



## 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.

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

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**ISSUED: December 13, 2019**

**EFFECTIVE: January 1, 2020**

**ISSUED BY:**

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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	[I] 3.48
Norman Wells, NWT	Zama, Alberta	[I] 104.09

**SYMBOLS:**

[I] – Increase

[W] – Change in wording only

Enbridge Pipelines (NW) Inc. Breakdown of Transmission Tolls Worksheet Supporting CER Tariff No. 49				
TOLLS IN CAD DOLLARS PER CUBIC METRE Crude Petroleum				
TO	FROM	Toll (\$/m3)		
		Transmission	Abandonment Surcharge*	Total CER No. 49
		(A)	(B)	(C) = A+B
Zama, Alberta	Kilometre Post 839.2, Alberta	3.25	0.23	3.48
	Norman Wells, NWT	97.15	6.94	104.09

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

**ENBRIDGE PIPELINES (NW) INC.**

**Estimate of Full Cost of Service  
For Operating Year  
2020**

**December 2019**

**ENBRIDGE PIPELINES (NW) INC.**  
**Estimate of Full Cost of Service**  
**for Operating Year**  
**2020**

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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, 2020.

**Statement 100** provides a summary of the estimated full cost of service for the operating year 2020 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 and approved by the National Energy Board<sup>1</sup>.

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<sup>1</sup> Effective August 28, 2019, the National Energy Board has been replaced by the Canada Energy Regulator.

**Enbridge Pipelines (NW) Inc.**

Projected Income Statement  
2020 Operating Year  
(\$000)

Line No. (a)	Particulars (b)	Supporting Statement (c)	1st Quarter (d)	2nd Quarter (e)	3rd Quarter (f)	4th Quarter (g)	2020 FCOS Estimate (h)
1	Transportation Revenue						
2	Pipeline transportation <sup>(1)</sup>		13,352	13,087	13,016	12,972	52,427
3	Amortization of 1985 Shipper Underpayment <sup>(2)</sup>		(3)	(3)	(3)	(4)	(13)
4	Other Revenue		-	-	-	-	-
5	Total		13,349	13,084	13,013	12,968	52,414
6	Operating Expenses	101					
7	Net incentive costs		5,799	5,799	5,799	5,803	23,200
8	Intercompany charges		1,785	1,785	1,785	1,791	7,146
9	Total Operating Expenses		7,584	7,584	7,584	7,594	30,346
10	Depreciation and Amortization	104	3,381	3,381	3,381	3,382	13,525
11	Operating Income		2,384	2,119	2,048	1,992	8,543
12	Less: Interest expense	102.3	429	429	429	429	1,716
13	Provision for income taxes	103	523	453	434	418	1,828
14	Equity Return	102	1,432	1,237	1,185	1,145	4,999

(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 2020 operating year. The forecast incentive costs of \$23.2 million exclude intercompany charges of \$7.1 million.

**Enbridge Pipelines (NW) Inc.**

Operating Expenses Budget  
2020 Operating Year  
(\$000)

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Salaries and Wages	1,504
Employee Benefits	948
Other Employee Cost	279
Operating Fuel and Power	1,012
Materials and Supplies	204
Property Tax	2,468
Outside Service Purchased	12,858
Rent	3,648
Other Operating Expenses	279
<b>Gross Operating Expenses</b>	<b>23,200</b>

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**Enbridge Pipelines (NW) Inc.**

Operating Expenses  
2020 Operating Year  
(\$000)

Line		2019 EFCOS	Inflation	2020 Budget
<u>No.</u>	<u>Particulars</u>	<u>Year</u>	<u>Forecast</u> <sup>(2)</sup>	<u>Year</u>
(a)	(b)	(c)	(d)	(e)
	Incentive Costs			
1	Forecast Incentive Costs <sup>(1)</sup>	22,767	1.9%	23,200
2	Less: Capitalized Charges			-
3	Net Incentive Costs			23,200
4	Intercompany Charges			7,146
5	Total Operating Expenses			30,346

(1) Calculated pursuant to the incentive cost methodology outlined in Schedule A, Section 4.1.1 (a)(ii)(C) of the Norman Wells Pipeline Agreement, as amended, and incorporates the negotiated forecast incentive cost for 2019 as the starting point.

