



ENBRIDGE ENERGY, LIMITED PARTNERSHIP

APPENDIX A

DESTINATION VERIFICATION PROCEDURE

Enbridge Destination Verification Procedure

A. Establishing Stated Capability

Each destination facility connected to the Enbridge Mainline will be required to fill out and execute an affidavit establishing the maximum capability of the facility (“Stated Capability”). The affidavit which each destination facility will be required to submit will be determined based upon the type of the destination facility: refinery, storage facility or connected carrier. Appendix A includes the affidavit forms required for each type of facility.

The affidavits in Appendix A must be submitted to establish the initial Stated Capability of a destination facility and thereafter if the capability of a destination facility changes such that the capability reflected in the most recently executed affidavit is no longer correct.

If the Carrier has information that the Stated Capability of a destination facility is inaccurate, the Carrier will notify the destination facility. Immediately upon receiving notification, the destination facility shall provide the Carrier with documentation which, in the Carrier’s determination, supports the destination facility’s Stated Capability. If the destination facility does not provide such documentation, or if the documentation provided does not, in the Carrier’s determination, support the destination facility’s Stated Capability the Carrier will revise the facility’s capability and promptly advise the destination facility of its revised capability (the “Revised Capability”).

In the event that the destination facility disputes the Carrier’s assessment of its capability, the destination facility shall promptly provide written notice to the Carrier of its intent to dispute the Revised Capability. Senior representatives of the disputing parties shall meet in person to attempt to resolve the dispute. Unless otherwise agreed by the disputing parties, if the senior representatives are unable to resolve the dispute within five (5) days from the time that written notice of the dispute was received then the dispute shall be referred to arbitration for final determination as set out below. Until the dispute is resolved, the Carrier will verify nominations based on the Revised Capability of the destination facility.

(i) The destination facility may, following written notice to the Carrier (the “Notice of Arbitration”), submit the matter for resolution by arbitration pursuant to either the National Arbitration Rules of the ADR Institute of Canada (or its successor) or pursuant to the Commercial Arbitration Rules of the American Arbitration Association.

(ii) The destination facility and Carrier (“Disputing Parties”) shall jointly appoint a single arbitrator within twenty days of the submission of a Notice of Arbitration. If the Disputing Parties are unable to agree on a single arbitrator within such time period, each Disputing Party shall appoint an arbitrator of its choice within five days after the end of such twenty day period and the party-appointed arbitrators shall in turn appoint a presiding arbitrator of the tribunal

within fifteen days following the appointment of each party-appointed arbitrators. If the party-appointed arbitrators, for any reason whatsoever, do not agree on a presiding arbitrator of the tribunal, any Disputing Party shall apply to the governing arbitration board to appoint the presiding arbitrator, who shall be impartial and not have any financial interest in the dispute, controversy or claim. All decisions by the arbitration tribunal shall be made by majority vote.

(iii) Unless otherwise expressly agreed in writing by the Disputing Parties:

- (A) the arbitrator(s) shall be experienced and reputable in the field to which the dispute relates and shall be technically capable of evaluating the information provided regarding the capability of the facility;
- (B) the arbitration proceedings shall be held in Calgary, Alberta;
- (C) each party shall bear its own legal fees and the costs of the arbitrator(s) and other costs of the proceeding shall be shared equally by the parties;
- (D) the decision of the arbitrator (if a single arbitrator is appointed) or a majority of the arbitrators shall be:
 - (I) reduced to writing;
 - (II) final and binding without the right of appeal;
 - (III) the sole and exclusive remedy regarding any disputes, controversies, claims, counterclaims, or issues presented to the arbitrator(s); and
 - (IV) implemented on the 10th day of the month following the month in which the decision was issued.

B. Verification of Monthly Nominations

After the Carrier receives monthly nominations, it will contact each destination facility connected to the Carrier and request that it verifies which of those volumes nominated to the destination facility it expects and agrees to receive. Destination facilities will verify nominations by submitting an affidavit in the form included in Appendix B.

The aggregate volume that a destination facility may verify cannot exceed the Stated Capability, or the Revised Capability, as applicable, of the destination facility.

