corporation, Cenovus Energy Inc. ("Cenovus"), Flint Hills Resources Canada, LP ("Flint"), Suncor Energy Inc. ("Suncor"), Shell Canada Limited, Total E&P Canada Ltd., Canadian Natural Resources Limited ("CNRL"), HF Sinclair Refining and Marketing LLC, and the Government of Alberta.
- On January 31, 2022, Enbridge sent a notification to Mainline shippers and other interested stakeholders advising of the commencement of the consultation and negotiation process for a tolling framework for the Enbridge Mainline and announcing the membership of the Negotiation Subcommittee. The notification is attached as Appendix 2 to the Application. Subsequent to the notification being sent, the Explorers and Producers Association of Canada ("EPAC") was added to the Negotiation Subcommittee at its request and with the agreement of the other Negotiation Subcommittee members.
- The Negotiation Subcommittee met several times in February and March 2022 to establish a framework for the tolling settlement negotiations, a primary feature of which was that the negotiated tolls would be cost-informed.

<sup>&</sup>lt;sup>17</sup> EPI Amended RSG Revised Agreement (May 26, 2022), filed on 20 June 2022, <a href="https://apps.cer-rec.gc.ca/REGDOCS/File/Download/4251249">https://apps.cer-rec.gc.ca/REGDOCS/File/Download/4251249</a>; and EPI Amended RSG Revised Agreement (May 25, 2023), filed on 31 May 2023, <a href="https://apps.cer-rec.gc.ca/REGDOCS/File/Download/4370609">https://apps.cer-rec.gc.ca/REGDOCS/File/Download/4370609</a>.



On March 17, 2022 Enbridge held an online virtual Open House, which was attended by 55 external parties, at which Enbridge informed stakeholders of the proposed framework for negotiations and the process for attempting to reach a tolling settlement for the Enbridge Mainline.<sup>18</sup> The presentation from the Open House is attached as Appendix 3 to the Application.

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To assist stakeholders in reaching a cost-informed tolling settlement, Enbridge provided extensive Mainline information to the Negotiation Subcommittee, including (i) drafts of an illustrative Mainline Guide P cost of service and throughput information package for the Enbridge Mainline, (ii) financial models for both the Canadian Mainline and the Lakehead System that allowed for calculation of a cost-informed total Mainline toll and Canadian Mainline toll, and (iii) Canadian Mainline and Lakehead System income statements. After providing this information, Enbridge responded to comprehensive information requests from the Negotiation Subcommittee. The Negotiation Subcommittee also had access to Lakehead cost information contained in Enbridge's Cost of Service application for the Lakehead System that Enbridge filed with the FERC in May 2021.<sup>19</sup>

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In order to facilitate more focused negotiations on key issues, the number of parties involved in the negotiations was narrowed to a subgroup of six representative parties in August 2022. The subgroup was comprised of BP, Cenovus, Suncor, CNRL, Flint and Imperial (the "Negotiation Subcommittee Subgroup"). While Enbridge worked with the Negotiation Subcommittee Subgroup, the members of the full Negotiation Subcommittee continued their due diligence on the Enbridge Mainline cost information.

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From August 2022 through April 2023, representatives from Enbridge and each member of the Negotiation Subcommittee Subgroup met on almost a weekly basis to refine the tolling framework, compare and review tolling models, develop cost informed tolls, and draft and agree upon a term sheet of commercial terms for the Mainline Tolling Settlement (the "MTS Term Sheet").

<sup>&</sup>lt;sup>18</sup> Enbridge notified all industry stakeholders and Mainline shippers about the Open House on March 4, 2023 by email and through Swiftlink, Enbridge's online shipper portal.

<sup>&</sup>lt;sup>19</sup> Enbridge ultimately settled the Cost of Service application with Lakehead shippers in May 2023 as a result of the MTS agreement. The Lakehead settlement was approved by the FERC on November 27, 2023.



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Enbridge provided regular updates to the RSG on the progress of the negotiations through RSG meetings that were held between January 2022 and April 2023. At each of these meetings, participants were invited to ask questions or seek additional clarity on the information presented about the proposed MTS settlement. Enbridge responded to all questions and concerns raised through this process.

Enbridge also met with the EPAC board in June and November 2022 and with EPAC's president in February 2023 to provide updates on the negotiations. In February 2023, Enbridge executives met with members of Saskatchewan Headquartered Oil Producers ("SHOP"), which is a collection of small oil producers in Saskatchewan. In the meeting, Enbridge provided an overview of MTS negotiations and responded to questions from the SHOP members.

Once the Negotiation Subcommittee Subgroup and Enbridge had agreed in principle on the MTS Term Sheet, the RSG Secretary sent Draft IRS #2022-01-A, including the MTS Term Sheet, and associated schedules as Appendix A, to the RSG on April 11, 2023.