(2) As published by Consensus Economics Inc. October 2018 in accordance with Section 4.1.1 (a) (iii) of Schedule A of the Norman Wells Pipeline Agreement, as amended.

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

**Statement 102** outlines the forecast return on rate base for 2020. 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 \$9.5 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 \$5.0 million is based on the 2020 multi-pipeline rate of return of 6.63%<sup>2</sup>, 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 2.25%. This rate is composed of Enbridge (NW)'s projection of 2.00% for the average one month's Banker's Acceptance Rate (BA) for 2020 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 2020 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 and costs partially offset by an allowance for interest during construction (AIDC) related to capital expenditures.

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<sup>2</sup> Released by the Canada Energy Regulator on December 10, 2019 [C03549]

**Enbridge Pipelines (NW) Inc.**  
**Summary of 2020 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	80,058	50.00%	6.63% <sup>(2)</sup>	3.32%	150,572	4,999
2	Long Term Debt	-	0.00%	0.00% <sup>(3)</sup>	0.00%	150,572	-
3	(Pre) Unfunded Debt	93,186	58.20%	2.25% <sup>(4)</sup>	1.31%	150,572	1,972
4	Future Income Taxes <sup>(5)</sup>	<u>(13,128)</u>	<u>-8.20%</u>	0.00%	<u>0.00%</u>	150,572	<u>-</u>
5	Total Capital Required <sup>(6)</sup>	<u>160,116</u>	<u>100.00%</u>		<u>4.63%</u>		<u>6,971</u>

**Notes:**<sup>(1)</sup> Statement 105 - Line 14<sup>(2)</sup> 2020 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)

150,572

Average CWIP Balance (Statement 102.1 - Line 14)

9,544

Total Capital Required (Line 11 + Line 12)

160,116

**ENBRIDGE PIPELINES (NW) INC.**

2020 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		-	5,946
2	Jan-31	1,729	(57)	7,618
3	Feb-28	593	(353)	7,858
4	Mar-31	468	(126)	8,201
5	Apr-30	696	(361)	8,536
6	May-31	573	(226)	8,883
7	Jun-30	559	(221)	9,221
8	Jul-31	507	(192)	9,537
9	Aug-31	528	(192)	9,873
10	Sep-30	828	(87)	10,614
11	Oct-31	1,054	-	11,668
12	Nov-30	(690)	214	11,191
13	Dec-31	12,166	(8,436)	14,922
14	<b>13-point average</b>			<b><u>9,544</u></b>

**Enbridge Pipelines (NW) Inc.**

Weighted Average Cost of Debt  
2020 Operating Year

All long term debt was retired in 1999.