If a destination facility does not receive all of the verified nominations accepted by Enbridge for delivery to the facility, taking into account any adjustments for apportionment, Enbridge may limit future verifications for the facility, unless the failure to receive all of the nominations is caused by conditions at the facility that qualify as force majeure, as that term is defined in the currently effective Enbridge Rules & Regulations Tariff.

Affidavit of Refinery Capability

For nomination verification purposes, each Refinery will complete an Affidavit of Capability that is authorized by an Officer of the Company, which attests that the stated capacities are accurate and valid. The Refinery will then submit the Affidavit to the Carrier. Capability to receive crude barrels is the lesser of (a) the aggregate of three categories: Refinery Capacity, Working Storage Capacity and sustainable Movement of Crude Oil, if applicable for the facility, or (b) the capacity of the pipeline injecting crude oil into the Refinery.

Each Part of the Affidavit is described below.

Part 1: The Affidavit is to be completed for the Refinery to which barrels are nominated. It must be signed by an Officer of the Company who attests that the capacities stated in the Affidavit are accurate and should be accepted by the Carrier as valid.

Part 2: Refinery Capacity is the Refinery Atmospheric Crude Oil Distillation Capacity that corresponds to the design capacity, also called the surge capacity. It represents the maximum number of barrels of input that your distillation unit(s) can process within a 24-hour period when running at full capacity without interruption under optimal crude and product slate conditions with no bottlenecks in the system or allowance for downtime. This number should be equal to the most recent number reported as “Part 5 Total Operable Atmospheric Crude Oil Distillation Capacity in Barrels per Stream Day” in the EIA-820 Annual Refinery Report submitted to the U.S. Department of Energy or its equivalent entity in Canada.

Part 3: Working Storage Capacity describes the ability of the Refinery to store received crude barrels on a sustainable, rateable, and on-going basis. Working Storage Capacity volume is defined as the difference in barrels between the maximum safe fill capacity of the tanks and the tank bottoms (i.e., one turn of the tanks) of the storage facilities at the Refinery. The Working Storage Capacity should then be divided by 30.5, which is the average number of days in the month, to establish the Daily Working Storage Capacity volume. This is incremental volume to the Refinery Capacity in Part 2 and Movement of Crude Oil in Part 4.

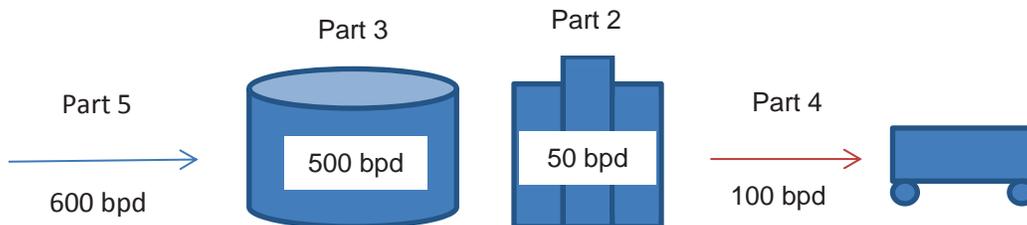
Part 4: Movement of Crude Oil is the sustainable, rateable, and on-going movement of crude oil out of the Refinery for the purpose of delivering to a different destination facility for processing. This is incremental volume to the Refinery Capacity in Part 2 and the Working Storage Capacity in Part 3.

Part 5: Injection of Crude Oil is the sustainable, rateable, and on-going movement of crude oil into the Refinery. This number is defined as the capacity (in barrels per day) of the connecting pipeline into the Refinery.

Part 6: The **Total Capability** for the Refinery shall be the lesser of:

1. the Injection of Crude Oil in Part 5; or
2. the summation of the barrels per day numbers in Parts 2, 3 and 4.

Example:



Total Capability of Refinery: 600 bpd (because Part 5 exceeds summation of Parts 2, 3 and 4)

Refinery Affidavit of Capability

Part 1.