Enbridge held an RSG meeting on April 13, 2023 to review the proposed tolling agreement set out in the MTS Term Sheet. During and subsequent to the RSG meeting, RSG members proposed several amendments to the MTS Term Sheet and the IRS and sought clarifications on several MTS terms. The feedback from shippers resulted in changes to the MTS Term Sheet, which Enbridge shared with the RSG prior to April 25, 2023. Enbridge also received questions from individual shippers, which it responded to by email prior to April 25.

Enbridge also provided a copy of the draft MTS Term Sheet to EPAC and invited them to provide feedback. Several EPAC members that are also RSG members attended the April 13 RSG meeting. Enbridge did not receive any feedback from EPAC on the MTS Term Sheet.

Enbridge reached consensus on the negotiated draft MTS Term Sheet with the Negotiation Subcommittee, and on April 25, 2023, Enbridge sent Final IRS #2022-01-A including the MTS Term Sheet, and the associated schedules as Appendix A, to the RSG in preparation for an RSG Member vote. Enbridge also included the responses to the questions and comments it had received. Enbridge is not aware of any issues or

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concerns relating to the MTS Term Sheet that were not addressed on or before May 2, 2023.

- On May 2, 2023, the RSG members voted to approve Final IRS 2022-01-A.
- On May 4, 2023, Enbridge representatives again met with SHOP representatives to provide an overview of the key terms of the MTS Term Sheet and an update on the RSG vote.
- Immediately following RSG approval, Enbridge reconvened with the Negotiation Subcommittee Subgroup and CAPP as the RSG Designated Member to draft the definitive MTS agreement. Throughout Q2 to Q4 2023, the parties met numerous times and exchanged drafts of the definitive agreement, with CAPP providing consolidated feedback on behalf of itself, its members and the Negotiation Subcommittee Subgroup.
- During this six-month timeframe, Enbridge worked with the Negotiation Subcommittee Subgroup and CAPP to refine the MTS Financial Model, and to prepare detailed schedules to the MTS including examples of how the agreement would operate, and the mechanics for implementing the interim toll period refund. Enbridge also worked with a regulatory financial consultant retained by the Negotiation Subcommittee Subgroup and CAPP, who audited and validated Enbridge's detailed internal refund model. Several meetings also took place between legal counsel for the parties to ensure the agreement wording appropriately reflected the parties' intentions.
  - Other RSG members were kept apprised of the progress regarding the negotiations for the agreement drafting through individual meetings and regular RSG updates.
  - Once Enbridge, the Negotiation Subcommittee Subgroup and CAPP had agreed on the terms of the agreement and schedules, and with the support of the Subcommittee Subgroup and CAPP, the RSG Secretary sent Draft IRS #2022-01-B including the MTS and supporting schedules, as Appendix A, to the RSG on November 9, 2023.
- Enbridge held a special RSG meeting on November 14, 2023 to present the key terms of the MTS and to provide a forum for questions and comments. No concerns were voiced in the meeting. Enbridge requested RSG consolidated feedback from the RSG Designated Member on Draft IRS #2022-01-B, including Appendix A, by November 30,

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2023. The consolidated feedback provided on November 30 resulted in changes to the MTS.

- To engage stakeholders beyond the RSG, Enbridge and representatives of the Negotiation Subcommittee Subgroup and CAPP co-hosted the Enbridge Mainline Tolling Settlement Industry Open House on November 21, 2023, at which they presented on key terms of the MTS and discussed next steps.<sup>20</sup> No questions or concerns were raised at the Open House. The presentation from the Open House is attached as Appendix 4 to the Application.
- Enbridge representatives sent an email notification regarding the agreement and the planned open house to SHOP representatives on November 7, 2023. No comments were received from the SHOP representatives. Enbridge also sent a copy of the agreement and schedules to EPAC on November 9, 2023, advising EPAC of the planned open house, offering to present a summary of the agreement to EPAC's board of directors, and requesting any comments on the agreement by November 30. No comments on the agreement were received from EPAC.
- On December 7, 2023 Enbridge sent Final IRS #2022-01-B including the MTS agreement and supporting schedules, as Appendix A, to the RSG in preparation for an RSG Member vote to be held at the December 14, 2023 RSG meeting.
- On December 14, 2023 the RSG unanimously approved the MTS in their vote on Final IRS #2022-01-B.<sup>21</sup>
- Letters of support for the MTS are attached to the Application as Appendix 5.

# 4. OVERVIEW OF THE MTS

The MTS is an innovative agreement that was negotiated to meet the needs of stakeholders and Enbridge over its approximately seven-year term. Under the MTS, the Mainline will continue to provide 100% uncommitted service and an IJT tolling structure,

<sup>&</sup>lt;sup>20</sup> Enbridge notified all industry stakeholders and Mainline shippers about the Open House on November 9, 2023 by email and through Swiftlink.

<sup>&</sup>lt;sup>21</sup> While the RSG Agreement limits Enbridge's public disclosure of RSG vote results to "Approved" or "Not Approved", the RSG put forward a motion at the December 14 meeting to permit Enbridge to disclose in the CER application that the vote approving the MTS was "unanimous". The RSG unanimously approved that motion.



as it did under the CTS. However, the MTS also contains new risk mitigation features for both shippers and Enbridge.