**Enbridge Pipelines (NW) Inc.**  
**Total Estimated Interest Expense**  
**2020 Operating Year**  
(\$000)

Line No.	<u>Description</u>				
1	<u>Deemed Interest Expense</u>				
2	Deemed Long Term Debt			-	
3	Unfunded Debt			1,972	
				<hr/>	
4	Total Deemed Interest Expense <sup>(1)</sup>			1,972	1,972
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	-	-	-	
		<hr/>	<hr/>	<hr/>	
10	Total Unamortized Discount & Expense	-	-	-	-
11	<u>Amortization of 1996 Debt Redemption Premium and Costs</u> <sup>(3)</sup>				
		<u>Balance</u>	<u>Balance</u>	<u>Amortization</u>	
		<u>January 1</u>	<u>December 31</u>	<u>Amortization</u>	
12	Unamortized Discount & Expense				
13	Series A	116	105	11	
14	Series B	105	95	10	
		<hr/>	<hr/>	<hr/>	
15	Total	220	200	20	
16	<u>Amortization of 1999 Debt Redemption Premium and Costs</u> <sup>(3)</sup>				
		<u>Balance</u>	<u>Balance</u>	<u>Amortization</u>	
		<u>January 1</u>	<u>December 31</u>	<u>Amortization</u>	
17	Redemption Premium				
18	Series A - April 1	30	27	3	
19	Series B - November 15	17	15	2	
		<hr/>	<hr/>	<hr/>	
20	Total	47	42	4	
		<hr/>	<hr/>	<hr/>	
21	Total Unamortized Redemption Premium & Costs (Line 15 + Line 20)	267	243	24	24
22	Allowance for Interest During Construction <sup>(2)</sup>				(280)
23	Total Interest Expense (Line 4 + Line 10 + Line 21 + Line 22)				1,716

**Notes:**<sup>(1)</sup> Statement 102 - Line 3<sup>(2)</sup> Statement 103 - Line 24<sup>(3)</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 2020. 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 2020 (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 26.4%, which is based on current federal and provincial income tax rates in effect for 2020. The estimated 2020 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 26.4%.

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.**  
 2020 Operating Year  
 Provision for Income Taxes and Future Income Tax Balances  
 (\$000)

Line No. (a)	Particulars (b)		
1	PROVISION FOR INCOME TAXES		
2	Return Related to Equity (Statement 102 - Line 1)		4,999
3	Adjustments for Permanent Differences:		
4	Depreciation on AEDC		91
5	Depreciation on Land Rights (Statement 104 - Line 1)		10
6	Differential on Future Income Tax Between Current and Future Income Tax Rates		(5)
7	Meals & Entertainment (50%)		15
			<hr/>
8	Income Tax Base		5,110
			<hr/>
9	Provision for Income Taxes:		
10	2020 Statutory Corporate Income Tax rate (Statement 103.1 - Line 8)	26.3979%	
11	Gross-up factor (current tax rate / (1 - current tax rate))		35.8657%
12	Provision for Income Taxes (Line 8 X 0.263979 / (1 - 0.263979))		1,833
13	Difference in FIT rate and current rate		(5)
			<hr/>
14	<b>Total Provision for Income Taxes</b>		<b>1,828</b>
			<hr/>
15	FUTURE INCOME TAX BALANCES		
16	Provision for Future Income Taxes		
17	Estimated Gross Depreciation (Statement 104 - Line 53)		13,525
18	Less: Depreciation on AEDC (Line 4)		(91)
19	Depreciation on Land Rights (Line 5)		(10)
			<hr/>
20	Estimated Net Depreciation		13,424
21	Amortization of Shipper Underpayment		13
22	Capital Cost Allowance		(17,143)
23	Capitalized G&A Deduction		(780)
24	Allowance for Interest During Construction		(280)
25	Leak Accrual		-
26	Amortization of Debt Redemption Premiums and Costs (Statement 102.3 - Line 21)		24
			<hr/>
27	Net Timing Differences		(4,741)
28	Current Tax Rate for Future Income Tax accumulation (Line 10)		26.3979%
			<hr/>
29	<b>Provision for Future Income Taxes</b>		<b>(1,252)</b>
			<hr/>
30	Opening Future Income Tax Balance		13,754
			<hr/>
31	Closing Future Income Tax Balance (Line 29 + Line 30)		12,502
			<hr/>
32	Average Future Tax Balance ((Line 30 + Line 31) / 2)		13,128
			<hr/>
33	INCOME TAX PROVISION		
34	Provision for Income Taxes		1,828
35	Add: Provision for Future Income Taxes		(1,252)
			<hr/>
36	Income Taxes Payable (Line 34 + Line 35)		576
			<hr/>



**Enbridge Pipelines (NW) Inc.**  
**Determination of the Statutory Corporate Income Tax Rate**  
**2020 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	10.00%	6.8045%	0.6805%	
4	Northwest Territories	11.50%	93.1955%	10.7175%	
5			<u>100.0000%</u>	<u>11.3979%</u>	
6					11.3979%
7	Federal Surtax				<u>0.0000%</u>
8	2020 Statutory Corporate Income Tax rate				<u><u>26.3979%</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, 2020 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 \$13.5 million.