Facility Identification Data

Report Period Month Year

Company Name: _____

Doing Business as: _____

Physical Address: (e.g. Street Address)

City : _____ State: _____ Zip: _____

Contact Name : _____

Phone No. _____ Ext. _____

Email Address: _____

I declare under penalty of perjury under the laws of the United States of America and Canada that the information contained within this affidavit is true and accurate. I further acknowledge that untrue statements may result in violations of the Interstate Commerce Act, 49 U.S.C. app. §§ 1, et seq., title 16 of the United States Code of Federal Regulations, 16 C.F.R. § 317.3, and other applicable laws in the United States and Canada.

Signature : _____

Officer Name : _____

Title : _____

Date : _____

SWORN before me at the City of _____ in the Province/State of _____ this ____ day of _____, 201_.

Part 2. **Refinery Capacity** bbls per day

Total Operable Atmospheric Crude Oil Distillation Capacity in Barrels per stream day as reported in EIA-820 Annual Report submitted to the U.S. Department of Energy or equivalent entity in Canada.

Part 3. **Working Storage Capacity** bbls

bbls per day equivalent

Working Storage Capacity volume is defined as the difference in barrels between the maximum safe fill capacity and the tank bottoms (i.e., one turn of the tanks). The Working Storage Capacity should then be divided by 30.5, which is the average number of days in the month to establish the Daily Working Storage Capacity volume. This is incremental to the Refinery Capacity stated in Part 2 and Movement of Crude Oil in Part 4.

Part 4. **Movement of Crude Oil** bbls per day

Sustainable, rateable and ongoing Movement of Crude out of the Refinery for the purpose of delivering to a different destination facility for processing. This is incremental to the Refinery Capacity stated in Part 2 and Working Storage Capacity in Part 3.

Part 5. **Injection of Crude Oil** bbls per day

Injection of Crude Oil is the sustainable, rateable, and on-going movement of crude oil into the Refinery. The number is defined as the capacity (in barrels per day) of the connecting pipeline into the Refinery.

Part 6. **Total Capability** bbls per day

Total Capability is calculated as the lesser of the number in Part 5 or the summation of the bbls per day numbers in Parts 2, 3 and 4.

Affidavit of Storage Facility Capability

For nomination verification purposes, each Storage Facility will complete an Affidavit of Capability that is authorized by an Officer of the Company, which attests that the stated capacities are accurate and valid. The Storage Facility will then submit the Affidavit to the Carrier. Capability to receive crude volumes is the lesser of (a) the aggregate of the Storage Capacity and sustainable Movement of Crude Oil out of the Storage Facility, or (b) the capacity of the pipeline injecting crude oil into the Storage Facility.

Each Part of the Affidavit is described below.

Part 1: The Affidavit is to be completed for the Storage Facility to which barrels are nominated. It must be signed by an Officer of the Company who attests that the capacities stated in the Affidavit are accurate and should be accepted by the Carrier as valid.

Part 2: Storage Capacity describes the ability to store received crude barrels on a sustainable, rateable, and on-going basis. Storage Capacity volume is defined as the difference in barrels between the maximum safe fill capacity of the tanks and the tank bottoms (i.e., one turn of the tanks). The Storage Capacity should then be divided by 30.5, which is the average number of days in the month, to establish the Daily Storage Capacity volume.

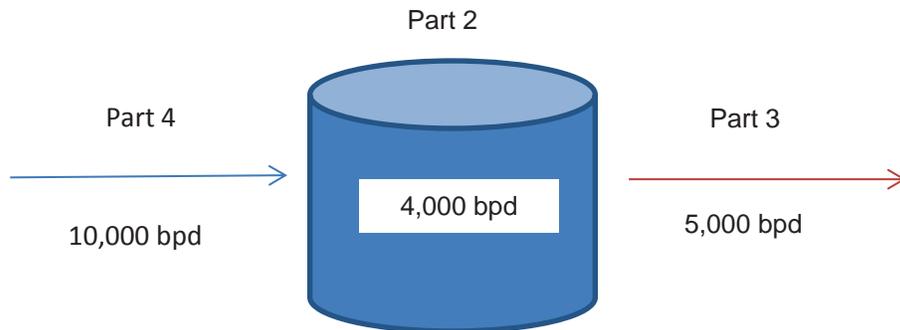
Part 3: Movement of Crude Oil is the sustainable, rateable, and on-going movement of crude oil out of the Storage Facility. This number is defined as the capacity (in barrels per day) of the connecting pipeline out of the Storage Facility. This is incremental volume to the Storage Capacity in Part 2.

