

**ENBRIDGE ENERGY PARTNERS, L.P. AND
ENBRIDGE ENERGY, LIMITED PARTNERSHIP**

ILLINOIS COMMERCE COMMISSION

DOCKET NO. 06-0470

**ENBRIDGE RESPONSES TO
STAFF DATA REQUESTS ENG. 1.1 - ENG 1.52**

06-0470
ILLINOIS COMMERCE COMMISSION 06-0470
Enbridge Energy Partners, L.P. & Enbridge Energy, Limited Partnership 8
Witness
Date 2/21/07 J. a

February 21, 2007

ILLINOIS COMMERCE COMMISSION
DATA REQUEST

REQUEST NUMBER ENG 1.1 - ENG 1.35

Requested of Company Representative: Joel W. Kanvik

Utility Company: Enbridge Energy

Date Submitted: 7/20/06

Docket Number: 06-0470

GENERAL INSTRUCTIONS FOR FILLING OUT THE DATA REQUEST

Staff of the Illinois Commerce Commission ("Staff") hereby submits Staff Data Request ENG 1.1 to 1.35 to Enbridge Energy Partners, L.P. ("Enbridge" or the "Company"). Responses should be delivered on or before August 15, 2006 ("Response Due Date"), in accordance with the instructions set forth below.

DEFINITIONS AND INSTRUCTIONS

1. "Relate to" or "refer to" shall mean, in addition to their customary and usual meaning, to reflect on, to pertain to, support, evidence, constitute, or mention.
2. "And" as well as "or" are to be construed either disjunctively or conjunctively so as to bring within the scope of this request any matters that might be construed outside its scope.
3. The terms "document" or "documents" are intended to be comprehensive, including without limitation any kind of written or graphic material, whether typed, handwritten, printed, computer-generated, or matter of any kind from which information can be derived, however produced, reproduced or stored on paper, cards, machines, tapes, film, electronic facsimile, disks, computer tapes, printouts, computer programs or computer storage devices or any other medium, of any nature whatsoever, including all originals, copies and drafts.
4. When asked to "identify" a person, provide that person's name, job title and last known business address.
5. All documents requested herein are all those in the custody of, possession of, or control of the Company or its experts, consultants, agents, employees or representatives (including attorneys), or to which the Company or its experts, consultants, agents, employees or representatives (including attorneys) have access.
6. If any of the information requested in a data request cannot be furnished, please indicate what information is not being provided and the reason that it cannot be provided.

7. If the Company asserts any privilege as to any documents responsive to this request, it shall identify the author(s) of the document, the addressee(s), the recipients(s) of copies, the date of the document, the nature of the document (e.g., letter, memorandum, handwritten notes), the length of the document, the document's current location, and the specific reason(s) why the Company contends that the document is privileged or otherwise protected from discovery.
8. The response to each data request question should begin on a new page. As part of each response, please identify the data request question to which the response is made by typing it at the top of the page. In addition, each response should identify the name, job title and telephone number of the person or persons responsible for providing the information requested for each data request question. If any person so identified is not a witness in this proceeding, the response shall also identify the witness or witnesses who will be responsible for the answering of cross-examination questions pertaining to both the request and the response.
9. Documents provided as part of a response should be attached to the sheet containing the response. Each page of all documents provided in response to any data request question should be clearly marked with the data request question number, unless stapled together, in which case only the first page need be marked.
10. Please provide individual responses as they become available. If, in your responses to a data request, you make reference to written testimony or affidavits filed in this docket, please include page numbers and line numbers where the information sought by Staff in each question can be found.
11. Electronic responses rather than paper responses are preferred. If data is provided in response to a particular request, such data should be provided in an electronic format that allows data manipulation (i.e., spreadsheet – preferably Microsoft Excel - or database – preferably Microsoft Access -- not .pdf). If a portion of a response needs to be provided in paper, please provide the entire response in paper and also provide electronically the portion that is able to be provided electronically. Responses shall be provided on or before the Response Due Date as follows:

Electronic responses shall be provided to the following persons:

Janis Von Qualen
Illinois Commerce Commission
jvonqual@icc.illinois.gov

Mark Maple
Illinois Commerce Commission
mmaple@icc.illinois.gov

If a paper response is required (i.e., where an electronic response cannot be provided), the paper response shall be provided to the following persons:

Janis Von Qualen
Staff Attorney
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, IL 62701

Mark Maple
Energy Division
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, IL 62701

12. Each data request response shall be sworn to and verified by providing an attestation in the following form:

STATE OF _____)

)

COUNTY OF _____)

_____, being first duly sworn on oath, deposes and states that he/she has read the responses to Staff Data Requests [LIST APPLICABLE DATA REQUEST RESPONSES], and the answers made therein are true, correct and complete to the best of his/her knowledge and belief.

Signature

SUBSCRIBED AND SWORN to before me this ____ day of _____,
2006

NOTARY PUBLIC

13. The Company must seasonably supplement or amend any prior answer or response whenever new or additional information subsequently becomes known to the Company. The Company must also seasonably supplement any prior response to the extent of documents, objects or tangible things which subsequently come into the Company's possession or control or become known to the Company.
14. Due to the requirements regarding ex parte communications in the State Officials and Employees Ethics Act, 5 ILCS 420/5-50, please serve your responses to these data requests to all parties on the Service List for this Docket.