Plant additions for 2020 are estimated to be \$12.0 million as provided below.

<b>Project Name</b>	<b>Estimated Plant Additions 2020 (\$000)</b>
L21 Segment Replacement Project	1,815
2020 Norman Wells Digs	10,182
Other	32
<b>Total Estimated Plant Additions</b>	<b>12,029</b>

## ENBRIDGE PIPELINES (NW) INC.

Provision for Depreciation  
2020 Operating Year  
(\$000)

Line No.	Account Number	Plant Code	Depr. Rate	Plant Bal 1/2020	Additions			Retirements			Total Provision	
					Prov. on Opening Balance	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)
<b>Account 30 - Transportation Plant</b>												
1	152-0	152000	0.65%	1,578	10	-	-	-	-	-	-	10
2	153-0	153000	0.42%	46,557	195	-	-	-	-	-	-	195
3	153-A	153A00	0.46%	1,270	6	-	-	-	-	-	-	6
4	153-B	153B00	0.28%	251,217	707	-	-	-	-	-	-	707
5	153-C	153C00	1.05%	1,559	16	-	-	-	-	-	-	16
6	153-C49	153C49	5.62%	8,124	456	-	-	-	-	-	-	456
7	153-D	153D00	1.40%	884	12	-	-	-	-	-	-	12
8	153-D49	153D49	2.56%	6,457	165	-	-	-	-	-	-	165
9	153-E	153E00	0.99%	2,233	22	-	-	-	-	-	-	22
10	153-E49	153E49	5.52%	186,479	10,088	11,997	2	200	-	-	-	10,288
11	156-B	156B00	0.31%	13,404	41	-	-	-	-	-	-	41
12	156-C	156C00	0.86%	3,974	34	-	-	-	-	-	-	34
13	156-D	156D00	1.05%	1,395	15	-	-	-	-	-	-	15
14	156-E	156E00	0.73%	746	5	-	-	-	-	-	-	5
15	156-H	156H00	0.73%	400	3	-	-	-	-	-	-	3
16	156-H06	156H06	4.55%	581	26	-	-	-	-	-	-	26
17	158-A	158A00	0.34%	7,201	24	-	-	-	-	-	-	24
18	158-A07	158A07	2.16%	5,456	118	-	-	-	-	-	-	118
19	159-A	159A00	0.43%	3,311	14	-	-	-	-	-	-	14
20	159-B	159B00	0.00%	49	-	-	-	-	-	-	-	-
21	159-B	159B07	2.26%	44	1	-	-	-	-	-	-	1
22	159-C	159C00	1.17%	247	3	-	-	-	-	-	-	3
23	159-C07	159C07	4.20%	3,827	161	-	-	-	-	-	-	161
24	160-A	160A00	0.90%	255	2	-	-	-	-	-	-	2
25	160-C	160C00	2.28%	40,549	925	-	-	-	-	-	-	925
26	160-C45	160C45	1.32%	973	13	-	-	-	-	-	-	13
27	160-C65(2)	160C65	0.00%	-	-	-	-	-	-	-	-	-
28	160-D	160D00	2.99%	1,135	34	-	-	-	-	-	-	34
29	160-E	160E00	1.55%	458	7	-	-	-	-	-	-	7
30	163-A	163A00	1.51%	1,434	22	32	1	-	-	-	-	22
31	184-A	184A00	0.92%	238	2	-	-	-	-	-	-	2
32	184-B(2)	184B00	0.00%	-	-	-	-	-	-	-	-	-
33	184-C(2)	184C00	0.00%	9	-	-	-	-	-	-	-	-
34	184-C45	184C45	7.85%	11	1	-	-	-	-	-	-	1
35	184-C52	184C52	0.00%	6	-	-	-	-	-	-	-	-
36	184-C55	184C55	2.26%	27	1	-	-	-	-	-	-	1
37	184-D(2)	184D00	0.00%	-	-	-	-	-	-	-	-	-
38	184-D	184D09	0.00%	35	-	-	-	-	-	-	-	-
39	185-A(2)	185A00	0.00%	-	-	-	-	-	-	-	-	-
40	185-D	185D00	0.05%	3,799	2	-	-	-	-	-	-	2
41	185-E	185E00	0.00%	52	-	-	-	-	-	-	-	-
42	185-F	185F00	1.53%	1,567	24	-	-	-	-	-	-	24
43	185-G	185G00	2.15%	2,136	46	-	-	-	-	-	-	46
44	185-I	185I00	0.00%	657	-	-	-	-	-	-	-	-
45	185-J	185J00	0.00%	-	-	-	-	-	-	-	-	-
46	185-S	185S00	0.79%	1,577	12	-	-	-	-	-	-	12
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	0.00%	19	-	-	-	-	-	-	-	-
51	186-B55	186B55	4.06%	2,722	111	-	-	-	-	-	-	111
52	190-0(2)	190000	0.00%	-	-	-	-	-	-	-	-	-
53	Total <sup>(1) (2)</sup>			604,703	13,325	12,029		200	-	-	-	13,525
54	Land			142								
55	Total			604,844								