- For example, responding to concerns it heard from shippers about foreign exchange risk inherent in the prior USD IJT tolls, Enbridge has modified the IJT Tolls so that they are dual currency: a portion of the IJT Tolls is denominated and charged in Canadian dollars ("CAD"), and a portion of the IJT Tolls is denominated and charged in US dollars ("USD").
- In addition, shippers wanted Enbridge to remain incented to optimize system throughput and costs while earning reasonable financial returns over the Term, while Enbridge sought downside protection from potential significant supply or demand disruptions and unforeseen operating cost exposure. As a result, the parties negotiated a financial performance collar for the Enbridge Mainline, which would require Enbridge to reduce tolls if the financial return exceeded the negotiated collar in a year or would allow Enbridge to increase tolls if any year's financial return fell below the collar. This mechanism is described further in section 5.2.6 of the Application.
- 50 Under the MTS, Enbridge and the RSG expect benefits to continue to accrue to Enbridge and Mainline shippers through an evolving balancing of risks.
- The MTS provides benefits to shippers including:
  - 1. incorporating the principles of cooperation and risk sharing initiated through the ITS agreements and continued through the CTS;
  - providing toll certainty and stability on the Canadian Mainline during the MTS
     Term;
  - establishing and maintaining competitive long-term tolls on the Canadian Mainline;
  - continuing an IJT for volumes shipped from Western Canadian receipt points on the Canadian Mainline to delivery points on the Lakehead System and the Canadian Mainline in Eastern Canada;
  - 5. promoting and incenting carrier operational and cost efficiencies; and

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 eliminating the time and expense associated with successive cost of service toll hearings for the Canadian Mainline (and Lakehead System) during the Term of the MTS.

Enbridge and the RSG have agreed to the terms of the MTS as a negotiated package based on all of the components reflected within the agreement. Enbridge and the RSG agree that the MTS is the result of good faith, arm's length negotiations that have resulted in an agreement that is fair and equitable and appropriately allocates risks between Enbridge and Canadian Mainline shippers.

No single term of the MTS is to be considered acceptable to either Enbridge or the RSG in isolation from all other aspects of the MTS. The MTS is to be viewed as a whole, reflecting the allocation of risks and rewards between Enbridge and its shippers over its entire Term.

Further, Enbridge and the RSG intend that the principles set forth in the MTS will be applicable solely to Enbridge and will have no application to or form a precedent for other CER-regulated pipelines. The selection of certain capital structures, interest rates, and equity returns for the purposes of implementing certain principles contained in the MTS does not in any way form a precedent for the future, nor do these represent the position of either Enbridge or the RSG as to the capital structure, interest expense, or equity return that would be appropriate absent a negotiated settlement such as the MTS.

Enbridge and the RSG have acknowledged that it is in their respective best interests to resolve disputes regarding the MTS in an efficient and expedited manner. In keeping with that goal, the MTS contains a dispute resolution mechanism focused on resolving such disputes through negotiation. In the event that any dispute under the MTS is not resolved through negotiation, the dispute may be referred to the Commission.

#### 5. TOLLING UNDER THE MTS

## 5.1 CLT and IJT Tolls

The MTS represents a negotiated settlement designed to provide shippers with stable and competitive tolls on the Canadian Mainline and the Enbridge Mainline. The MTS establishes the CLT Tolls and the IJT Tolls and sets out the principles for adjusting those tolls during the Term. The CLT Tolls and the IJT Tolls are cost informed and were

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negotiated based on the Enbridge Mainline cost information found in the MTS Financial Model included in Schedule "Q" of the MTS.

- 57 The CLT Tolls are charged for the transportation of all barrels received and delivered at or upstream of Gretna Station, MB. In addition, cross-border shipments that are received on the Lakehead System and terminate on the Canadian Mainline in Eastern Canada are charged CLT Tolls for transportation on the segment of the route beginning at the US-Canada border near Sarnia, ON and terminating at the delivery point on the Canadian Mainline.
- The initial CLT Tolls (inclusive of receipt and delivery terminalling services) are set forth in Schedule "P" of the MTS. The CLT Tolls are comprised of i) the Base CLT Tolls and ii) the applicable surcharges/sur-credits.
- The Base CLT Tolls include charges for terminalling and transmission and are comprised of three components: i) a fixed cost component, ii) an operational and administrative ("O&A") cost component, and iii) a power cost component. Both the O&A cost component and the power cost component are subject to an annual escalation, as described in section 5.3 of the Application.
- The Base CLT Toll for shipments of heavy crude oil from Hardisty to the Canada-US Border initially will be CAD\$1.6542 per barrel. The initial Base CLT Tolls for all other receipt and delivery point pairings were established by distance and commodity adjusting the transmission portion of this negotiated toll.
- The IJT Tolls are charged for all long-haul barrels received in Western Canada for transportation beyond the Canada-US Border for delivery on either the Lakehead System or the Canadian Mainline in Eastern Canada.
- The initial dual-currency IJT Tolls (inclusive of receipt and delivery terminalling services) are set forth in Schedule "P" of the MTS. The IJT Tolls are comprised of a CAD IJT Component and a USD IJT Component. The CAD IJT Component comprises i) the CAD Base IJT Toll and ii) the applicable CAD surcharges/sur-credits. The USD IJT Component comprises i) the USD Base IJT Toll and ii) the applicable USD surcharges/sur-credits.