Description of Data Requested

- ENG 1.1 What is the current demand for crude petroleum in the area served by the proposed pipeline? Provide the source of your estimate (i.e., Company documentation, Federal reports, etc.)
- ENG 1.2 What is the forecasted demand for crude petroleum in the area served by the proposed pipeline in one year, five years and ten years from today? Provide the source of your estimate (i.e., Company documentation, Federal reports, etc.).
- ENG 1.3 What means are currently available to provide the Chicago area with a supply of crude petroleum? Information should include amount of capacity available from each source (i.e., gallons per day available via pipeline, truck, rail, barge etc.) and the source of your estimate.
- ENG 1.4 What means, besides those listed in response to Staff data request ENG 1.3, are projected to be available to provide the Chicago area with a supply of crude petroleum one year, five years and ten years from today? Information should include amount of capacity available from each source (i.e., gallons per day available via pipeline, truck, rail, barge etc.) and the source of your estimate.
- ENG 1.5 Explain in detail how diluent is used to aid in the transportation of oil sands, including the amount of diluent needed to transport a certain unit of oil sands. Also explain what alternative methods exist for transporting oil sands without the use of the diluent.
- ENG 1.6 Provide the amount of oil sands that will be shipped annually to the Flanagan area if the proposed pipelines are constructed.
- ENG 1.7 Explain why there is a need for the diluent pipeline to be constructed, including any shortages of diluent in the oil sands production region or any cost savings that might occur from the excess capacity.
- ENG 1.8 Is there enough capacity in the Midwest refineries to process the additional oil sands that will be delivered if the proposed pipelines are constructed? Explain the basis for your answer, including sources of information and workpapers.
- ENG 1.9 Does the Company plan on using any non-industry standard construction practices in the building of the proposed pipeline. If yes, describe the location of all such instances, how it deviates from the industry standard and explain why a non-industry standard construction practice is being used.

- ENG 1.10 Provide a list of all international, federal, state and local permits, licenses, and other similar type of documents which Enbridge will be required to obtain in order to construct its proposed pipeline. Include as part of the list the identity of each entity from which a permit, license or other similar type document must be obtained and indicate whether or not the permit, license or other similar type document has already been obtained. For all permits, licenses, and other similar type documents which Enbridge has already obtained, provide a copy of each. For all permits, licenses, and other similar type documents that have not been obtained, provide the status of Enbridge's efforts to obtain the permit, license or other similar type document, including a history of Enbridge's actions to date to obtain the permit, license or other similar type document to date, and an estimate of when Enbridge believes it will obtain the permit license or other similar type document. This response should be updated with copies of permits as they are obtained.
- ENG 1.11 Provide a color coded map or maps which shows the existing and any proposed pipelines that provide crude petroleum deliveries to the state of Illinois. Also list the capacity of each line, the line's owner, the line operator and explain if each is solely used for the transportation of crude petroleum. If not, explain how frequently those pipelines are used for the delivery of crude petroleum.
- ENG 1.12 Provide a detailed description, including any studies completed, which shows all the various alternatives considered, in addition to the proposed pipeline, for delivery of oil sands to the Chicago area and diluent to the Alberta region.
- ENG 1.13 Provide a list of every shipper that has contracted or proposed to contract for capacity on the proposed pipeline, and include the length of the commitment, the product to be shipped, and the amount of capacity purchased.
- ENG 1.14 Will Enbridge be hiring out any of the construction of the proposed pipeline? If so, list:
- a. all companies which will be involved in the construction;
 - b. all prior projects or experience that each company has had constructing similar projects; and
 - c. any other information that is relevant to showing the expertise of each company.

- ENG 1.15 For each project listed in response to Staff data request ENG 1.14 b., provide the dates of construction of those pipelines, indicate whether the project was completed within budget, the number of complaints received regarding the construction of each pipeline and the safety record (number of leaks, etc.) for each pipeline project.
- ENG 1.16 Provide evidence that Enbridge is a legitimate business concern (copy of Certificate of Incorporation, etc.).
- ENG 1.17 Provide evidence that Enbridge is registered to do business in the State of Illinois.
- ENG 1.18 Describe the benefits that the proposed pipeline will provide to the landowners whose property is being used for the construction of this line?
- ENG 1.19 Will the proposed pipelines include the necessary equipment or facilities to allow for the withdrawal or injection of crude petroleum, oil sands, diluent, or any other products, from interested parties at various points along the route? If not, explain why not and describe what steps would have to be taken to allow for an entity to interconnect with the proposed line. If yes, provide the location and describe the nature of the interconnection(s).
- ENG 1.20 Describe the type of equipment (safety equipment, pigs, etc.) that will be needed in conjunction with the proposed pipeline that will allow the Company to meet the long term needs of its customers, while also maintaining compliance with applicable statutes and regulations.
- ENG 1.21 Does the Company currently have the equipment listed in its response to Staff data request ENG 1.20? If no, when does the Company foresee obtaining this equipment?
- ENG 1.22 Assuming the proposed pipelines are approved and constructed, will there be any impact upon the economy (breakout Illinois and national separately) as a result, for example, additional jobs, new businesses locating along the proposed routes, etc. If yes, then detail out the impact, explain how this impact was determined and include any studies, reports, etc. which support the Company's claims.
- ENG 1.23 Provide any relevant studies or analyses that show why building the proposed pipelines are in the public's best interest as opposed to acquiring supplies for the region from some other source.

