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Enbridge Pipelines Inc.

November 11, 2015

Mr. Guy Paparella
Director, Growth Planning
City of Hamilton
71 Main St. West
Hamilton, Ontario L8P 4Y5

RE: Enbridge Line 10 Westover Segment Replacement Project

PROJECT NEED

Enbridge seeks to identify and address any future pipeline integrity concerns well before they could pose a threat to the public or the environment. As such, strategic and regular investments in routine maintenance, technology and upkeep are critical to the ongoing fitness of all pipelines and infrastructure.

The Line 10 Westover Segment Replacement Project will proactively address pipeline maintenance requirements, enhance reliability and safety, and restore the pipeline to its original operating capacity. This is not a pipeline capacity expansion, but a capacity restoration. No increase to Enbridge's approved maximum operating capacity of 74,200 barrels per day is being applied for or planned.

The project focuses on replacing approximately 35 kilometres (km) of existing 12-inch-diameter steel pipe, installed in 1962, with new 20-inch-diameter line, from Enbridge's Westover Terminal to the Nanticoke Junction.

The majority of Line 10 was replaced with 20-inch line in the 1970s and 1980s – the Westover-to-Nanticoke-Junction segment is one of the line's original 12-inch segments.

In recent years, this segment of Line 10 has experienced an increasing number of preventative maintenance digs to visually inspect and repair the line, and has therefore reached Enbridge's conservative threshold for replacement.

By replacing this segment of Line 10 rather than applying a number of preventative maintenance digs, Enbridge will minimize overall disturbance to landowners along the right-of-way, address ongoing maintenance requirements, and return the pipe's capacity to the permitted maximum flow rate of 74,200 barrels per day.

This segment replacement approach will minimize disruption to both landowners and the environment by substantially reducing the number of necessary maintenance digs and repairs that would otherwise be required to maintain the existing pipeline. Additionally, upon completion, this segment of pipe will be more hydraulically efficient: replacing the current 12 inch pipe with 20 inch pipe aligns this segment of pipe with the remainder of the 20 inch Line 10 pipeline, thereby allowing the transportation of product while using less energy.

A MULTI-TIERED APPROACH TO LINE 10 SAFETY

Enbridge believes that safety begins with prevention. Enbridge invests every year in advanced leak detection, prevention and pipeline integrity technologies and monitor its systems 24/7 using multiple means of protection.

Operating pressure, temperature and other key data from thousands of points along the pipeline is constantly monitored. Regular mass balance calculations are used to confirm that the volumes received into the pipeline precisely match the volumes delivered. Real-time flow data is fed into computer models to double-check system performance.

In addition, Enbridge uses state-of-the-art internal line inspection to scan for pipe wall features that could indicate a potential weakness. When a feature of interest is detected, the company undertakes preventative maintenance digs to expose the pipeline and physically inspect it and perform required repairs if needed.

Enbridge also employs aerial and ground based surveillance to monitor the Line 10 pipeline corridor.

HOW WILL ENBRIDGE ENSURE PROTECTION OF WATERWAYS DURING AND AFTER THIS PROJECT?

Protection of local waterways will be enhanced through the installation of 35 kilometres of new, high-quality steel pipe, which will provide safe and long-term reliability to the Line 10 pipeline system.

In addition, the proposed replacement of the Westover-to-Nanticoke Junction segment gives Enbridge an opportunity to enhance the overall safety of Line 10 within the City of Hamilton by adding two new remote isolation valves, bringing the total number of valves along the 35 km segment replacement route to four. Existing valves are located at the Westover Terminal and the Nanticoke Junction.

Remote isolation valves minimize the potential volume of oil released in the event of an incident. These valves can be quickly activated upon detection of a problem, with full closure taking three minutes to complete.

The proposed new valve locations were identified through Enbridge's Sectionalizing Valve Placement (SVP) program and will be detailed in its regulatory application to the National Energy Board (NEB). The SVP program is designed to ensure valves are placed at the right locations - identifying and protecting every point along the pipeline where a product release

could pose a risk to people or the environment. Valve locations can be influenced by several factors, including topography, the presence of water crossings and high-consequence areas (urban population centers, drinking water resources, environmentally sensitive areas, and commercially navigable waterways). By optimizing valve locations all along the pipeline, one valve can protect multiple water courses and/or high-consequence areas.

Our primary consideration for valve placement is in greatly reducing the potential flow of oil to lower elevations, particularly in close proximity to water crossings and high-consequence areas. Enbridge's SVP program protects these areas by taking advantage of gravity, using high points of topography to provide natural isolation of product between valves.