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- The CAD Base IJT Tolls and the USD Base IJT Tolls are collectively referred to as the Base IJT Tolls. The Base IJT Tolls include charges for terminalling and transmission and are comprised of: i) a fixed cost component, ii) an O&A cost component, and iii) a power cost component, the latter two of which are subject to an annual escalation, as described in section 5.3 of the Application.
- For shipments of heavy crude oil from Hardisty to Chicago, the CAD Base IJT Toll will initially be CAD\$1.6542 per barrel, and the USD Base IJT Toll will initially be USD\$2.5671 per barrel. The initial Base IJT Tolls for all other receipt and delivery point pairings were established by distance and commodity adjusting the transmission portion of these two negotiated tolls.
- Figure 1 below is a visual representation of the components of the CLT Tolls and IJT Tolls.

**CLT Tolls IJT Tolls USD IJT** CAD IJT Component Component Base Applicable **CAD Base** Applicable **USD** Base Applicable CLT Toll<sup>1</sup> Surcharges/Sur-credits: IJT Toll<sup>1</sup> Surcharges/Sur-credits: Surcharges/Sur-credits: IJT Toll<sup>1</sup> 1. Line 3R Surcharge LMCI Surcharge 1. Line 3R Surcharge 2. LMCI Surcharge 2. Interim Period 2. MTS Relocation Interim Period Refund Sur-Credit Surcharge Refund Sur-Credit 3. Non-Performance 3. MTS Tunnel Surcharge 4. Non-Performance Penalty Credit 4. Minnesota Penalty Credit True Up Surcharge Abandonment True Up Surcharge or True Up Sur-Surcharge or True Up Sur-Credit, if applicable True Up Surcharge or Credit, if applicable 5. The Prospective True Up Sur-Credit, if The Prospective Collar Surcharge or applicable Prospective Collar Collar Surcharge or 6. The Prospective Collar Surcharge or Prospective Collar Sur-Credit, if Sur-Credit, if applicable Prospective Collar Surapplicable Other surcharges Credit, if applicable Other surcharges as as may be agreed Other surcharges as may be agreed to to between may be agreed to between Enbridge Enbridge and the between Enbridge and and the RSG RSG the RSG

Figure 1: Components of CLT Tolls and IJT Tolls

<sup>&</sup>lt;sup>1</sup> Comprised of a fixed cost component, O&A cost component and power cost component.



# 5.2 Surcharges and Sur-Credits

Canadian Mainline volumes will be subject to some or all of the surcharges and surcredits set out in Table 1 below, depending on whether they are CLT or IJT movements. The surcharges and sur-credits will be added to the applicable base toll(s) and applied solely to the tariff related to the jurisdiction where the related asset resides.

Table 1: Surcharge and Sur-Credit Applicability

	Surcharge/Sur-Credit	Tariff Applicability
1.	Line 3R Surcharge	CLT
		USD IJT Component
2.	LMCI Surcharge	CLT
		CAD IJT Component
3.	Minnesota Abandonment Surcharge	USD IJT Component
4.	MTS Relocation and Tunnel Surcharges	USD IJT Component
5.	Interim Period Refund Sur-Credit	CLT
		CAD IJT Component
6.	True Up Surcharge or True Up Sur-Credit	As determined in accordance with Article 12.18 of the MTS
7.	Prospective Collar Surcharge or Prospective Collar Sur-Credit	As determined in accordance with Article 12.21 of the MTS
8.	Non-Performance Penalty Credit	CLT
	·	CAD IJT Component
9.	Other surcharges as may be agreed to between Enbridge and the RSG	As agreed to between Enbridge and the RSG

# 5.2.1 Line 3R Surcharge

Under the MTS, the amount of the Line 3R Surcharge will continue to be calculated and distance adjusted in accordance with the IRS pursuant to which the surcharge was negotiated (Final IRS #2013-02-A and Final IRS #2013-02-B).

The IJT L3R Surcharge will continue to be charged in USD to all IJT service shipments originating upstream of the Canada-US Border, and is derived by distance adjusting the L3R Surcharge for all receipt points upstream and all delivery points downstream of the Canada-US Border. In accordance with the L3R IRS, IJT service shipments originating at Edmonton and Hardisty also will be subject to a USD\$0.04 per barrel terminalling surcharge.