ENG 1.24 Provide a list identifying all pipeline leaks or losses of structural integrity which have occurred since 1996 on any pipeline owned or operated by Enbridge or an affiliate. Include only incidents where the damage or value of product lost exceeded \$10,000. For each occurrence identified, provide the following:

- a. cause of the leak;
- b. name and location of party who caused the leak;
- c. magnitude/size of the leak;
- d. date on which the leak was detected;
- e. date on which repair work was begun;
- f. date on which repair work was completed;
- g. type of product which was leaked;
- h. estimate number of barrels (or gallons) of product which was leaked;
- i. whether the leak caused damage to property other than Enbridge's property;
- j. extent to which property other than Enbridge's property was damaged in terms of what was damaged, how it was damaged and the dollar value associated with the damage;
- k. whether Enbridge reimbursed any parties for damage to those parties' property including the amount of any reimbursement paid; and
- l. extent of damage that occurred to the environment in terms of what was damaged, how it was damaged and the dollar value associated with the damage.

ENG 1.25 Provide a list of complaints lodged against Enbridge and/or any of its affiliates by property owners adjacent to or nearby any pipeline which it owns or operates for the period beginning January 1, 2000 and continuing through to the date of this request. Also, include as part of your response the name and location of the party lodging the complaint, the date on which the complaint was lodged, the nature of the complaint and what steps were taken to resolve the complaint.

ENG 1.26 Has Enbridge or an affiliate ever been charged with violating any Federal or State laws, rules or regulations related to the construction or operation of its pipeline system? If yes, then provide the following:

- a. citation to the specific law, rule or regulation violated;
- b. short synopsis of the facts alleged which formed the basis for the charge;
- c. the outcome of the charge;
- d. time period covered by the charge; and
- e. location of the pipeline system where the violation is alleged to have occurred.

ENG 1.27 Provide a listing, including location, of all Enbridge (and affiliated) facilities that can make use of either the diluent or the oil sands and that operate in the states along the proposed route.

- ENG 1.28 What is the current status of Enbridge's proposed line in the other states it will pass through? Provide any orders or similar type of documents that have been issued by the agency or agencies that have authority over the proposed line.
- ENG 1.29 Provide a copy of any documents that the Company has received from any Illinois state agency regarding the construction of its proposed line (i.e., environmental impact studies, etc.).
- ENG 1.30 Does the Company foresee using the Southern Access pipeline for any purpose other than the delivery of oil sands? If yes, identify what other substances are being considered for transport and detail what permits, licenses, etc. that must be obtained in order to transport these other substances.
- ENG 1.31 Does the Company foresee using the Southern Lights pipeline for any purpose other than the transportation of diluent to Canada? If yes, identify what other substances are being considered for transport and detail what permits, licenses, etc. that must be obtained in order to transport these other substances.
- ENG 1.32 Explain how the Company plans on fulfilling the requirements of Section 15-601 of the Public Utilities Act during the construction and operation of the proposed pipeline.
- ENG 1.33 Provide a list of all of other applicable statutes and regulations that the Company must comply with during the construction of the proposed pipeline, besides Section 15-601 of the PUA. Provide a copy of each applicable statute and regulation, and explain how the Company plans on fulfilling each of these requirements during the construction and operation of the proposed pipeline.
- ENG 1.34 Provide a list of every proposed take point along the U.S. portion of the pipelines. For each take point, list any refineries close by that could potentially be served by the pipelines. Additionally, provide a map that shows the location of each take point.
- ENG 1.35 Are any of the refineries in the Chicago area planning any upgrades or expansions associated with this project? If so, provide the location of the refineries, the approximate dollar value of the expansion, and the date of the proposed expansion. Additionally, discuss whether or not the expansion plans are dependent on the Enbridge pipelines being built.

| Please provide your responses by August 16th, 2006.

ABBREVIATIONS FACTSHEET

AEO	Annual Energy Outlook, annual report of EIA
AIMA	Agricultural Impact Mitigation Agreement
API	American Petroleum Institute
bbbl	Barrels
bbbl/d	Barrels per day
CAPP	Canadian Association of Petroleum Producers
DOT	U.S. Department of Transportation
EH&S	Environmental, Health & Safety
EIA	U.S. Energy Information Administration
FERC	U.S. Federal Energy Regulatory Commission
kbbl/d	Thousand barrels per day
NAEWG	North American Energy Working Group
NEB	National Energy Board of Canada
OC	Operator Qualification
OPEC	Organization of the Petroleum Exporting Countries
OSHA	Occupational Safety and Health Administration
PADD II	Petroleum Administration for Defense District II
PHSMA	U.S. Department of Transportation's, Pipeline and Hazardous Materials Safety Administration
RIMS II	Regional Input-Output Modeling System

ABBREVIATIONS FACTSHEET - (Cont'd)

SCADA	Supervisory Control and Data Acquisition
Shipper	A customer, who transports volumes on the pipeline, including oil producers, refiners and/or marketers.
SPP	Security and Prosperity Partnership of North America
TSA	Transportation Service Agreement: a contractual commitment between Enbridge and its shippers on the Southern Lights diluent line
WTI	West Texas Intermediate, a type of crude oil commonly used as a price benchmark.