EMERGENCY RESPONSE CAPACITY

The preventative maintenance and inspection technologies outlined above make incidents, particularly large events, highly unlikely. However, in the event of a leak near the Line 10 Westover Segment Replacement Project, Enbridge personnel are equipped to respond with robust and tested emergency response tactics, training, and equipment to ensure a quick and effective response.

If a release were to occur, the Enbridge Control Centre would close sectionalizing valves immediately upon confirmation of a problem, with full closure occurring within three minutes of activation to isolate the affected section.

Enbridge would rapidly dispatch a trained response team who are familiar with the products transported and their characteristics and behaviour in a spill scenario.

Under the oversight of federal and provincial agencies, Enbridge would implement clean-up activities to restore the impacted area.

Enbridge follows an Integrated Contingency Plan and an Eastern Region Emergency Response Action Plan that addresses all potential hazards on land and water and includes protocols on how to best manage an event in cooperation with local first response organizations.

Enbridge has significant supplies of response equipment near the Line 10 right-of-way at the Westover Terminal, which can be moved and concentrated at any point along the line to support a response. Enbridge also has agreements in place with several emergency response contractors in the region - Quantum Murray, Stantec, Ron Lee Construction and the Eastern Canadian Response Corporation.

In addition, Enbridge maintains an emergency response directory for the region and meets annually with first responders, including police, fire, and EMS, along the right-of-way to review Enbridge response procedures, and also to identify roles and responsibilities of external responders who would support Enbridge in the event of an incident.

The meetings have been held with City of Hamilton response agencies and Enbridge is working to strengthen relationships with emergency response personnel in the City. Recent examples of this collaborative approach include the following:

- At the request of the Hamilton Fire Department, Enbridge's Westover Terminal is currently participating in a Community Safety and Emergency Planning Initiative;
- A tour of the Westover Terminal was recently provided to one of Hamilton's Assistant Deputy Fire Chiefs, to meet key Enbridge operations and emergency response personnel;
- The Hamilton Fire Department were engaged in providing input of our new Integrated Contingency Plan and our Emergency Response Action Plan for Enbridge's Eastern Region;
- The Hamilton fire department participated in a 2014 tabletop spill response exercise and equipment deployment drill for Enbridge's Line 9 pipeline;
- The Hamilton Police participated in an Enbridge security exercise at the Westover facility in 2014.

BEFORE AND DURING CONSTRUCTION

Water crossings are a unique and complex component of pipeline construction projects which can require specific engineering, detailed planning and potentially extensive regulatory considerations.

Enbridge carefully plans, designs and mitigates potential effects to the environment on all watercourse crossings during the project planning phase.

Along the currently proposed pipeline route, there are approximately 70 small water crossings. Each of these will be identified and considered in the company's Environmental and Socio-Economic Assessment (ESEA) which will be part of the project application to the NEB. The ESEA will identify the mitigation measures Enbridge plans to implement to ensure protection of the environment during the construction phase.

Before construction begins, Enbridge must obtain all appropriate permits, approvals, authorizations and/or letters of advice and provide all required notifications to all levels of government.

During construction, Enbridge will take special care to protect local waterways with the following two primary objectives:

- To minimize siltation, protect fish habitat, maintain streamflow and prevent water pollution/contamination during construction of water crossings.
- To restore disturbed watercourse beds and banks to preconstruction condition.

To help meet these objectives, preliminary environmental field studies began in the summer of 2015 and will conclude in the spring of 2016. In addition to the ESEA, Enbridge will prepare a detailed Environmental Protection Plan, which will also be filed with the NEB.

PROTECTION OF GROUNDWATER / WATER WELLS

In the unlikely event of a product release, Enbridge would immediately activate internal and external emergency response resources to minimize environmental impacts. Enbridge has strategies in place to quickly gather groundwater information specific to the area of the release, including the installation of site-specific groundwater monitoring wells.

If the groundwater has been or is likely to be impacted, a location-specific remediation plan will be developed in consultation with federal and provincial regulators, as outlined in the NEB's Remediation Process Guide.

Groundwater remediation practices could include, but are not limited to: in-situ bioremediation, chemical oxidation, air sparging, soil vapour extraction, pump and treat, multi-phase extraction, or natural attenuation.

If a pipeline incident impacted a residential well, Enbridge would supply an alternative source of drinking water to the landowner for as long as needed. Remediation activities would continue until the groundwater quality met the levels specified in the remediation action plan and by government regulation.

DECOMMISSIONING

Decommissioning is when a pipeline is safely and permanently taken out of service but left in place while other existing or new pipelines in the same right-of-way continue to provide service to end users. Enbridge's NEB regulatory application will include a detailed engineering report on the company's plan to decommission the segment of the existing Line 10 that will be replaced. The decommissioning plan will require NEB approval.