As is the current practice, the Canada L3R Surcharge will be charged to all CLT service shipments in CAD and will be derived by distance adjusting the L3R Surcharge for all

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receipt and delivery point combinations in Canada and then converting the resultant toll to CAD. In addition, all CLT service shipments originating at Edmonton or Hardisty will be subject to a USD\$0.04 per barrel receipt terminalling surcharge, which will be converted to and charged in CAD. During the Term, the Canada L3R Surcharge and Edmonton/Hardisty receipt terminalling surcharge will be converted to CAD using the monthly average WM/Refinitiv 12:00 pm noon Eastern Standard Time foreign exchange rate for converting USD into CAD. The resulting conversion rate will continue to apply until the earlier of: (i) an adjustment is made to the Line 3R Surcharge in accordance with the Line 3 IRS, or (ii) 12 months have passed since the last foreign exchange adjustment.<sup>22</sup>

# 5.2.2 LMCI Surcharge

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All IJT and CLT service shipments will be subject to the CAD LMCI Surcharge, which is the surcharge made in respect of the NEB Land Matters Consultation Initiative Stream 3 – Pipeline Abandonment – Financial Issues or any other existing or future proceedings established by the CER in connection with the abandonment of the Canadian Mainline.

## 5.2.3 Minnesota Abandonment Surcharge

IJT service shipments will be subject to the USD Minnesota Abandonment Surcharge, which is the surcharge to recover funds that EELP is required to set aside pursuant to any order made by the Minnesota Public Utilities Commission ("MPUC") in respect of the MPUC Decommissioning Trust Process for the decommissioning of the Line 3 Replacement Pipeline (also known as Line 93) in Minnesota.

#### 5.2.4 MTS Relocation and Tunnel Surcharges

- All IJT service shipments will be subject to the USD MTS Relocation Surcharge and/or the MTS Tunnel Surcharge in relation to Line 5 in the US.
- Enbridge will be able to recover from IJT service shippers those capital expenditures for the Line 5 Tunnel Project and the Relocation Project that are in excess of one billion and thirty-four million Canadian dollars (CAD\$1,034,000,000) through the MTS Tunnel Surcharge and/or the MTS Relocation Surcharge, as applicable. To be recoverable, the

<sup>&</sup>lt;sup>22</sup> This process is similar to the foreign exchange rate conversion process currently used for the Line 3R Surcharge, as referenced at PDF pp. 2-3 of the <u>transmittal letter</u> for Interim Tariff CER No. 502 and Interim Tariff CER No. 501.



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capital expenditures must have been approved by the RSG pursuant to the terms of the MTS. Neither Line 5 project surcharge will be charged for CLT service.

Both Line 5 project surcharges will cease at the expiry of the MTS. Following MTS expiry, any costs or expenditures that are recoverable through either the MTS Relocation Surcharge or the MTS Tunnel Surcharge will be recoverable through the local Lakehead rates.

#### 5.2.5 Interim Period Refund Sur-Credit

Following approval of the MTS, Enbridge will implement CAD sur-credits in order to return to shippers an agreed-upon portion of the revenues that were collected in relation to CLT service and IJT service between July 1, 2021 and June 30, 2023. An aggregate amount of two hundred and nineteen million one hundred and eight thousand four-hundred and twenty-five dollars and sixty-nine cents (CAD\$219,108,425.69) has been designated for the CLT service refund sur-credit, and an aggregate amount of three hundred and seventy-nine million two hundred and seven thousand five-hundred and sixty-one dollars and eighty-six cents (CAD\$379,207,561.86) has been designated for the IJT service refund sur-credit (the "Interim Period Refund Sur-Credits").

The Interim Period Refund Sur-Credits will reduce the CLT Tolls and the CAD IJT Component, and will be adjusted based on commodity and distance travelled on the Canadian Mainline. The Interim Period Refund Sur-Credits will be returned to Canadian Mainline shippers rateably over the period beginning after the MTS is approved by the CER and ending on June 30, 2028, or sooner if the designated aggregate amount has been returned to shippers before June 30, 2028. If the designated aggregate amount for either Interim Period Refund Sur-Credit has not been returned by June 30, 2028, the applicable sur-credit will be adjusted such that Enbridge returns the entire designated amount prior to the end of the Term.

#### 5.2.6 True-Up Surcharge or Sur-Credit

Enbridge and stakeholders negotiated a financial performance collar for the Enbridge Mainline to ensure the Enbridge Mainline earns a return every year during the Term, commencing in 2023, of between 11% and 14.5% (the "Collar").

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Before April 1 of each year during the Term starting in 2024, Enbridge will calculate the Enbridge Mainline's MTS Financial Return for the previous calendar year. Any actual or forecasted MTS Financial Return calculation in respect of 2023 will be made as if the MTS tolls were in effect on January 1, 2023.

The MTS Financial Return calculation for each year will include actual data and the MTS Financial Model, which was created during MTS negotiations and attached to the MTS as Schedule "Q". This information will be shared annually with the MTS Management Subcommittee of the RSG, which is described in section 6.1 of the Application. The MTS Financial Return calculation will use a 28-year depreciable life, a capital structure with 50% equity, and other parameters agreed to between the parties.

Schedule "G" of the MTS includes sample MTS Financial Return calculations.