LIST OF ATTACHMENTS

Attachment	ICC Data Request	Explanation
A	1.4; 1.11	Map of Liquid Petroleum Pipelines in PADD II
B	1.12	Route Alternative Analysis & Map for Southern Access Expansion and co-located Southern Lights Pipeline
C	1.12	Route Alternative Analysis & Map for Southern Lights' Manhattan to Streator Lateral
D	1.12	Route Evaluation Criteria & High Consequence Area Consideration
E	1.12	Map of Major Existing and Proposed Diluent Sources for Alberta Oil Sands
F	1.16	Certificates of Good Standing in Delaware for all Enbridge entities involved in this Application
G	1.17	Certificates of Registration in Illinois for all Enbridge entities involved in this Application
H	1.22	Dr. Ronald Promboin's Economic Benefit Study and related work papers
I	1.23	A copy of the "Western Canadian Crude Oil Supply and Markets 2002-2010, Executive Summary," August 2003.
J	1.10; 1.29; 1.33	Comprehensive list of federal, state and local permits for states of Illinois and Wisconsin
K	1.24	Table which shows PHMSA Reportable Incidents on Lakehead System since 1996.
L	1.34	Map of Enbridge's Lakehead System which depicts connected pipelines and connected refineries & plants in Canada and U.S.

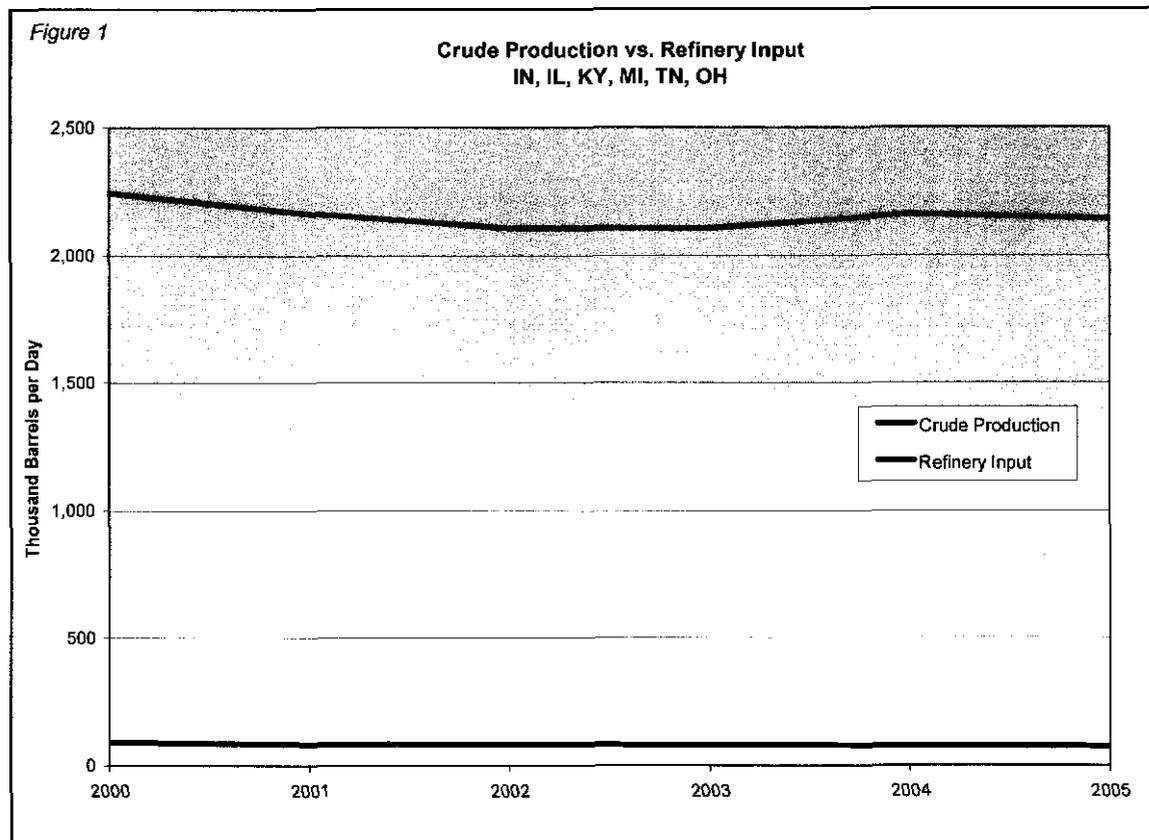
ICC Staff Data Request

ENG 1.1 What is the current demand for crude petroleum in the area served by the proposed pipeline? Provide the source of your estimate (i.e., Company documentation, Federal reports, etc.)