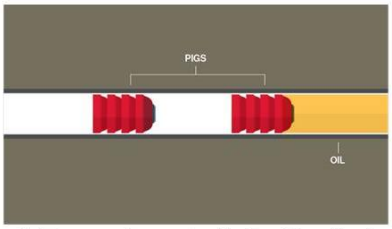
By leaving a decommissioned pipeline in place, Enbridge states that they will avoid the added disturbance and significant construction activities that excavation and removal would bring. Furthermore, Enbridge states the removal of the segment of Line 10 could pose an additional safety risk to Line 11, which lies just three metres apart from Line 10 (centreline-to-centreline) in the same right-of-way, from Westover to Nanticoke Junction. (Line 11 splits off from Line 10 at the Nanticoke Junction, travelling south to connect with the Imperial Oil Nanticoke Refinery).

A decommissioned pipeline will have a very long remaining life as a load-bearing structure for supporting soil and surface loads.

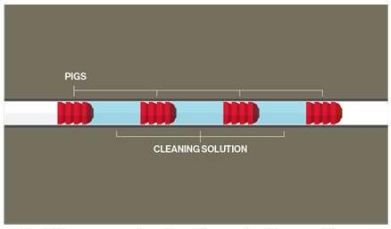
It's important to note that Enbridge remains responsible for any decommissioned pipelines indefinitely. To ensure continued safety the company will continue to monitor the decommissioned pipeline just as they would an active one. Enbridge must provide scheduled reports to the NEB on all decommissioned pipeline assets.

Enbridge Decommissioning, Step by Step

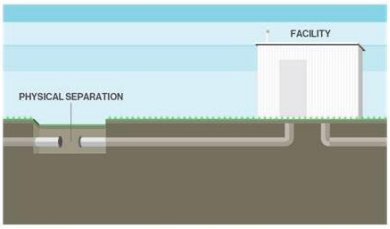
Before decommissioning a line, we perform engineering and environmental assessments in consultation with landowners. Once the National Energy Board approves a decommissioning application, the process typically involves these steps.



1. **Remove the vast majority of the oil** using specially designed cleaning instruments.



2. **Clean and wipe** the pipeline with cleaning instruments and solution.



3. **Disconnect the pipeline,** sealing it off from active facilities like pump stations, to prevent oil from re-entering the decommissioned line.

4. **Segment the pipeline** with permanent physical barriers to prevent it from acting as a water conduit. Segmentation plugs are strategically placed along the pipeline.

5. **Monitor the pipeline,** by maintaining cathodic protection, regular patrols, exact location signs, depth-of-cover surveys and Click Before You Dig program information.

POTENTIAL IMPACT ON FUTURE ROAD MAINTENANCE WORK

Enbridge recognizes that the future decommissioned Line 10 segment could impact the City of Hamilton with regard to future road maintenance and related works. However, the entire segment replacement project route falls within rural areas of Hamilton, including large segments within protected Greenbelt areas. As such, Enbridge does not anticipate significant City development activity in this area in the future.

That said, regarding road crossings for the Line 10 Westover Segment Replacement Project, Enbridge is proposing that the City consider entering into an arrangement similar to the license agreement signed in November 2014 with the City of Hamilton for the Line 11 Replacement Project. The Line 11 agreement contained provision for Enbridge to reimburse the City for any incremental costs incurred in executing its public works as the direct result of the pipeline.

PIPELINE REROUTING

No final route selection for the Line 10 Westover Segment Replacement Project has been made at this time. Enbridge continues to explore opportunities, through consultation with landowners, businesses and local authorities, to reroute the line with the goal of minimizing impact to private and commercial landowners, the environment, and the local community as best they can.

Pipeline route selection is based on ensuring the safety and reliability of the line, environmental considerations and landowner concerns. In order to minimize impacts, rerouting the line away from public spaces, recreational facilities and residences, where possible, is the company's preferred option.

Three re-routes (totaling about 11.5 km) are currently being considered, to avoid the Mount Hope residential subdivision and four public golf courses.

Enbridge strives to obtain the necessary land rights for Line 10 on both the existing and re-routes through mutual acceptable agreements with directly impacted landowners. The NEB has an established process in place to bring resolution to those instances where mutually acceptable resolutions with affected landowners is not achieved.

Enbridge will continue to work with landowners and communities as well as conduct environmental and archeological field studies with regard to the route selection put forward for NEB consideration. Often a pipeline route is not final until the end of the regulatory process.