<sup>(1)</sup> Excludes cost of Land<sup>(2)</sup> Original assets have been fully depreciated, therefore, depreciation is on new additions.

**ENBRIDGE PIPELINES (NW) INC.**

Comparison of Depreciation Rate Changes  
2020 Operating Year  
(\$000)

Line No.	Account Number	Plant Code	Prior Depreciation Rate	Depreciation At Prior Rates	New Depreciation Rate	Depreciation for 2020
(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Account 30 - Transportation Plant</u>						
1	152-0	152000	0.47%	7	0.65%	10
2	153-0	153000	0.47%	218	0.42%	195
3	153-A	153A00	0.51%	6	0.46%	6
4	153-B	153B00	2.54%	6,381	0.28%	707
5	153-C	153C00	1.08%	17	1.05%	16
6	153-C49	153C49	10.82%	879	5.62%	456
7	153-D	153D00	1.43%	13	1.40%	12
8	153-D49	153D49	2.56%	165	2.56%	165
9	153-E	153E00	1.02%	23	0.99%	22
10	153-E49	153E49	2.70%	5,027	5.52%	10,288
11	156-B	156B00	0.36%	49	0.31%	41
12	156-C	156C00	0.89%	36	0.86%	34
13	156-D	156D00	1.09%	15	1.05%	15
14	156-E	156E00	0.77%	6	0.73%	5
15	156-H	156H00	0.77%	3	0.73%	3
16	156-H06	156H06	4.45%	26	4.55%	26
17	158-A	158A00	0.39%	28	0.34%	24
18	158-A07	158A07	2.17%	118	2.16%	118
19	159-A	159A00	0.48%	16	0.43%	14
20	159-B	159B00	0.87%	-	0.00%	-
21	159-B	159B07	2.29%	1	2.26%	1
22	159-C	159C00	1.21%	3	1.17%	3
23	159-C07	159C07	4.09%	157	4.20%	161
24	160-A	160A00	0.93%	2	0.90%	2
25	160-C	160C00	1.95%	792	2.28%	925
26	160-C45	160C45	1.34%	13	1.32%	13
27	160-C65	160C65	0.00%	-	0.00%	-
28	160-D	160D00	2.97%	34	2.99%	34
29	160-E	160E00	1.57%	7	1.55%	7
30	163-A	163A00	1.52%	22	1.51%	22
31	184-A	184A00	0.95%	2	0.92%	2
32	184-B	184B00	0.00%	-	0.00%	-
33	184-C	184C00	0.00%	-	0.00%	-
34	184-C45	184C45	7.93%	1	7.85%	1
35	184-C52	184C52	4.33%	-	0.00%	-
36	184-C55	184C55	2.15%	1	2.26%	1
37	184-D	184D00	0.00%	-	0.00%	-
38	184-D	184D09	1.18%	-	0.00%	-
39	185-A	185A00	0.00%	-	0.00%	-
40	185-D	185D00	0.10%	4	0.05%	2
41	185-E	185E00	0.00%	-	0.00%	-
42	185-F	185F00	1.42%	22	1.53%	24
43	185-G	185G00	2.11%	45	2.15%	46
44	185-I	185I00	0.00%	-	0.00%	-
45	185-J	185J00	72.21%	-	0.00%	-
46	185-S	185S00	0.82%	13	0.79%	12
47	186-0	186000	0.00%	-	0.00%	-
48	186-A	186A00	0.00%	-	0.00%	-
49	186-A01	186A01	0.00%	-	0.00%	-
50	186-B45	186B45	0.74%	-	0.00%	-
51	186-B55	186B55	4.02%	109	4.06%	111
52	190-0	190000	0.00%	-	0.00%	-
53	Total			14,260		13,525