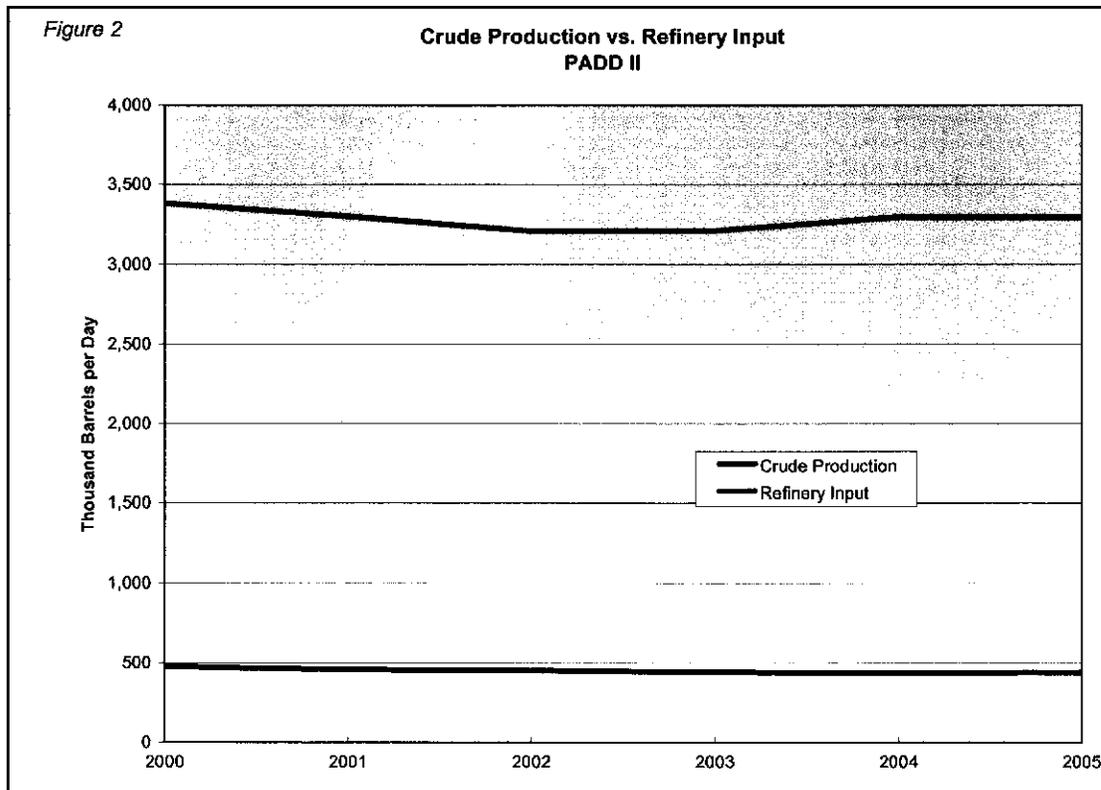
Response prepared by:

Name: Dale Burgess
Title: Director Southern Access
Address: 10201 Jasper Ave.
Edmonton, AB T5J 3N7

The *Energy Information Administration* (EIA) divides PADD II into three refining districts for reporting purposes. The refining district labeled Indiana-Illinois-Kentucky includes the states of Indiana, Illinois, Kentucky, Tennessee, Michigan, and Ohio.ⁱ This refining district processed an average of 2,155 thousand barrels per day (kb/d) of crude during the period of 2000 to 2005,ⁱⁱ but only produced 80 kb/d, or less than 4 percent of the crude demand.ⁱⁱⁱ Figure 1 illustrates the historical crude demand for refining district that encompasses the Chicago area.



On a broader level, crude oil production in PADD II averaged about 450 kb/d from 2000 to 2005. During that same time period, more than 3,280 kb/d was processed by PADD II refineries. Figure 2 displays the historical crude demand for PADD II.



Data Sources

The historical data on crude petroleum supply and demand for the Midwest was compiled from the Energy Information Administration's (EIA) Petroleum Navigator and the 2000 to 2004 Petroleum Supply Annuals. The next edition of the Petroleum Supply Annual is scheduled to be released in September 2006 and will contain data for 2005.

¹ SOURCE:

http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/current/pdf/volume1_appendix_a.pdf

² SOURCE:

http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/current/pdf/table_16.pdf
http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/current/pdf/volume1_appendix_a.pdf

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[al/psa volume1/historical/2003/pdf/table 16.pdf](#)
[http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum supply annu](http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2002/pdf/table_16.pdf)
[al/psa volume1/historical/2002/pdf/table 16.pdf](#)
[http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum supply annu](http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2001/pdf/table_16.pdf)
[al/psa volume1/historical/2001/pdf/table 16.pdf](#)
[http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum supply annu](http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2000/pdf/table_16.pdf)
[al/psa volume1/historical/2000/pdf/table 16.pdf](#)
[http://tonto.eia.doe.gov/dnav/pet/pet_pnp_inpt dc r2a mbbl m.htm](http://tonto.eia.doe.gov/dnav/pet/pet_pnp_inpt_dc_r2a_mbbl_m.htm)
[http://tonto.eia.doe.gov/dnav/pet/pet_crd_crpdn adc mbbl m.htm](http://tonto.eia.doe.gov/dnav/pet/pet_crd_crpdn_adc_mbbl_m.htm)

³ SOURCE:

[http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum supply annu](http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/current/pdf/table_14.pdf)
[al/psa volume1/current/pdf/table 14.pdf](#)
[http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum supply annu](http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2003/pdf/table_14.pdf)
[al/psa volume1/historical/2003/pdf/table 14.pdf](#)
[http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum supply annu](http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2002/pdf/table_14.pdf)
[al/psa volume1/historical/2002/pdf/table 14.pdf](#)
[http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum supply annu](http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2001/pdf/table_14.pdf)
[al/psa volume1/historical/2001/pdf/table 14.pdf](#)
[http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum supply annu](http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2000/pdf/table_14.pdf)
[al/psa volume1/historical/2000/pdf/table 14.pdf](#)

