



## **ENBRIDGE PIPELINES (NW) INC.**

### **TARIFF APPLYING ON CRUDE PETROLEUM**

FROM

**NORMAN WELLS, NORTHWEST TERRITORIES AND A POINT IN THE PROVINCE  
OF ALBERTA (PIPELINE KILOMETRE POST 839.2)**

TO

**ZAMA, ALBERTA**

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The tolls listed in this tariff are provisional only and are subject to a calendar year end adjustment based on the Carrier's actual full cost of service during the calendar year and in accordance with the Norman Wells Pipeline Agreement.

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The tolls listed in this tariff are for the trunk line transportation of Crude Petroleum by pipeline subject to the Rules and Regulations published in Enbridge Pipelines (NW) Inc.'s Tariff NEB No. 24, and reissues thereof, all of which are specifically incorporated herein.

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The tolls listed in this tariff include interim Abandonment Surcharges pursuant to NEB Decision MH-001-2013, Order MO-094-2014 and NEB Decision Letter dated December 28, 2018.

The tolls listed in this tariff are payable in Canadian currency.

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**ISSUED: December 22, 2022**

**EFFECTIVE: January 1, 2023**

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<b>TOLLS IN CAD DOLLARS PER CUBIC METRE FOR CRUDE PETROLEUM</b>		
<b>From</b>	<b>To</b>	<b>Crude Petroleum</b>
Kilometre Post 839.2, Alberta	Zama, Alberta	<b>[D]</b> 4.65
Norman Wells, NWT	Zama, Alberta	<b>[D]</b> 139.20

**SYMBOLS:**

**[D]** – Decrease

Enbridge Pipelines (NW) Inc. Breakdown of Transmission Tolls Worksheet Supporting CER Tariff No. 52				
TOLLS IN CAD DOLLARS PER CUBIC METRE Crude Petroleum				
TO	FROM	Toll (\$/m3)		
		Transmission	Abandonment Surcharge*	Total CER No. 52
		(A)	(B)	(C) = A+B
Zama, Alberta	Kilometre Post 839.2, Alberta	4.42	0.23	4.65
	Norman Wells, NWT	132.26	6.94	139.20

\* Interim basis as per NEB Letter Dated 28 December 2018

**ENBRIDGE PIPELINES (NW) INC.**

**Estimate of Full Cost of Service  
For Operating Year  
2023**

**December 2022**

**ENBRIDGE PIPELINES (NW) INC.**  
**Estimate of Full Cost of Service**  
**for Operating Year**  
**2023**

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**ENBRIDGE PIPELINES (NW) INC.**

**Projected Income Statement**

The forward period for which the provisional tolls are calculated is the twelve-month period commencing January 1, 2023.

**Statement 100** provides a summary of the estimated full cost of service for the operating year 2023 in an income statement format. The estimated full cost of service is the basis for the provisional tolls and has been calculated in accordance with the terms of Article 4, Schedule "A" of the January 1, 1980 Norman Wells Pipeline Agreement, between Imperial Oil Ltd., Interprovincial Pipe Line (NW) Ltd. and Interprovincial Pipe Line Ltd. as amended.

**Enbridge Pipelines (NW) Inc.**

Projected Income Statement  
2023 Operating Year  
(\$000)

Line No. (a)	<u>Particulars</u> (b)	<u>Supporting Statement</u> (c)	<u>1st Quarter</u> (d)	<u>2nd Quarter</u> (e)	<u>3rd Quarter</u> (f)	<u>4th Quarter</u> (g)	<u>2023 FCOS Estimate</u> (h)
1	Transportation Revenue						
2	Pipeline transportation <sup>(1)</sup>		14,903	15,069	15,234	15,234	60,440
3	Amortization of 1985 Shipper Underpayment <sup>(2)</sup>		(3)	(3)	(3)	(4)	(13)
4	Other Revenue		-	-	-	-	-
5	Total		14,900	15,066	15,231	15,230	60,427
6	Operating Expenses	101					
7	Net incentive costs		4,839	4,839	4,839	4,835	19,352
8	Intercompany charges		2,130	2,130	2,130	2,127	8,517
9	Total Operating Expenses		6,969	6,969	6,969	6,962	27,869
10	Depreciation and Amortization	104	5,149	5,149	5,149	5,151	20,598
11	Operating Income		2,782	2,948	3,113	3,117	11,960
12	Less: Interest expense	102.3	834	834	834	831	3,333
13	Provision for income taxes	103	518	562	605	607	2,292
14	Equity Return	102	1,430	1,552	1,674	1,679	6,335

(1) Pipeline transportation revenue is equal to the estimated full cost of service

(2) Amortization has been extended due to the new Agreement term of Dec 31, 2030

**ENBRIDGE PIPELINES (NW) INC.****Operating Expenses**

**Statement 101** is a schedule of estimated operating expenses for the 2023 operating year. The forecast incentive costs of \$19.4 million exclude intercompany charges of \$8.5 million.