In any year, if the Enbridge Mainline MTS Financial Return is greater than 14.5% or less than 11%, Enbridge will apply a True-Up Surcharge or Sur-Credit, as applicable, to collect or refund the amount that caused the MTS Financial Return to fall outside the Collar. If only one of the Canadian Mainline or Lakehead System causes the MTS Financial Return to fall outside the Collar, then the True-Up Surcharge or Sur-Credit will be charged for that system only. In other words, if the Canadian Mainline is solely responsible for the Collar breach, then Enbridge will adjust both the CLT Tolls and the CAD IJT Component. If the Lakehead System is solely responsible for the Collar breach, Enbridge will adjust only the USD IJT Component.

Prior to implementing a True-Up Surcharge or Sur-Credit in a year, Enbridge will provide the results of the MTS Financial Return calculation and the calculation of the True-Up Surcharge or Sur-Credit to the MTS Management Subcommittee.

#### 5.2.7 Prospective Collar Surcharge or Sur-Credit

At any time during the Term starting in 2024, if Enbridge forecasts that the MTS

Financial Return for the then-current year will exceed or fall below the Collar, Enbridge may provide the MTS Management Subcommittee with three consecutive months of data that provide support for its forecast. If the MTS Management Subcommittee agrees with Enbridge's assessment, then Enbridge will calculate the amount estimated to be necessary to yield an MTS Financial Return equal to the upper or lower boundary of the

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Collar (the "Forecast True-Up Amount"). Enbridge will then implement a Prospective Collar Surcharge or Sur-Credit, as applicable, for the remainder of the year, or until June 30 of the following year if the amount is substantial, to collect or return the Forecast True-up Amount.

If only the Canadian Mainline is expected to cause the MTS Financial Return to fall outside the Collar, then Enbridge will apply the Prospective Collar Surcharge or Sur-Credit to only the Base CLT Tolls and the CAD Base IJT Tolls. If only the Lakehead System is expected to cause the MTS Financial Return to fall outside the Collar, then Enbridge will apply the Prospective Collar Surcharge or Sur-Credit to only the USD Base IJT Tolls.

# 5.2.8 NPP Credit

Consistent with current practice<sup>23</sup>, Enbridge will continue to refund revenues collected in relation to the Non-Performance Penalty to CLT and IJT shippers annually. The Non-Performance Penalty Credit will form part of the CLT Tolls and the CAD IJT Component.

# 5.2.9 Other Surcharges

At any time during the Term, Enbridge may apply to the CER for approval of and to impose other surcharges. Enbridge will first negotiate and obtain RSG agreement on the parameters of any such surcharge, including the inclusion of revenues and costs associated with any such surcharges in the MTS Financial Return calculations.

#### 5.3 <u>Escalation</u>

On July 1<sup>st</sup> of each year during the Term starting in 2024, the O&A cost component of the Base IJT Tolls and the Base CLT Tolls will be escalated by 100% of the year-over-year change in the annual average US CPI-U, which is the consumer price index data reported for urban consumers that is published by the US Bureau of Labor Statistics, reported for the prior calendar year (the "O&A Escalator").

Additionally, on July 1<sup>st</sup> of each year during the Term commencing in 2024, the power cost component of the Base IJT Tolls and the Base CLT Tolls will be escalated by the year-over-year increase, as compared to the prior calendar year, of the power

<sup>&</sup>lt;sup>23</sup> In accordance with NEB Order TO-003-2014.



consumption weighted average power prices or indices for each Province or State in which the Canadian Mainline and Lakehead System, as applicable, are located (the "Power Escalator"). The calculation will rely on publicly available data from Statistics Canada and the Energy Information Administration and will be based on the 12 months' data for the prior calendar year.

If either the year-over-year percentage change calculated for the annual O&A Escalator or the Power Escalator is negative in a year, the corresponding cost component will remain flat for the year, and the percentage of the negative escalator will offset any future positive percentage escalation.

# 5.4 Receipt and Delivery Tankage Tolls

Under the MTS, Canadian receipt and delivery tankage services will continue to be tolled separately and in a manner consistent with the existing NEB-approved methodology<sup>24</sup>, which was in place before and during the term of the CTS. A tankage revenue requirement of fifty-six million eight hundred and twelve thousand and four hundred Canadian dollars (CAD\$56,812,400) will be used to determine receipt and delivery tankage fees in effect on July 1, 2021. An annual volume forecast will then be used to determine the tankage fees in effect on July 1 of each year of the Term starting on July 1, 2024. If there is over- or under- collection of amounts, those amounts will be used to adjust the next year's receipt and delivery tankage revenue requirement.

Notwithstanding the MTS, Enbridge may seek future Commission approval for a different toll design and regulatory treatment of the receipt and delivery tankage revenue requirement following consultation with the RSG.