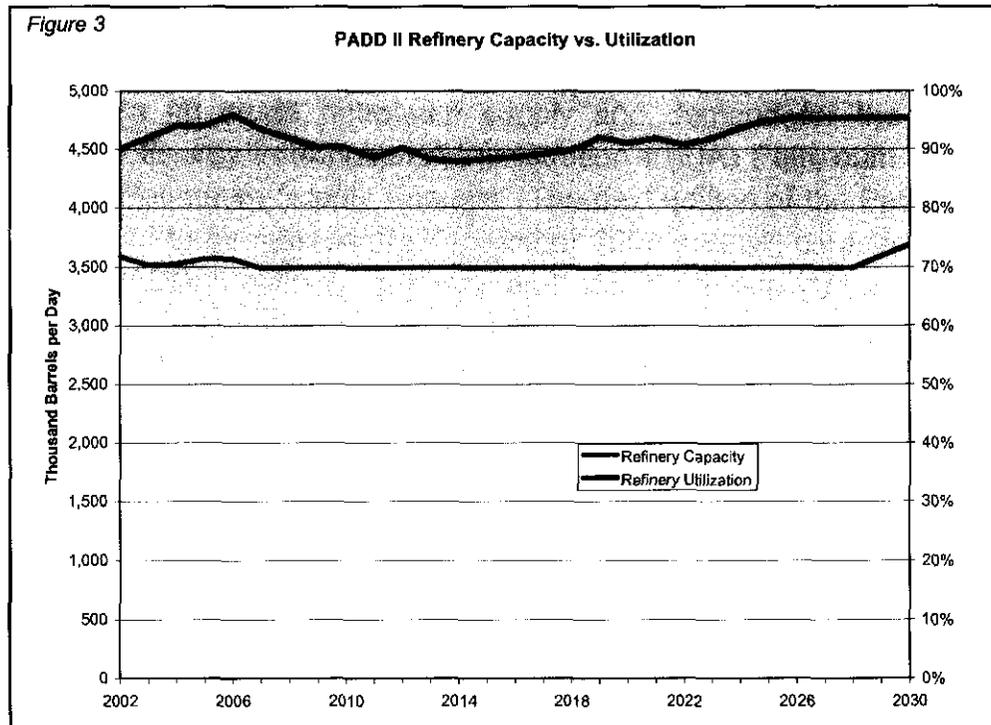
ICC Staff Data Request

ENG 1.2 What is the forecasted demand for crude petroleum in the area served by the proposed pipeline in one year, five years and ten years from today? Provide the source of your estimate (i.e., Company documentation, Federal reports, etc.).

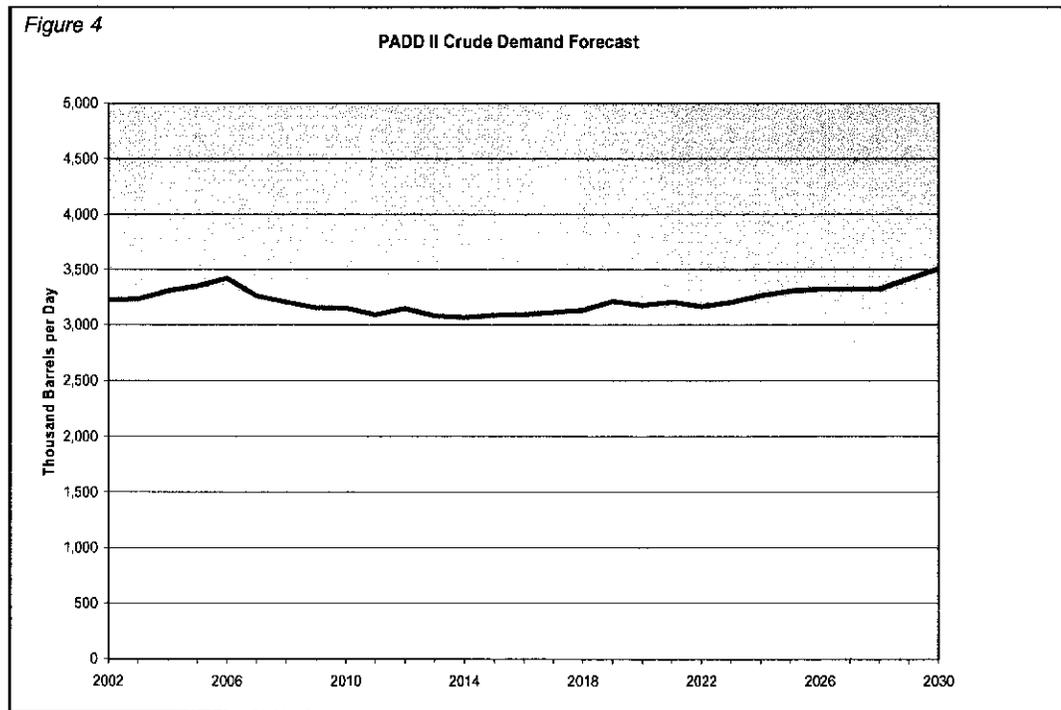
Response prepared by:

Name: Dale Burgess
Title: Director Southern Access
Address: 10201 Jasper Ave.
Edmonton, AB T5J 3N7

Each year, the Department of Energy's Energy Information Administration ("EIA") presents a forecast and analysis of U.S. energy supply, demand, and prices in its Annual Energy Outlook ("AEO"). The projections are based upon the results of the EIA's National Energy Modeling System. According to the 2006 AEO, PADD II refinery capacity is forecast to be comparatively constant throughout the forecast period. Refinery utilization is forecast to be slightly more volatile, peaking at 96 percent in 2006 and then declining to below 88 percent by 2014. After 2015, utilization rates begin to trend upward reaching 95 percent in 2025 and remaining at that level through 2030.^{iv} Figure 3 shows the EIA's PADD II refinery capacity and refinery utilization forecast through the year 2030.