**Enbridge Pipelines (NW) Inc.**

Operating Expenses Budget  
2023 Operating Year  
(\$000)

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Salaries and Wages	1,819
Employee Benefits	551
Operating Fuel and Power	1,598
Materials and Supplies	540
Property Tax	2,658
Insurance	384
Total Outside Services	11,802
Other Operating Expenses	-
<b>Gross Operating Expenses</b>	<b>19,352</b>



**Enbridge Pipelines (NW) Inc.**

Operating Expenses  
 2023 Operating Year  
 (\$000)

Line <u>No.</u> (a)	<u>Particulars</u> (b)	2023 Budget Year <u>Total</u> (c)
3	Net Incentive Costs	19,352
4	Intercompany Charges	8,517
5	Total Operating Expenses	27,869

(1) Calculated pursuant to the incentive cost methodology outlined in Schedule A, Section 4.1.1 (a)(ii)(B) of the Norman Wells Pipeline Agreement, as amended, and incorporates the forecast incentive cost for the rebasing year of 2023.

**ENBRIDGE PIPELINES (NW) INC.****Return on Rate Base**

**Statement 102** outlines the forecast return on rate base for 2023. In accordance with Article 1.1 of the Norman Wells Pipeline Agreement as amended, the capital structure for the Enbridge (NW) pipeline system is based on a deemed equity component of 50% with the remaining 50% capital financed by debt (long term debt and (pre or un) funded debt) and future income taxes. The sum of these components as shown on Statement 102 Line 5, Column (c) equals the sum of rate base plus construction work in progress (“CWIP”). The forecast 13-point average for CWIP of \$8.4 million is outlined in **Statement 102.1**.

Since outstanding long-term debt was retired by the end of 1999 and future income taxes are less than 50% of the total capital required, the short fall is made up with unfunded debt, as shown on Statement 102, Line 3, Column (c).

The forecast return on equity of \$6.3 million is based on the 2023 estimated multi-pipeline rate of return of 7.70%, based on the current methodology to calculate Return on Equity, as described in Section 4.6 of Schedule A to the Norman Wells Pipeline Agreement as amended. **Statement 102**, Line 1 details the calculation of the equity return. As indicated on **Statement 102.2**, no long-term debt issues are anticipated. The deemed short-term rate for unfunded debt is forecast to be 3.75%. This rate is composed of Enbridge (NW)'s projection of 3.50% for the average one month's Banker's Acceptance Rate (BA) for 2022 plus a margin of 25 basis points pursuant to Section 7.2.1 (v), of the Norman Wells Pipeline Agreement as amended. Future income taxes are included in the capital structure at no cost.

**Statement 102.3** shows the calculation of the forecast total interest expense for 2023 in accordance with the definition of Capital Structure as set out in Article 1.1 of the Norman Wells Pipeline Agreement as amended. Total interest expense is the sum of deemed interest expense, amortization of debt discount & issue expense and the amortization of the debt redemption premium.

**Enbridge Pipelines (NW) Inc.**  
**Summary of 2023 Estimated Return on Rate Base**  
**(\$000, unless otherwise indicated)**

Line No.	Description	Avg Balance	Capital Ratio	Cost Rate	Wtd Cost	Rate Base <sup>(1)</sup>	Return
(a)	(b)	(c)	(d)	(e)	(f) (d x e)	(g)	(h) (f x g)
1	Equity	86,470	50.00%	7.70% <sup>(2)</sup>	3.85%	164,558	6,335
2	Long Term Debt	-	0.00%	0.00% <sup>(3)</sup>	0.00%	164,558	-
3	(Pre) Unfunded Debt	92,907	53.72%	3.75% <sup>(4)</sup>	2.01%	164,558	3,308
4	Future Income Taxes <sup>(5)</sup>	<u>(6,437)</u>	-3.73%	0.00%	<u>0.00%</u>	164,558	<u>-</u>
5	Total Capital Required <sup>(6)</sup>	<u>172,940</u>	<u>100.00%</u>		<u>5.86%</u>		<u>9,643</u>

**Notes:**<sup>(1)</sup> Statement 105 - Line 14<sup>(2)</sup> 2023 multi-pipeline rate of return on equity<sup>(3)</sup> Statement 102.2<sup>(4)</sup> Bankers' Acceptance Rate plus Margin of 25 basis points<sup>(5)</sup> Statement 103 - Line 32<sup>(6)</sup> Rate Base plus estimate for Average Construction Work in Progress:

Rate Base (Statement 105 - Line 14)

164,558

Average CWIP Balance (Statement 102.1 - Line 14)

8,382

Total Capital Required (Line 11 + Line 12)

172,940

**ENBRIDGE PIPELINES (NW) INC.**

2023 Estimated Construction Work in Progress (CWIP)  
13-Point Average  
(\$000)

<u>Line No.</u>	<u>Date</u>	<u>Monthly Expenditures</u>	<u>Month-end Clearances</u>	<u>Month-end Balance</u>
(a)	(b)	(c)	(d)	(e)
1	Jan-01		-	846
2	Jan-31	1,356	(8)	2,194
3	Feb-28	2,676	(131)	4,739
4	Mar-31	2,306	(323)	6,722
5	Apr-30	1,387	(10)	8,098
6	May-31	1,240	(6)	9,332
7	Jun-30	1,304	(152)	10,484
8	Jul-31	1,241	(5)	11,720
9	Aug-31	1,249	(5)	12,964
10	Sep-30	1,247	(1,541)	12,670
11	Oct-31	1,255	(5)	13,920
12	Nov-30	1,107	(5)	15,022
13	Dec-31	1,342	(16,110)	254
14	<b>13-point average</b>			<b><u>8,382</u></b>

**Enbridge Pipelines (NW) Inc.**

Weighted Average Cost of Debt  
2023 Operating Year

All long term debt was retired in 1999.