**ENBRIDGE PIPELINES (NW) INC.**

**Rate Base**

The Enbridge (NW) pipeline system rate base, itemized in **Statement 105**, is forecast to be \$150.6 million for the 2020 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**  
**2020 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>	604,844	616,873	610,859
3	Less: Accumulated Depreciation <sup>(2)</sup>	(458,131)	(471,656)	(464,894)
4	NBV Balance (Line 2 + Line 3)	146,713	145,217	145,965
5	<u>Other Rate Base Items</u>			
6	Equity Portion of Unamort. Shipper Underpayment	140	127	134
7	Inventory	1,689	1,689	1,689
8	Unamortized Debt Redemption Costs <sup>(3)</sup>	267	243	255
9	Unamortized Debt Issuance Costs	-	-	-
10	Total Other Rate Base Items	2,096	2,059	2,078
11	Working Capital Allowance			
12	Operating Expenses <sup>(4)</sup>	30,346		
13	(1/12 x Line 12)			2,529
14	Total Rate Base (Line 4 + Line 10 + Line 13)			150,572

**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

**ENBRIDGE PIPELINES (NW) INC.**

Transportation Plant  
2020 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	142	-	-	-	142
2	152-0	152000	1,578	-	-	-	1,578
3	153-0	153000	46,557	-	-	-	46,557
4	153-A	153A00	1,270	-	-	-	1,270
5	153-B	153B00	251,217	-	-	-	251,217
6	153-C	153C00	1,559	-	-	-	1,559
7	153-C49	153C49	8,124	-	-	-	8,124
8	153-D	153D00	884	-	-	-	884
9	153-D49	153D49	6,457	-	-	-	6,457
10	153-E	153E00	2,233	-	-	-	2,233
11	153-E49	153E49	186,479	11,997	-	-	198,475
12	156-B	156B00	13,404	-	-	-	13,404
13	156-C	156C00	3,974	-	-	-	3,974
14	156-D	156D00	1,395	-	-	-	1,395
15	156-E	156E00	746	-	-	-	746
16	156-H	156H00	400	-	-	-	400
17	156-H06	156H06	581	-	-	-	581
18	158-A	158A00	7,201	-	-	-	7,201
19	158-A07	158A07	5,456	-	-	-	5,456
20	159-A	159A00	3,311	-	-	-	3,311
21	159-B	159B00	49	-	-	-	49
22	159-B	159B07	44	-	-	-	44
23	159-C	159C00	247	-	-	-	247
24	159-C07	159C07	3,827	-	-	-	3,827
25	160-A	160A00	255	-	-	-	255
26	160-C	160C00	40,549	-	-	-	40,549
27	160-C45	160C45	973	-	-	-	973
28	160-C65	160C65	-	-	-	-	-
29	160-D	160D00	1,135	-	-	-	1,135
30	160-E	160E00	458	-	-	-	458
31	163-A	163A00	1,434	32	-	-	1,466
32	184-A	184A00	238	-	-	-	238
33	184-B	184B00	-	-	-	-	-
34	184-C	184C00	9	-	-	-	9
35	184-C45	184C45	11	-	-	-	11
36	184-C52	184C52	6	-	-	-	6
37	184-C55	184C55	27	-	-	-	27
38	184-D00	184D00	-	-	-	-	-
39	184-D09	184D09	35	-	-	-	35
40	185-A	185A00	-	-	-	-	-
41	185-D	185D00	3,799	-	-	-	3,799