Based on AEO's refinery capacity and utilization forecasts, crude demand forecasts for PADD II also can be calculated. Figure 4 illustrates the EIA's resultant PADD II crude demand outlook through 2030.



Data Sources

The historical data on crude petroleum supply and demand for the Midwest was compiled from the Energy Information Administration's (EIA) Petroleum Navigator and the 2000 to 2004 Petroleum Supply Annuals. The next edition of the Petroleum Supply Annual is scheduled to be released in September 2006 and will contain data for 2005. The forecasted PADD II refinery capacity and utilization rate came from the 2006 *Annual Energy Outlook (AEO)*.

¹ SOURCE: http://www.eia.doe.gov/oiaf/aeo/supplement/sup_ogc.xls

ICC Staff Data Request

ENG 1.3 What means are currently available to provide the Chicago area with a supply of crude petroleum? Information should include amount of capacity available from each source (i.e., gallons per day available via pipeline, truck, rail, barge etc.) and the source of your estimate.

Response prepared by:

Name: Dale Burgess
Title: Director Southern Access
Address: 10201 Jasper Ave.
Edmonton, AB T5J 3N7

To the best knowledge of Enbridge, there are no data available in the public domain identifying methods for which crude petroleum can be delivered to refineries in the Chicago area. However, the EIA does provide a report that shows the delivery mode (pipeline, barge, and truck) to refineries for crude petroleum supplied to all of PADD II. As reported, the vast majority of crude petroleum is delivered by pipeline. Over the past 3 years, more than 99 percent of the 3.2 to 3.3 million barrels per day (bbl/d) of crude was delivered by pipeline. Trucks have delivered an average of 13 kb/d and barges about 1 kb/d, and these figures are detailed in the table below.^v

The Chicago area refineries account for more than 35 percent of PADD II's total crude demand and, even if all of the PADD II barge and truck deliveries were made to just the Chicago area refineries, this would still constitute a small fraction of the pipeline deliveries.^{vi}

	2002	2003	2004
Pipeline	3194	3194	3291
Barge	1	1	1
Trucks	13	16	9

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SOURCE:

www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/current/pdf/table_46.pdf

www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2003/pdf/table_46.pdf

www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2002/pdf/table_46.pdf

² SOURCE:

http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/current/pdf/table_38.pdf

ICC Staff Data Request

Eng 1.4 What means, besides those listed in response to Staff data request ENG 1.3, are projected to be available to provide the Chicago area with a supply of crude petroleum one year, five years and ten years from today? Information should include amount of capacity available from each source (i.e., gallons per day available via pipeline, truck, rail, barge etc.) and the source of your estimate.

Response prepared by:

Name: Dale Burgess
Title: Director Southern Access
Address: 10201 Jasper Ave.
Edmonton, AB T5J 3N7

As stated in ENG 1.3 above, Enbridge has no knowledge of publicly available data that identifies delivery methods and provides forecasted crude oil volumes for deliveries to refineries located in the Chicago area, especially with regard to truck, rail and/or barge. Enbridge has compiled an overview map that shows the existing petroleum pipelines located in PADD II and their respective pipeline capacities, (refer to response to ENG 1.11). This information enables the ICC Staff to view the maximum volumes that could be transported into the PADD II area on a daily basis. Additionally, Enbridge has included on this map, the four (4) proposed projects to build pipeline infrastructure in the immediate PADD II area (Enbridge's Southern Access Expansion & Extension Projects, TransCanada's Keystone Project and Minnesota Pipe Line's MinnCan Project). Such map is enclosed herewith as Attachment A.

ICC Staff Data Request

ENG 1.5 Explain in detail how diluent is used to aid in the transportation of oil sands, including the amount of diluent needed to transport a certain unit of oil sands. Also explain what alternative methods exist for transporting oil sands without the use of the diluent.

Response prepared by:

Name: Dale Burgess
Title: Director Southern Access
Address: 10201 Jasper Ave.
Edmonton, AB T5J 3N7

Enbridge plans to use its proposed 16 or 20-inch petroleum pipeline to transport light hydrocarbons, referred to as diluents, from the Chicago area to Alberta, Canada. As proposed, the new pipeline will be used and useful in the transportation of light hydrocarbon diluents to Alberta, Canada - where such diluents will be used to dilute the heavy crude oil produced in Alberta's oil sands to meet transportation needs and tariff service specifications of the pipeline.

How Diluent Aids in Transportation of Alberta Oil Sands

How diluent can aid in the transportation of the Alberta Oil Sands will depend on the characteristics of the actual volumes being injected. It is also largely dependent on the heavy oil being blended and the quality of diluent being used. More specifically, Western Canadian Sedimentary Based produced heavy crude oil and the Alberta oil sands consists of raw bitumen so thick and heavy that its viscosity (measured in centistokes) and density (measured in degrees API) are too high to allow it to flow or be pumped in a pipeline over any significant distance. For that reason, heavy crude oil and the raw bitumen needs to be diluted with lower viscosity and lower density fluids in order for it to flow or be pumped in a pipeline. The lighter diluent fluid then serves to reduce the raw bitumen density and viscosity to a level so that the diluted bitumen meets pipeline specifications. The diluent material for raw bitumen is typically natural gasoline which has a density of approximately 700 kg/m^3 as compared to raw bitumen density of more than $1,000 \text{ kg/m}^3$. For example, a typical Athabasca Bitumen would require roughly 30% of the blended crude assuming it is blended with western Canadian condensate. Conventional heavy oil also requires blending with diluent, to meet the requirements for pipeline transport.