LAND USAGE WITHIN THE GREENBELT

Regarding Greenbelt land usage, Enbridge complies with regulatory requirements and consults with multiple levels of government and enforcement agencies. The proposed project adheres to Greenbelt Act requirements for non-agricultural activities and Enbridge seeks to minimize, where possible, the amount of the Greenbelt, and particularly the Natural Heritage System, traversed and/or occupied, including negative impacts. Because they are underground, pipeline developments are compatible with continued agricultural activities and other land uses.

REGULATORY PROCESS – NEXT STEPS

Enbridge plans to file its regulatory application for the Line 10 Westover Segment Replacement Project in late November 2015, under Section 58 of the NEB Act for approval to construct and operate this section of the replacement Line 10 pipeline, and under Section 45.1 of the NEB Onshore Pipeline Regulations to decommission the existing section of the Line 10 pipeline that is being replaced.

Enbridge has already filed a pre-Application Project Description with the NEB on October 1, 2015. This document is available on the NEB website or on the Enbridge Project website at http://www.enbridge.com/line10

The Project application will detail the proposed project and include details on:

- Landowner and other stakeholder consultation
- First Nation engagement
- Environment and socio-economic impact identification and mitigation
- Proposed routing
- Engineering, including technical assessment of the segment of Line 10 proposed for decommissioning
- Construction, including technical specifications for watercourse crossings
- Emergency Management
- Security

The application will also include a series of detailed maps showing both the proposed new construction and the segment proposed for decommissioning. All application materials will be publicly available once filed with the NEB.

PARTICIPATION IN THE NATIONAL ENERGY BOARD REGULATORY PROJECT REVIEW PROCESS

The NEB's application assessment process is rigorous and structured. If the NEB decides to hold a public hearing for the Line 10 Westover Segment Replacement Project, it will issue a Hearing Notice and invite people and groups to apply to become intervenors in the hearing process by demonstrating that they are directly affected by the Project. The NEB decides who is accepted to be an intervenor in the hearing process.

Should the NEB determine that a hearing is not required, the City of Hamilton or any member of the public has the right to send a letter of comment or complaint to the NEB. The NEB may then direct Enbridge to reply or they will ask for an Information Request with a specific response deadline. All such requests and responses are publicly available once filed.

The NEB will decide if the Enbridge Line 10 Westover Segment Replacement Project is in the public interest, inclusive of all Canadians and supports a balance of economic, environmental and social interests. As a regulator, the NEB must estimate the overall public good a project may create and its potential negative aspects, weigh its various impacts, and make its decision.

Consultation and Project Schedule

June 2015	Initial government, Aboriginal, landowner and public outreach
June to November 2015	Pre-application consultation; one-on-one meetings, open houses
July 2015 to August 2016	Civil and environmental surveying, geotechnical studies
November 2015	File project application with National Energy Board
December 2015 to 2018	Ongoing consultation
Third quarter 2017	Pipeline construction (contingent on NEB approval)
First quarter 2018	Project goes into service
September 2018	Right-of-way restoration complete

ENGAGING LOCAL STAKEHOLDERS

Stakeholder engagement prior to the filing of the NEB regulatory application has been extensive, the result of an expanded approach to communication and engagement for Enbridge. The company will continue to consult with stakeholders and Aboriginal communities throughout the life of the project.

In addition to public Open Houses held in early November in Ancaster, Mount Hope and Mississaugas of the New Credit First Nation, Enbridge has identified and engaged the following stakeholder groups:

- Directly affected landowners, tenants and residents along the existing right-of-way, potential new right-of-way, decommissioned right-of-way and facilities.

Elected officials, municipal staff and local EMS representatives along or near the existing right of way, and potentially new and decommissioned rights-of-way, and facilities, including:

- City of Hamilton
- County of Brant
- County of Haldimand

Municipal staff and local EMS representatives along the existing Line 10 right-of-way to the east of Nanticoke Junction and adjacent to right-of –way municipalities, including:

- Regional Municipality of Niagara
- Town of Fort Erie
- City of Brantford
- Town of Grimsby
- City of Niagara Falls
- Town of Lincoln
- City of Port Colborne
- Town of Niagara-on-the-Lake
- City of St. Catharines
- Town of Pelham
- City of Thorold
- Township of Wainfleet
- City of Welland
- Township of West Lincoln

Other consulted stakeholder groups include: industry associations and institutions; conservation authorities; provincial and federal ministries and departments; and landowner associations.

FOR MORE INFORMATION

Additional information may also be found on the project website along with our contact information for anyone having questions or comments: http://www.enbridge.com/line10

As always, we remain available to answer any additional questions you or others at City Hall might have. Please contact myself or Herb Shields at any time we can be of further assistance.

Yours truly,

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