42	185-E	185E00	52	-	-	-	52
43	185-F	185F00	1,567	-	-	-	1,567
44	185-G	185G00	2,136	-	-	-	2,136
45	185-I	185I00	657	-	-	-	657
46	185-J	185J00	-	-	-	-	-
47	185-S	185S00	1,577	-	-	-	1,577
48	186-0	186000	-	-	-	-	-
49	186-A	186A00	50	-	-	-	50
50	186-A01	186A01	-	-	-	-	-
51	186-B45	186B45	19	-	-	-	19
52	186-B55	186B55	2,722	-	-	-	2,722
53	190-0	190000	-	-	-	-	-
54	Total		604,844	12,029	-	-	616,873
55	Average Transportation Plant in Service				610,859		
	(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  
2020 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	1,466	10	-	-	1,476
3	153-0	153000	44,412	195	-	-	44,607
4	153-A	153A00	1,206	6	-	-	1,212
5	153-B	153B00	243,405	707	-	-	244,112
6	153-C	153C00	1,379	16	-	-	1,395
7	153-C49	153C49	3,106	456	-	-	3,562
8	153-D	153D00	748	12	-	-	760
9	153-D49	153D49	4,638	165	-	-	4,803
10	153-E	153E00	1,990	22	-	-	2,012
11	153-E49	153E49	75,511	10,288	-	-	85,799
12	156-B	156B00	12,950	41	-	-	12,991
13	156-C	156C00	3,600	34	-	-	3,634
14	156-D	156D00	1,234	15	-	-	1,248
15	156-E	156E00	686	5	-	-	691
16	156-H	156H00	368	3	-	-	371
17	156-H06	156H06	290	26	-	-	317
18	158-A	158A00	6,934	24	-	-	6,958
19	158-A07	158A07	4,158	118	-	-	4,276
20	159-A	159A00	3,154	14	-	-	3,169
21	159-B	159B00	44	-	-	-	44
22	159-B	159B07	33	1	-	-	34
23	159-C	159C00	215	3	-	-	218
24	159-C07	159C07	2,060	161	-	-	2,221
25	160-A	160A00	230	2	-	-	232
26	160-C	160C00	30,373	925	-	-	31,298
27	160-C45	160C45	832	13	-	-	845
28	160-C65	160C65	-	-	-	-	-
29	160-D	160D00	761	34	-	-	795
30	160-E	160E00	380	7	-	-	388
31	163-A	163A00	1,197	22	-	-	1,218
32	184-A	184A00	214	2	-	-	216
33	184-B	184B00	-	-	-	-	-
34	184-C	184C00	9	-	-	-	9
35	184-C45	184C45	1	1	-	-	2
36	184-C52	184C52	3	-	-	-	3
37	184-C55	184C55	20	1	-	-	21
38	184-D	184D00	-	-	-	-	-
39	184-D	184D09	31	-	-	-	31
40	185-A	185A00	-	-	-	-	-
41	185-D	185D00	3,779	2	-	-	3,781
42	185-E	185E00	52	-	-	-	52
43	185-F	185F00	1,303	24	-	-	1,327
44	185-G	185G00	1,629	46	-	-	1,675
45	185-I	185I00	661	-	-	-	661
46	185-J	185J00	52	-	-	-	52
47	185-S	185S00	1,441	12	-	-	1,454
48	186-0	186000	-	-	-	-	-
49	186-A	186A00	51	-	-	-	51
50	186-A01	186A01	-	-	-	-	-
51	186-B45	186B45	17	-	-	-	17
52	186-B55	186B55	1,506	111	-	-	1,616
53	190-0	190000	-	-	-	-	-
54	Total		458,131	13,525	-	-	471,656
55	Average Accumulated Depreciation (Line 55: [Col (d) + Col (h)] ÷ 2 )					464,894	