**Enbridge Pipelines (NW) Inc.**  
**Total Estimated Interest Expense**  
**2023 Operating Year**  
(\$000)

Line No.	Description			
1	<u>Deemed Interest Expense</u>			
2	Deemed Long Term Debt			-
3	Unfunded Debt			3,308
4	Total Deemed Interest Expense <sup>(1)</sup>		3,308	3,308
5	<u>Amortization of Discount &amp; Expense</u>			
		<u>January 1</u>	<u>December 31</u>	<u>Amortization</u>
6	Unamortized Discount & Expense			
7	Series A	-	-	-
8	Series B	-	-	-
9	Series C	-	-	-
10	Total Unamortized Discount & Expense	-	-	-
11	<u>Amortization of 1996 Debt Redemption Premium and Costs</u> <sup>(2)</sup>	<u>Balance</u>	<u>Balance</u>	<u>Amortization</u>
		<u>January 1</u>	<u>December 31</u>	
12	Unamortized Discount & Expense			
13	Series A	84	74	11
14	Series B	76	67	10
15	Total	160	140	20
16	<u>Amortization of 1999 Debt Redemption Premium and Costs</u> <sup>(2)</sup>	<u>Balance</u>	<u>Balance</u>	<u>Amortization</u>
		<u>January 1</u>	<u>December 31</u>	
17	Redemption Premium			
18	Series A - April 1	22	19	3
19	Series B - November 15	12	11	2
20	Total	34	30	5
21	Total Unamortized Redemption Premium & Costs (Line 15 + Line 20)	194	170	25
22	Total Interest Expense (Line 4 + Line 10 + Line 21 + Line 22)			3,333

**Notes:**<sup>(1)</sup> Statement 102 - Line 3<sup>(2)</sup> Amortization has been extended due to the extension of the NW Agreement to Dec. 31, 2030

**ENBRIDGE PIPELINES (NW) INC.****Provision for Income Taxes and Future Income Tax Balances**

**Statement 103** details the provision for income taxes and future income taxes for the operating year as well as the opening, closing and average future income tax balances for 2023. Pursuant to the Norman Wells Pipeline Agreement as amended, Schedule A, Article 4.4, amounts charged to Account 413, Provision for Income Taxes inclusive of future income taxes, are recoverable through provisional tolls. The average future income tax balance for 2023 (Line 32) is used in the determination of Return on Rate Base in Statement 102.

The provision for depreciation on the allowance for equity funds used during construction, on Line 4 of Statement 103 that relates to the balance of allowance for equity funds recorded in the assets at January 1, 2000, follows an amortized schedule through to 2030<sup>1</sup>, the expiry of the Norman Wells Pipeline Agreement as amended, Article 2.1.

The provision for income taxes is on Line 12 of **Statement 103**. The provision was calculated using an income tax rate expected to be approximately 26.3%, which is based on current federal and provincial income tax rates in effect for 2022. The estimated 2023 distribution of taxable income is based on the relative kilometres of pipe, in addition to salaries and wages of employees residing in Alberta and the Northwest Territories, as specified in Regulation 411 of the Income Tax Act. **Statement 103.1** illustrates the derivation of the income tax rate. The provision for future income taxes on Line 28 of Statement 103 is calculated at the expected future tax rate of approximately 26.3%.

The timing difference for the amortized debt redemption premiums and costs (Line 26 of Statement 103) follows an amortization schedule through to 2030, the expiry of the Norman Wells Pipeline Agreement as amended, Article 2.1.

<sup>1</sup> The Enbridge Pipelines (NW) Inc. Agreement term has been extended to December 31, 2030.

**ENBRIDGE PIPELINES (NW) INC.**  
2023 Operating Year  
Provision for Income Taxes and Future Income Tax Balances  
(\$000)