Part 4: Injection of Crude Oil is the sustainable, rateable, and on-going movement of crude oil into the Storage Facility. This number is defined as the capacity (in barrels per day) of the connecting pipeline into the Storage Facility.

Part 5: The **Total Capability** for the Storage Facility shall be the lesser of:

1. the Injection of Crude Oil in Part 4; or
2. the summation of the barrels per day numbers in Parts 2 and 3.

Example:



Total Capability of Storage Facility: 9,000 bpd (summation of Parts 2 and 3)

Storage Facility Affidavit of Capability

Part 1.	Facility Identification Data
Report Period	Month <input type="text"/> Year <input type="text"/>
Company Name:	_____
Doing Business as:	_____
Physical Address:	(e.g. Street Address) _____
City :	_____ State: _____ Zip: _____
Contact Name :	_____
Phone No.	_____ Ext. _____
Email Address:	_____
I declare under penalty of perjury under the laws of the United States of America and Canada that the information contained within this affidavit is true and accurate. I further acknowledge that untrue statements may result in violations of the Interstate Commerce Act, 49 U.S.C. app. §§ 1, et seq., title 16 of the United States Code of Federal Regulations, 16 C.F.R. § 317.3, and other applicable laws in the United States and Canada.	
Signature :	_____
Officer Name :	_____
Title :	_____
Date :	_____
SWORN before me at the City of _____ in the Province/State of _____ this ____ day of _____, 201_.	

Part 2. **Storage Capacity** bbls

bbls per day equivalent

Storage Capacity volume is defined as the difference in barrels between the maximum safe fill capacity of the tanks and the tank bottoms (i.e., one turn of the tanks). The Storage Capacity should then be divided by 30.5, which is the average number of days in the month to establish the Daily Storage Capacity volume.

Part 3. **Movement of Crude Oil** bbls per day

Movement of Crude Oil is the sustainable, rateable, and on-going movement of crude oil out of the Storage Facility. This number is defined as the capacity (in barrels per day) of the connecting pipeline out of the storage facility. This is incremental volume to the Storage Capacity in Part 2.

Part 4. **Injection of Crude Oil** bbls per day

Injection of Crude Oil is the sustainable, rateable, and on-going movement of crude oil into the Storage Facility. This number is defined as the capacity (in barrels per day) of the connecting pipeline into the Storage Facility.

Part 5. **Total Capability** bbls per day

Total Capability is calculated as the lesser of the number in Part 4 or the summation of the bbls per day numbers in Parts 2 and 3.

Affidavit of Connecting Carrier Capability

For nomination verification purposes, each Connecting Carrier will complete an Affidavit of Capability that is authorized by an Officer of the Company, which attests that the stated capacities are accurate and valid. The Connecting Carrier will then submit the Affidavit to the Carrier. Capability to receive crude is the lesser of (a) the Design Capacity of the Connecting Carrier, (b) the Takaway Capacity of the Connecting Carrier, and (c) the capacity of the pipeline injecting crude oil into the Connecting Carrier pipeline.

Each Part of the Affidavit is described below.

Part 1: The Affidavit is to be completed for the Connecting Carrier to which barrels are nominated. It must be signed by an Officer of the Company who attests that the capacities stated in the Affidavit is accurate and should be accepted by the Carrier as valid.

Part 2: Connecting Carrier Capacity describes the Design Capacity of the Connecting Carrier. Design Capacity is defined as the maximum number of barrels that could be transported in a day in the pipeline. This number should be equal to the design capacity of the pipeline as stated by the Connecting Carrier in publicly available documentation.

Part 3: Takeaway Capacity is the sustainable, rateable, and on-going movement of crude oil out of the Connecting Carrier.