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



**ENBRIDGE PIPELINES (NW) INC.****2020 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.

	<b><u>Cubic Metres</u></b>
<b><i>Norman Wells to Zama</i></b>	
Imperial Oil Resources	538,436
	<hr/>
Total Injections at NW, NWT	538,436
	<hr/>
<b><i>km Post 839.2 to Zama</i></b>	
Alberta Petroleum Marketing Commission	366
Tidal Energy Marketing	36,600
	<hr/>
Total Injections at KP839.2	36,966
	<hr/>
Total Deliveries to Zama	575,402
	<hr/>

**Statement 106.1** provides the details of the 2020 estimated deliveries by quarter.

The calculation of the 2020 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, NEB No. 49, revises the existing tariff, NEB No. 48. The changes relate to transportation tolls only and not to abandonment surcharges.

## Enbridge Pipelines (NW) Inc.

**Determination of Provisional Tolls  
2020 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>	538,436	36,966	575,402
2	Distance Shipped (km)	868	29	
3	Volume x Distance (000 m <sup>3</sup> km)	467,362	1,072	468,434
4	Estimated Full Cost of Service (\$000) <sup>(2)</sup>			\$ 52,427
5	Unit Transportation Rate (\$/m <sup>3</sup> km)			\$ 0.111920
6	<b>Provisional Tolls (\$/m<sup>3</sup>)</b>	<u>\$ 97.15</u>	<u>\$ 3.25</u>	

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

**Enbridge Pipelines (NW) Inc.**Deliveries by Quarter  
2020 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	1,507	1,477	1,453	1,448	1,471
3	km Post 839.2 to Zama	101	101	101	101	101
4	Total	1,608	1,578	1,554	1,549	1,572
5	Number of Days in Period	91	91	92	92	366
6	Estimated total deliveries (m <sup>3</sup> )					
7	Norman Wells to Zama	137,137	134,407	133,676	133,216	538,436
8	km Post 839.2 to Zama	9,191	9,191	9,292	9,292	36,966
9	Total	146,328	143,598	142,968	142,508	575,402

**ENBRIDGE PIPELINES (NW) INC.**

Minimum Bill for Imperial Oil Resources  
 2020 Operating Year  
 (\$000)

<u>Line</u> <u>No.</u>	<u>Particulars</u>	<u>2020</u> <u>Year</u> <u>Total</u>
1	Operating expenses	30,346
2	Depreciation <sup>(1)</sup>	8,471
3	Income taxes payable	576
4	Cost of Debt	<u>1,716</u>
5	Total Minimum Bill	<u>41,109</u>
6	Monthly Minimum Bill (Line 5/12)	<u><u>3,426</u></u>

(1) As there is no Original Debt outstanding in 2020, 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, 2020 to December 31, 2030 as per Schedule C, Section 3.4(C) of the Norman Wells Pipeline Agreement, as amended.