Line <u>No.</u> (a)	<u>Particulars</u> (b)	
1	PROVISION FOR INCOME TAXES	
2	Return Related to Equity (Statement 102 - Line 1)	6,335
3	Adjustments for Permanent Differences:	
4	Depreciation on AEDC	91
5	Depreciation on Land Rights (Statement 104 - Line 1)	9
6	Differential on Future Income Tax Between Current and Future Income Tax Rates	-
7	Meals & Entertainment (50%)	-
		<hr/>
8	Income Tax Base	6,435
		<hr/>
9	Provision for Income Taxes:	
10	2023 Statutory Corporate Income Tax rate (Statement 103.1 - Line 8)	26.2618%
11	Gross-up factor (current tax rate / (1 - current tax rate))	35.6150%
12	Provision for Income Taxes (Line 8 X 0.262618 / (1 - 0.262618))	2,292
13	Difference in FIT rate and current rate	-
		<hr/>
14	<b>Total Provision for Income Taxes</b>	<b>2,292</b>
		<hr/>
15	FUTURE INCOME TAX BALANCES	
16	Provision for Future Income Taxes	
17	Estimated Gross Depreciation (Statement 104 - Line 53)	20,598
18	Less: Depreciation on AEDC (Line 4)	(91)
19	Depreciation on Land Rights (Line 5)	(9)
		<hr/>
20	Estimated Net Depreciation	20,498
21	Amortization of Shipper Underpayment	13
22	Capital Cost Allowance	(15,901)
23	Capitalized G&A Deduction	(136)
24	Allowance for Interest During Construction	(250)
25	Leak Accrual	-
26	Amortization of Debt Redemption Premiums and Costs (Statement 102.3 - Line 21)	25
		<hr/>
27	Net Timing Differences	4,248
28	Current Tax Rate for Future Income Tax accumulation (Line 10)	26.2618%
		<hr/>
29	<b>Provision for Future Income Taxes</b>	<b>1,116</b>
30	Opening Future Income Tax Balance	5,879
		<hr/>
31	Closing Future Income Tax Balance (Line 29 + Line 30)	6,995
		<hr/>
32	Average Future Tax Balance ((Line 30 + Line 31) / 2)	6,437
		<hr/>
33	INCOME TAX PROVISION	
34	Provision for Income Taxes	2,292
35	Add: Provision for Future Income Taxes	1,116
		<hr/>
36	Income Taxes Payable (Line 34 + Line 35)	3,408
		<hr/>



**Enbridge Pipelines (NW) Inc.**  
**Determination of the Statutory Corporate Income Tax Rate**  
**2023 Operating Year**

Line No.	<u>Particulars</u>				<u>Statutory Income Tax Rate</u>
1	Federal tax provision				15.0000%
2	<u>Provincial taxes</u>	<u>Rate</u>	<u>X Allocator <sup>(1)</sup></u>	<u>Effective = Rate</u>	
3	Alberta	8.00%	6.8045%	0.5444%	
4	Northwest Territories	11.50%	93.1955%	10.7175%	
5			<u>100.0000%</u>	<u>11.2618%</u>	
6					11.2618%
7	Federal Surtax				<u>0.0000%</u>
8	2023 Statutory Corporate Income Tax rate				<u><u>26.2618%</u></u>

<sup>(1)</sup> Based on the relative percentages of kilometers of pipe and the proportion of taxable income for salaries and wages of employees residing in the provinces of Alberta and the Northwest Territories.

**ENBRIDGE PIPELINES (NW) INC.****Provision for Depreciation**

**Statement 104** details the calculation of depreciation expense through the asset account sub-classes. The depreciation rates are effective January 1, 2023 according to the terms of depreciation expense under Schedule "A", Section 4.2, of the Norman Wells Pipeline Agreement as amended, for the major pipeline accounts 152 through 186. Depreciation rates have been adjusted to reflect rates that would be required to effectively amortize the undepreciated plant balance of each account by the end of the term of this agreement (December 31, 2030). **Statement 104.1** provides a comparison of the impact of the change in depreciation rates. Forecast depreciation expense is \$20.6 million.

Plant additions for 2023 are estimated to be \$18.3 million as provided below.

<b>Project Name</b>	<b>Estimated Plant Additions 2023 (\$000)</b>
2023 Norman Wells Digs	12,582
Slope Instrumentation Installation	3,258
Norman Wells PSV Program	1,542
Little Smith Meander	428
Others	492
<b>Total Estimated Plant Additions</b>	<b>18,302</b>

**ENBRIDGE PIPELINES (NW) INC.**

Provision for Depreciation  
2023 Operating Year  
(\$000)