Part 4: Injection of Crude Oil is the sustainable, rateable, and on-going movement of crude oil into the Connecting Carrier from the Enbridge mainline.

Part 5: The **Total Capability** for the Connecting Carrier shall be the lowest of:

1. the Design Capacity of the Connecting Carrier as stated in Part 2;
2. the Takeaway Capacity of the Connecting Carrier as stated in Part 3; or
3. the Injection of Crude Oil as stated in Part 4.

Example:

- Part 2: Connecting Carrier design capacity is 500,000 bpd.
- Part 3: Facility A takes 200,000 bpd from the Connecting Carrier and Facility B takes 100,000 bpd from the Connecting Carrier. The takeaway capacity is 300,000 bpd.
- Part 4: Enbridge mainline can feed the Connecting Carrier at a sustainable, rateable, and on-going rate of 400,000 bpd.
- Total Capability: 300,000 bpd (being the lesser of the three Parts above)

Connecting Carrier Affidavit of Capability

Part 1.	Facility Identification Data
Report Period	Month <input style="width: 50px;" type="text"/> Year <input style="width: 50px;" type="text"/>
Company Name:	_____
Doing Business as:	_____
Physical Address:	(e.g. Street Address) _____
City :	_____ State: _____ Zip: _____
Contact Name :	_____
Phone No.	_____ Ext. _____
Email Address:	_____
<p>I declare under penalty of perjury under the laws of the United States of America and Canada that the information contained within this affidavit is true and accurate. I further acknowledge that untrue statements may result in violations of the Interstate Commerce Act, 49 U.S.C. app. §§ 1, et seq., title 16 of the United States Code of Federal Regulations, 16 C.F.R. § 317.3, and other applicable laws in the United States and Canada.</p>	
Signature :	_____
Officer Name :	_____
Title :	_____
Date :	_____
SWORN before me at the City of _____ in the Province/State of _____ this ____ day of _____, 201_.	

Part 2. **Connecting Carrier Capacity** bbls per day

Connecting Carrier Capacity describes the Design Capacity of the connecting carrier. Design Capacity is defined as the maximum number of barrels that could be transported in a day in the pipeline. This number should be equal to the design capacity of the pipeline as stated by the pipeline company in publicly available documentation.

Part 3. **Takeaway Capacity** bbls per day

Takeaway Capacity is the sustainable, rateable, and on-going movement of crude oil out of the Connecting Carrier.

Part 4. **Injection of Crude Oil** bbls per day

Injection of Crude Oil is the sustainable, rateable, and on-going movement of crude oil into the Connecting Carrier from the Enbridge mainline.

Part 5. **Total Capability** bbls per day

Total Capability is calculated as the lowest of the numbers in Parts 2, 3 and 4.

FERC 41.5.0 - Appendix A
Attachment 2 to Enbridge Destination Verification Procedure
Monthly Affidavit for Enbridge Destination Verification Procedure

3. I acknowledge that if [insert facility name] does not receive all of the verified nominations accepted by Enbridge for delivery to the facility, taking into account any adjustments for apportionment or other scheduling decisions taken by Enbridge, Enbridge may limit future verifications for the facility, unless the failure to receive all of the nominations is caused by conditions at the facility that qualify as force majeure, as that term is defined in the currently effective Enbridge Rules & Regulations Tariff.

4. I acknowledge that it is the responsibility of [insert facility name] and the shippers that deliver to it to communicate with each other regarding the verified volumes set out above to ensure there are no errors or omissions.

I declare under penalty of perjury under the laws of the United States of America and Canada that the forgoing is true and accurate. I further acknowledge that untrue statements may result in violations of the Interstate Commerce Act, 49 U.S.C. app. §§ 1, et seq., title 16 of the United States Code of Federal Regulations, 16 C.F.R. § 317.3, and other applicable laws in the United States and Canada.

Executed this [insert date] day of [insert month], [insert year].

SWORN before me at the City of [insert city]
in the Province/State of [insert province/state]
this [insert date] day of [insert month], [insert year].

[insert name]