# 6. OTHER KEY PROVISIONS OF THE MTS

# 6.1 <u>RSG</u>

The RSG (formerly the "Representative Shipper Group") will continue under the MTS but will become known as the Representative Stakeholder Group to reflect the fact that members include not only shippers on the Enbridge Mainline but also other stakeholders such as refiners, marketers, producers, government and industry groups. The Amended

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<sup>&</sup>lt;sup>24</sup> Enbridge's receipt tankage tolling methodology of applying the Declining Bracket Rate methodology to the receipt tankage revenue requirement was approved by the NEB on March 24, 2006 (NEB Filing ID: <u>A0T8G0</u>). Enbridge's postage stamp delivery tankage toll methodology has approved by the NEB in 1990 in NEB Reasons for Decision, Interprovincial Tolls, <u>RHW-1-89</u>.



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RSG Revised Agreement dated May 25, 2023 will be replaced with the Representative Stakeholder Group Agreement included as Schedule "M" to the MTS such that the term of the Representative Stakeholder Agreement is coextensive with the Term of the MTS.

Following CER approval of the MTS, the RSG will form a subcommittee, known as the MTS Management Subcommittee, that will be comprised of RSG representatives that are designated by their RSG Member for the purpose of identifying issues and managing the MTS on behalf of stakeholders.

# 6.2 Allowance Oil

As is the current practice, during the Term, for CLT service, Enbridge will deduct a percentage of all petroleum delivered off the Canadian Mainline, in the amount of 1/20<sup>th</sup> of 1% of the volume of petroleum delivered.

For IJT service, Enbridge will deduct a percentage of all petroleum delivered off the Enbridge Mainline, in the amount of 1/10<sup>th</sup> of 1% of the volume of petroleum delivered. The allowance oil that is collected under the IJT will be divided equally between the Canadian Mainline and the Lakehead System.

# 7. REASONABLENESS OF THE MTS

Enbridge seeks approval of the MTS in respect of the Canadian Mainline on the basis that it forms an appropriate basis for calculating tolls that are just and reasonable and that it satisfies the criteria for negotiated settlements set out in the *Revised Guidelines* for Negotiated Settlements of Traffic, Tolls and Tariffs.

All parties, including Enbridge Mainline shippers, producers, industry associations and governments, having an interest in Enbridge's traffic, tolls and tariffs have had a fair opportunity to have their interests recognized and appropriately weighed during the course of the MTS negotiation process. This opportunity was provided through numerous negotiating sessions with the Negotiating Subcommittee and the Negotiation Subcommittee Subgroup, as well as RSG meetings and the open houses described in paragraphs 25 and 42 of the Application.

The MTS contains no provisions that are illegal or contrary to the CER Act.

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The Commission previously recognized in the Reasons for Decision on Mainline Contracting that "a negotiated settlement for the Canadian Mainline is likely to produce the most market-sensitive outcome for all interested parties, assuming effective participation by all parties in the negotiation."<sup>25</sup> The Commission further stated that, in its view, Enbridge, its shippers and its stakeholders are best positioned to develop solutions on Canadian Mainline tolling moving forward.<sup>26</sup> The MTS represents this carrier-stakeholder developed tolling solution for the Canadian Mainline.

The MTS is in the public interest because:

- It is an arm's length settlement concluded by Enbridge, Enbridge Mainline shippers,
  Western Canadian crude oil producers, industry associations (CAPP and EPAC) and
  government representatives after extensive, multi-year negotiations. The Enbridge
  Mainline shippers that participated in the negotiations represent the majority of
  volumes of hydrocarbons delivered on the Enbridge Mainline in 2022-23, and the
  producers that participated produced the vast majority of Western Canadian crude oil
  in 2022-23.
- The MTS is consistent with the CER's desire to streamline the regulatory process and, to the extent possible, minimize the degree of oversight and burden associated with regulation of companies under the CER's jurisdiction.
- The MTS continues to provide a simplified toll and tariff structure and establishes long-term tolls while also providing certainty with respect to tolls on the Canadian Mainline.

#### 8. 2021, 2022 AND 2023 FINAL TOLLS

Enbridge respectfully submits that the following components of the Canadian Mainline tolls are final and do not require further consideration by the Commission:

LMCI surcharge in effect from July 1, 2021;

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<sup>&</sup>lt;sup>25</sup> RH-001-2020, PDF p. 94.

<sup>&</sup>lt;sup>26</sup> Ibid., PDF p. 113.



- L3R Surcharge in effect from October 1, 2021;<sup>27</sup> and
- Non-performance penalty credit in effect from July 1, 2021.<sup>28</sup>
- In accordance with this Application and the terms of the MTS, Enbridge seeks Commission approval of the following:
  - the Base CLT Tolls for transportation service on the Canadian Mainline set forth in Appendix B to Interim CLT Tariff CER No. 529<sup>29</sup> and Schedule "C" of the MTS as final Base CLT Tolls from July 1, 2021 to the effective date of the first toll filings under the MTS following CER approval (the "Effective Date of the New MTS Tolls");
  - the Base IJT Tolls for transportation service on the Enbridge Mainline set forth in Appendix A to Interim IJT Tariff CER No. 530<sup>30</sup> and Schedule "B" of the MTS as final Base IJT Tolls from July 1, 2021 to the Effective Date of the New MTS Tolls;
  - the interim L3R surcharges in effect from July 1, 2021 to September 30, 2021 as the final L3R surcharges for that period; and
  - the interim tolls for receipt tankage service<sup>31</sup> and delivery tankage service<sup>32</sup> on the Canadian Mainline in effect from July 1, 2021 to the Effective Date of the New MTS Tolls as final receipt and delivery tankage tolls for that period.
- Figure 2 provides a visual depiction of the interim and final toll relief sought prior to the Effective Date of the New MTS Tolls. Enbridge is seeking to have the interim tolls shown in blue made final, while the tolls shown in green are already final and therefore no further order in respect of those tolls is required or being sought. No order is being sought in respect of the interim tolls shown in orange, as those tolls were superseded by the new interim tolls that became effective July 1, 2023, which are shown in blue.