Line No.	Account Number	Plant Code	Depr. Rate	Plant Bal 1/2023	Prov. on Opening Balance	Additions			Retirements			Total Provision
						Plant Additions	Number of Months	Prov. on Additions	Plant Retirements	Number of Months	Over Prov. on Retirements	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
<u>Account 30 - Transportation Plant</u>												
1	152-0	152000	0.58%	1,563	9	-	-	-	-	-	-	9
2	153-0	153000	0.34%	46,104	157	-	-	-	-	-	-	157
3	153-A	153A00	0.38%	1,258	5	-	-	-	-	-	-	5
4	153-B	153B00	0.15%	248,782	370	-	-	-	-	-	-	370
5	153-C	153C00	0.97%	1,543	15	-	-	-	-	-	-	15
6	153-C49	153C49	5.68%	8,443	479	-	-	-	-	-	-	479
7	153-D	153D00	1.33%	876	12	-	-	-	-	-	-	12
8	153-D49	153D49	2.50%	6,395	160	-	-	-	-	-	-	160
9	153-E	153E00	0.92%	2,212	20	-	-	-	-	-	-	20
10	153-E49	153E49	6.80%	253,021	16,879	18,302	3	321	-	-	-	17,199
11	156-B	156B00	0.23%	13,274	31	-	-	-	-	-	-	31
12	156-C	156C00	0.78%	3,935	31	-	-	-	-	-	-	31
13	156-D	156D00	0.98%	1,381	13	-	-	-	-	-	-	13
14	156-E	156E00	0.65%	739	5	-	-	-	-	-	-	5
15	156-H	156H00	0.65%	396	3	-	-	-	-	-	-	3
16	156-H06	156H06	4.49%	575	26	-	-	-	-	-	-	26
17	158-A	158A00	0.26%	7,131	18	-	-	-	-	-	-	18
18	158-A07	158A07	2.10%	5,403	113	-	-	-	-	-	-	113
19	159-A	159A00	0.35%	3,279	12	-	-	-	-	-	-	12
20	159-B	159B00	0.76%	48	1	-	-	-	-	-	-	1
21	159-B	159B07	2.22%	44	1	-	-	-	-	-	-	1
22	159-C	159C00	1.10%	244	3	-	-	-	-	-	-	3
23	159-C07	159C07	4.13%	3,946	163	-	-	-	-	-	-	163
24	160-A	160A00	0.82%	253	2	-	-	-	-	-	-	2
25	160-C	160C00	3.03%	43,694	1,324	-	-	-	-	-	-	1,324
26	160-C45	160C45	1.25%	964	12	-	-	-	-	-	-	12
27	160-C65(2)	160C65	0.00%	-	-	-	-	-	-	-	-	-
28	160-D	160D00	2.93%	1,124	33	-	-	-	-	-	-	33
29	160-E	160E00	1.77%	467	8	-	-	-	-	-	-	8
30	163-A	163A00	6.53%	2,700	176	-	-	-	-	-	-	176
31	184-A	184A00	31.12%	8	2	-	-	-	-	-	-	2
32	184-B(2)	184B00	0.00%	-	-	-	-	-	-	-	-	-
33	184-C(2)	184C00	0.00%	8	-	-	-	-	-	-	-	-
34	184-C45	184C45	0.00%	-	-	-	-	-	-	-	-	-
35	184-C52	184C52	0.00%	-	-	-	-	-	-	-	-	-
36	184-C55	184C55	0.00%	-	-	-	-	-	-	-	-	-
37	184-D(2)	184D00	0.00%	-	-	-	-	-	-	-	-	-
38	184-D	184D09	5.39%	8	-	-	-	-	-	-	-	-
39	185-A(2)	185A00	0.00%	-	-	-	-	-	-	-	-	-
40	185-D	185D00	0.11%	1,945	2	-	-	-	-	-	-	2
41	185-E	185E00	0.00%	51	-	-	-	-	-	-	-	-
42	185-F	185F00	1.23%	1,827	23	-	-	-	-	-	-	23
43	185-G	185G00	6.82%	711	48	-	-	-	-	-	-	48
44	185-I	185I00	0.00%	166	-	-	-	-	-	-	-	-
45	185-J	185J00	76.27%	-	-	-	-	-	-	-	-	-
46	185-S	185S00	2.06%	632	13	-	-	-	-	-	-	13
47	186-0(2)	186000	0.00%	-	-	-	-	-	-	-	-	-
48	186-A	186A00	0.00%	50	-	-	-	-	-	-	-	-
49	186-A01(2)	186A01	0.00%	-	-	-	-	-	-	-	-	-
50	186-B45	186B45	0.62%	19	-	-	-	-	-	-	-	-
51	186-B55	186B55	4.07%	2,695	110	-	-	-	-	-	-	110
52	190-0(2)	190000	0.00%	-	-	-	-	-	-	-	-	-
53	Total(1)			667,914	20,277	18,302	3	321	-	-	-	20,598
54	Land			134								
55	Total			668,048								

(1) Excludes cost of Land

(2) Original assets have been fully depreciated, therefore, depreciation is on new additions.

**ENBRIDGE PIPELINES (NW) INC.**

Comparison of Depreciation Rate Changes  
2023 Operating Year  
(\$000)

Line No.	Account Number	Plant Code	Prior Depreciation Rate	Depreciation At Prior Rates	New Depreciation Rate	Depreciation for 2023
(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Account 30 - Transportation Plant</u>						
1	152-0	152000	0.60%	9	0.58%	9
2	153-0	153000	0.37%	171	0.34%	157
3	153-A	153A00	0.41%	5	0.38%	5
4	153-B	153B00	0.17%	423	0.15%	370
5	153-C	153C00	1.00%	15	0.97%	15
6	153-C49	153C49	5.49%	463	5.68%	479
7	153-D	153D00	1.36%	12	1.33%	12
8	153-D49	153D49	2.52%	161	2.50%	160
9	153-E	153E00	0.94%	21	0.92%	20
10	153-E49	153E49	6.96%	17,939	6.80%	17,199
11	156-B	156B00	0.26%	35	0.23%	31
12	156-C	156C00	0.81%	32	0.78%	31
13	156-D	156D00	1.00%	14	0.98%	13
14	156-E	156E00	0.68%	5	0.65%	5
15	156-H	156H00	0.68%	3	0.65%	3
16	156-H06	156H06	4.51%	26	4.49%	26
17	158-A	158A00	0.28%	20	0.26%	18
18	158-A07	158A07	2.11%	114	2.10%	113
19	159-A	159A00	0.38%	12	0.35%	12
20	159-B	159B00	3.03%	1	0.76%	-
21	159-B	159B07	3.03%	1	2.22%	1
22	159-C	159C00	1.13%	3	1.10%	3
23	159-C07	159C07	4.16%	164	4.13%	163
24	160-A	160A00	0.84%	2	0.82%	2
25	160-C	160C00	2.25%	983	3.03%	1,324
26	160-C45	160C45	1.27%	12	1.25%	12
27	160-C65	160C65	0.00%	-	0.00%	-
28	160-D	160D00	2.95%	33	2.93%	33
29	160-E	160E00	1.50%	7	1.77%	8
30	163-A	163A00	1.33%	36	6.53%	176
31	184-A	184A00	0.86%	-	31.12%	2
32	184-B	184B00	0.00%	-	0.00%	-
33	184-C	184C00	0.00%	-	-0.15%	-
34	184-C45	184C45	8.05%	-	0.00%	-
35	184-C52	184C52	4.41%	-	0.00%	-
36	184-C55	184C55	2.10%	-	0.00%	-
37	184-D	184D00	1.10%	-	0.00%	-
38	184-D	184D09	1.10%	-	5.39%	-
39	185-A	185A00	0.00%	-	0.00%	-
40	185-D	185D00	0.00%	-	0.11%	2
41	185-E	185E00	0.00%	-	-0.15%	-
42	185-F	185F00	1.53%	28	1.23%	23
43	185-G	185G00	2.11%	15	6.82%	48
44	185-I	185I00	0.00%	-	-0.15%	-
45	185-J	185J00	76.24%	-	76.27%	-
46	185-S	185S00	0.74%	5	2.06%	13
47	186-0	186000	0.00%	-	0.00%	-
48	186-A	186A00	0.00%	-	-0.15%	-
49	186-A01	186A01	0.00%	-	0.00%	-
50	186-B45	186B45	0.64%	-	0.62%	-
51	186-B55	186B55	4.03%	109	4.07%	110
52	190-0	190000	0.00%	-	0.00%	-
53	Total			20,879		20,598

**ENBRIDGE PIPELINES (NW) INC.**

**Rate Base**

The Enbridge (NW) pipeline system rate base, itemized in **Statement 105**, is forecast to be \$164.6 million for the 2023 Operating Year.

The primary component of the rate base is the simple average of the opening and closing balances of the net book value of the Enbridge (NW) pipeline system. The two schedules following Statement 105 summarize the opening and closing positions of Transportation Plant (**Statement 105.1**) and Accumulated Depreciation (**Statement 105.2**), pursuant to Schedule "F" of the Norman Wells Pipeline Agreement as amended.

**Enbridge Pipelines (NW) Inc.**  
**Determination of Rate Base**  
**2023 Operating Year**  
(\$000)

Line No.	Particulars	January 1	December 31	Average
(a)	(b)	(c)	(d)	(e) = [(c) + (d)]/2
1	Net Book Value			
2	Transportation Plant in Service <sup>(1)</sup>	668,048	686,349	677,198
3	Less: Accumulated Depreciation <sup>(2)</sup>	(505,741)	(526,339)	(516,040)
4	NBV Balance (Line 2 + Line 3)	162,307	160,011	161,158
5	<u>Other Rate Base Items</u>			
6	Equity Portion of Unamort. Shipper Underpayment	102	89	95
7	Inventory <sup>(5)</sup>	765	837	801
8	Unamortized Debt Redemption Costs <sup>(3)</sup>	194	170	182
9	Unamortized Debt Issuance Costs	-	-	-
10	Total Other Rate Base Items	1,061	1,096	1,078
11	Working Capital Allowance			
12	Operating Expenses <sup>(4)</sup>	27,869		
13	(1/12 x Line 12)			2,322
14	Total Rate Base (Line 4 + Line 10 + Line 13)			164,558

**Notes:**<sup>(1)</sup> Statement 105.1 - Line 54<sup>(2)</sup> Statement 105.2 - Line 54<sup>(3)</sup> Statement 102.3 - Line 21<sup>(4)</sup> Statement 101 - Line 5<sup>(5)</sup> Inventory ending balance based on September 30, 2022 actuals

ENBRIDGE PIPELINES (NW) INC.

Transportation Plant  
2023 Operating Year  
(\$000)