<sup>&</sup>lt;sup>27</sup> Enbridge first presented its position to the CER that the L3R Surcharge should be accepted as a final toll in its cover letter for <u>CER Tariff Nos. 486 and 487</u> filed on August 12, 2021 and reiterated that position in subsequent L3R adjustment filings, including for <u>CER Tariff Nos. 491 and 492</u> filed on September 29, 2021.

<sup>28</sup> Approved in NEB TO-003-2014.

<sup>&</sup>lt;sup>29</sup> Filing ID C24658-5; these interim tolls were approved by the Commission in TOI-001-2023.

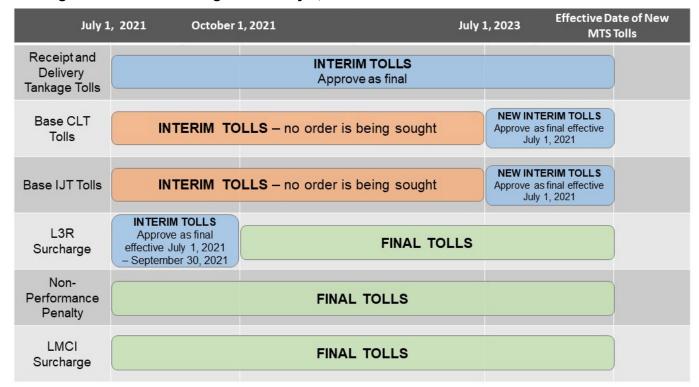
<sup>&</sup>lt;sup>30</sup> Filing ID C24658-4; these interim tolls were approved by the Commission in TOI-001-2023.

<sup>&</sup>lt;sup>31</sup> Collected under Enbridge Interim Tariff Nos. RT 21-1, 22-1 and 23-1.

<sup>32</sup> Collected under Enbridge Interim CLT Tariff Nos. 480, 491, 501, 507, 511, 516, 521, 525, 529 and 535.



Figure 2: Toll Relief Sought from July 1, 2021 to Effective Date of New MTS Tolls



Following approval of the Application and in accordance with the tolling design methodology contained in the MTS, Enbridge will make the first MTS toll filings. The Effective Date of the New MTS Tolls will be no later than the first day of the month following the month after CER approval of the MTS. Commencing in 2024 and for the remainder of the Term, Enbridge will file for effect on July 1 of each year annual CLT, IJT and receipt and delivery tankage tolls with the Commission.

# 9. CER REPORTING

Enbridge will file quarterly and year-end surveillance reports with the CER in accordance with the CER's requirements for Group 1 pipeline companies during the Term.

#### 10. RELIEF REQUESTED

105 Enbridge hereby applies for an order or orders under Section 226 of the CER Act for:

- a. approval of the MTS in respect of the Canadian Mainline;
- b. approval of the Base CLT Tolls and the Base IJT Tolls set forth respectively in Schedules "C" and "B" of the MTS, and also in Appendix B to Interim CLT Tariff



CER No. 529<sup>33</sup> and Appendix A to Interim IJT Tariff CER No. 530<sup>34</sup>, respectively, as final tolls from July 1, 2021 to the Effective Date of the New MTS Tolls;

- approval of the interim receipt and delivery tankage tolls as final tolls from July 1,
   2021 to the Effective Date of the New MTS Tolls;
- d. approval of the Interim L3R surcharges charged between July 1, 2021 and September 30, 2021 as final tolls;
- e. approval to establish from July 1, 2021 through to December 31, 2028 tolls for the Canadian Mainline in accordance with the MTS; and
- f. such further and other relief as Enbridge may request or the CER may consider appropriate.

<sup>&</sup>lt;sup>33</sup> Filing ID <u>C24658-5</u>; these interim tolls were approved by the Commission in <u>TOI-001-2023</u>.

<sup>&</sup>lt;sup>34</sup> Filing ID C24658-4; these interim tolls were approved by the Commission in TOI-001-2023.



# ALL OF WHICH IS RESPECTFULLY SUBMITTED this 15th day of December, 2023.

#### **ENBRIDGE PIPELINES INC.**

Per:

**Erin Rolstad** 

**Director Regulatory Strategy & Compliance** 

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