Line No.	Account Number	Plant Code	Balance Beginning of Period	Additions	Transfers	Retirements	Balance End of Period <sup>(1)</sup>
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	151-0	151000	134	-	-	-	134
2	152-0	152000	1,563	-	-	-	1,563
3	153-0	153000	46,104	-	-	-	46,104
4	153-A	153A00	1,258	-	-	-	1,258
5	153-B	153B00	248,782	-	-	-	248,782
6	153-C	153C00	1,543	-	-	-	1,543
7	153-C49	153C49	8,443	-	-	-	8,443
8	153-D	153D00	876	-	-	-	876
9	153-D49	153D49	6,395	-	-	-	6,395
10	153-E	153E00	2,212	-	-	-	2,212
11	153-E49	153E49	253,021	18,302	-	-	271,323
12	156-B	156B00	13,274	-	-	-	13,274
13	156-C	156C00	3,935	-	-	-	3,935
14	156-D	156D00	1,381	-	-	-	1,381
15	156-E	156E00	739	-	-	-	739
16	156-H	156H00	396	-	-	-	396
17	156-H06	156H06	575	-	-	-	575
18	158-A	158A00	7,131	-	-	-	7,131
19	158-A07	158A07	5,403	-	-	-	5,403
20	159-A	159A00	3,279	-	-	-	3,279
21	159-B	159B00	48	-	-	-	48
22	159-B	159B07	44	-	-	-	44
23	159-C	159C00	244	-	-	-	244
24	159-C07	159C07	3,946	-	-	-	3,946
25	160-A	160A00	253	-	-	-	253
26	160-C	160C00	43,694	-	-	-	43,694
27	160-C45	160C45	964	-	-	-	964
28	160-C65	160C65	-	-	-	-	-
29	160-D	160D00	1,124	-	-	-	1,124
30	160-E	160E00	467	-	-	-	467
31	163-A	163A00	2,700	-	-	-	2,700
32	184-A	184A00	8	-	-	-	8
33	184-B	184B00	-	-	-	-	-
34	184-C	184C00	8	-	-	-	8
35	184-C45	184C45	-	-	-	-	-
36	184-C52	184C52	-	-	-	-	-
37	184-C55	184C55	-	-	-	-	-
38	184-D00	184D00	-	-	-	-	-
39	184-D09	184D09	8	-	-	-	8
40	185-A	185A00	-	-	-	-	-
41	185-D	185D00	1,945	-	-	-	1,945
42	185-E	185E00	51	-	-	-	51
43	185-F	185F00	1,827	-	-	-	1,827
44	185-G	185G00	711	-	-	-	711
45	185-I	185I00	166	-	-	-	166
46	185-J	185J00	-	-	-	-	-
47	185-S	185S00	632	-	-	-	632
48	186-0	186000	-	-	-	-	-
49	186-A	186A00	50	-	-	-	50
50	186-A01	186A01	-	-	-	-	-
51	186-B45	186B45	19	-	-	-	19
52	186-B55	186B55	2,695	-	-	-	2,695
53	190-0	190000	-	-	-	-	-
54	Total		<u>668,048</u>	<u>18,302</u>	-	-	<u>686,349</u>

55 Average Transportation Plant in Service 677,198  
(Line 55: [Col (d) + Col (h)] ÷ 2 )

<sup>(1)</sup> Assumes asset fully depreciated by Dec. 31, 2030

**ENBRIDGE PIPELINES (NW) INC.**

Transportation Plant - Accumulated Depreciation  
2023 Operating Year  
(\$000)

Line No.	Account Number	Plant Code	Balance Beginning of Period	Additions	Transfers	Retirements	Balance End of Period <sup>(1)</sup>
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	151-0	151000	-	-	-	-	-
2	152-0	152000	1,491	9	-	-	1,500
3	153-0	153000	44,845	157	-	-	45,002
4	153-A	153A00	1,219	5	-	-	1,224
5	153-B	153B00	245,822	370	-	-	246,192
6	153-C	153C00	1,423	15	-	-	1,438
7	153-C49	153C49	4,609	479	-	-	5,089
8	153-D	153D00	782	12	-	-	794
9	153-D49	153D49	5,118	160	-	-	5,278
10	153-E	153E00	2,050	20	-	-	2,070
11	153-E49	153E49	117,992	17,199	-	-	135,191
12	156-B	156B00	13,029	31	-	-	13,060
13	156-C	156C00	3,690	31	-	-	3,720
14	156-D	156D00	1,273	13	-	-	1,287
15	156-E	156E00	700	5	-	-	705
16	156-H	156H00	376	3	-	-	378
17	156-H06	156H06	368	26	-	-	394
18	158-A	158A00	6,983	18	-	-	7,001
19	158-A07	158A07	4,496	113	-	-	4,609
20	159-A	159A00	3,186	12	-	-	3,198
21	159-B	159B00	45	-	-	-	46
22	159-B	159B07	36	1	-	-	37
23	159-C	159C00	223	3	-	-	226
24	159-C07	159C07	2,641	163	-	-	2,804
25	160-A	160A00	236	2	-	-	238
26	160-C	160C00	33,106	1,324	-	-	34,429
27	160-C45	160C45	868	12	-	-	880
28	160-C65	160C65	-	-	-	-	-
29	160-D	160D00	861	33	-	-	893
30	160-E	160E00	401	8	-	-	409
31	163-A	163A00	1,290	176	-	-	1,466
32	184-A	184A00	-	2	-	-	2
33	184-B	184B00	-	-	-	-	-
34	184-C	184C00	8	-	-	-	8
35	184-C45	184C45	-	-	-	-	-
36	184-C52	184C52	-	-	-	-	-
37	184-C55	184C55	-	-	-	-	-
38	184-D	184D00	-	-	-	-	-
39	184-D	184D09	5	-	-	-	5
40	185-A	185A00	-	-	-	-	-
41	185-D	185D00	1,929	2	-	-	1,931
42	185-E	185E00	52	-	-	-	52
43	185-F	185F00	1,647	23	-	-	1,669
44	185-G	185G00	323	48	-	-	371
45	185-I	185I00	168	-	-	-	168
46	185-J	185J00	36	-	-	-	36
47	185-S	185S00	528	13	-	-	541
48	186-0	186000	-	-	-	-	-
49	186-A	186A00	50	-	-	-	50
50	186-A01	186A01	-	-	-	-	-
51	186-B45	186B45	18	-	-	-	18
52	186-B55	186B55	1,818	110	-	-	1,927
53	190-0	190000	-	-	-	-	-
54	Total		505,741	20,597	-	-	526,339
55	Average Accumulated Depreciation (Line 55: [Col (d) + Col (h)] ÷ 2 )				516,040		

<sup>(1)</sup> Assumes asset fully depreciated by Dec. 31, 2030



**ENBRIDGE PIPELINES (NW) INC.****2023 Provisional Tolls and Tariffs**

**Statement 106** illustrates the determination of the provisional tolls as approved by the NEB Board Order AO-1-TO-2-81. The estimated deliveries are based on information received from the shippers noted below.

**Enbridge Pipelines (NW) Inc.  
2023 EFCOS Throughput Input**

	<b><u>Cubic Metres</u></b>
<b><i>Norman Wells to Zama</i></b>	
Imperial Oil Resources	456,250
	<hr/>
Total Injections at NW, NWT	456,250
	<hr/>
<b><i>km Post 839.2 to Zama</i></b>	
Alberta Petroleum Marketing Commission	-
Tidal Energy Marketing	21,900
	<hr/>
Total Injections at KP839.2	21,900
	<hr/>
Total Deliveries to Zama	478,150
	<hr/>

**Statement 106.1** provides the details of the 2023 estimated deliveries by quarter.

The calculation of the 2023 provisional toll is based upon an annual unit transportation rate per cubic metre kilometre. For each receipt location the unit transportation rate multiplied by the distance from that receipt point to Zama is the provisional toll for the movement.

Tariff Applying on Crude Petroleum, CER No. 52, revises the existing tariff, CER No. 51. The changes relate to transportation tolls only and not to abandonment surcharges.

## Enbridge Pipelines (NW) Inc.

**Determination of Provisional Tolls  
2023 Operating Year**

Line No.	Particulars	Norman Wells to Zama	KP 839.2 to Zama	Total
(a)	(b)	(c)	(d)	(e)
1	Estimated total deliveries (m <sup>3</sup> ) <sup>(1)</sup>	456,250	21,900	478,150
2	Distance Shipped (km)	868	29	
3	Volume x Distance (000 m <sup>3</sup> km)	396,025	635	396,660
4	Estimated Full Cost of Service (\$000) <sup>(2)</sup>		\$	60,440
5	Unit Transportation Rate (\$/m <sup>3</sup> km)		\$	0.152372
6	<b>Provisional Tolls (\$/m<sup>3</sup>)</b>	<u>\$ 132.26</u>	<u>\$ 4.42</u>	

**Notes:**<sup>(1)</sup> Statement 106.1 - Line 9<sup>(2)</sup> Statement 100 - Line 2

**Enbridge Pipelines (NW) Inc.**Deliveries by Quarter  
2023 Operating Year

Line No. (a)	Particulars (b)	1st Quarter (c)	2nd Quarter (d)	3rd Quarter (e)	4th Quarter (f)	Total Year (g)
1	Average daily deliveries (m <sup>3</sup> /day)					
2	Norman Wells to Zama	1,250	1,250	1,250	1,250	1,250
3	km Post 839.2 to Zama	60	60	60	60	60
4	Total	1,310	1,310	1,310	1,310	1,310
5	Number of Days in Period	90	91	92	92	365
6	Estimated total deliveries (m <sup>3</sup> )					
7	Norman Wells to Zama	112,500	113,750	115,000	115,000	456,250
8	km Post 839.2 to Zama	5,400	5,460	5,520	5,520	21,900
9	Total	117,900	119,210	120,520	120,520	478,150

**ENBRIDGE PIPELINES (NW) INC.**

Minimum Bill for Imperial Oil Resources  
2023 Operating Year  
(\$000)

<u>Line</u> <u>No.</u>	<u>Particulars</u>	<u>2023</u> <u>Year</u> <u>Total</u>
1	Operating expenses <sup>(1)</sup>	27,869
2	Depreciation <sup>(2) (3)</sup>	11,613
3	Income taxes payable <sup>(4)</sup>	3,408
4	Cost of Debt <sup>(5)</sup>	<u>3,333</u>
5	Total Minimum Bill	<u>46,223</u>
6	Monthly Minimum Bill (Line 5/12)	<u>3,852</u>

## Notes:

<sup>(1)</sup> Statement 101 - Line 5

<sup>(2)</sup> Statement 102 - Line 3 Average balance for Unfunded Debt \$92,907

<sup>(3)</sup> As there is no Original Debt outstanding in 2023, the Depreciation for minimum bill purposes consists of the amortization of debt incurred by Enbridge (NW) for its regulated operations relating to the Pipeline System from January 1, 2021 to December 31, 2030 as per Schedule C, Section 3.4(b) of the Norman Wells Pipeline Agreement, as amended.

<sup>(4)</sup> Statement 103 - Line 36

<sup>(5)</sup> Statement 102.3 - Line 22