Other liquids such as light crude or light synthetic crude can be used to dilute the raw bitumen, but the blend ratio is significantly higher and the cost of purchasing the light oil is substantial. Oil sands producers have been using synthetic crude ("syncrude") as a diluent; however, it is not the most advantageous alternative as syncrude has a higher

economical value. Blending with synthetic crude would require a blend ratio of roughly 50% synthetic crude and 50% raw bitumen.

Based on discussions with shippers, there is considerable interest in having the density as low as possible to help improve the blend ratio, while still meeting all of the other specifications for the diluent line.

Amount of Diluent needed in Blending Process

A blend ratio of roughly 30% diluent and 70% raw bitumen is required to meet the density specification for the pipeline. The temperature of the crude stream is also an important variable in determining the amount of diluent used in the blending process to meet viscosity specifications, since raw bitumen is heavier than water and is so viscous that it acts as a solid at room temperature.

Alternative Methods to Transport Alberta's Oil Sands without use of Diluents

Over short distances, raw bitumen can be induced to flow in pipelines by the addition of significant quantities of heat. However, a dedicated, heated pipeline is very expensive to construct and operate, susceptible to significant heat loss and requires intensive maintenance.

The use of light hydrocarbon liquids as diluents will serve as a cost-effective method and major contributor to encourage the production of the Alberta Oil Sands -- as this approach enables producers to economically produce these reserves by using light hydrocarbons to dilute the heavy bitumen found in the oil sands so that the crude oil can be transported by pipeline.

ICC Staff Data Request

ENG 1.6 Provide the amount of oil sands that will be shipped annually to the Flanagan area if the proposed pipelines are constructed.

Response prepared by:

Name: Dale Burgess
Title: Director Southern Access
Address: 10201 Jasper Ave.
Edmonton, AB T5J 3N7

The proposed 42-inch pipeline will have an initial capacity to transport approximately 400,000 bbl/d of heavy crude oil to the Flanagan area, or the capacity to transport approximately 146 million barrels on an annual basis. With the addition of pump stations, the pipeline's ultimate capacity is 1.2 million bbl/d, or 438 million barrels annually.

ICC Staff Data Request

ENG 1.7 Explain why there is a need for the diluent pipeline to be constructed, including any shortages of diluent in the oil sands production region or any cost savings that might occur from the excess capacity.

Response prepared by:

Name: Dale Burgess
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Need for Diluent Pipeline

With the rising demand for more Canadian crude oil supplies by Midwest refiners and the need for producers to utilize more cost-effective, advanced technology in developing Alberta's oil sands, Enbridge plans to build its proposed 16 or 20-inch diluent return line concurrently with and to complement its proposed 42-inch crude line. After a successful "open season" to market the capacity of its diluent line with potential shippers, Enbridge received full shipper support that resulted in 90% of its pipeline capacity committed under contractual arrangements. (The remaining 10% of its pipeline capacity will be dedicated to non-committed pipeline capacity usage by shippers as a common carrier pipeline.)

This line will be used to transport light liquid hydrocarbons, referred to as diluents, from Illinois-area refineries and other sources through new and existing pipelines in the United States and several Canadian provinces for delivery in northern Alberta, where the liquid hydrocarbons will be used to encourage the production of heavy crude oil from western Canada and the highly viscous bitumen produced by the process of recovering petroleum from the oil sands and making the crude feasible to transport by pipeline.

Potential shortage of Diluent

As most recently publicized,¹ Canada's National Energy Board ("NEB") issued an updated assessment of the Oil Sands (*Canada's Oil Sands - Opportunities and Challenges to 2015: An Update - June 2006, National Energy Board*). In this report, the NEB Base Case shows that supply of non-upgraded bitumen production grows from roughly 525,000 barrels per day in 2005 to over 1,000,000 barrels per day by 2015. Using the blend ratio discussed in ENB 1.5, this extra 500,000 bbls/p/d of production will require 215,000 bbls/p/d of additional diluent. In addition to this production, the NEB forecasts synthetic supply to grow from 1.1 million barrels per day to 2 million barrels per day over the same period. This synthetic supply is the result of upgrading of raw

¹ This document is electronically available from NEB's website at http://www.neb-one.gc.ca/energy/EnergyReports/EMAOilSandsOpportunitiesChallenges2015_2006/EMAOilSandsOpportunities2015Canada2006_e.pdf.

bitumen in Alberta prior to transportation to market. It is possible that some of this synthetic will not be upgraded due to rising construction costs of up-graders. Instead, this supply could show up as raw bitumen, further exacerbating the diluent supply shortage.

Cost Savings from Additional Capacity

The cost savings from additional capacity will contribute to lowering the operating costs of producing heavy crude and oil sands, which in turn provides further incentives for the investments needed to produce supplies needed by U.S. refineries and other markets. For example, the benefits of the diluent blending versus synthetic blending depends upon the market price for the heavy crude blended with diluent (called dilbit) versus the market price for heavy crude blended with synthetic (called synbit). If one assumes that synbit and dilbit will trade in parity with each other and the diluent is cheaper than synthetic crude, the savings to Alberta Oil Sands producers will be the combination of lower blend ratio and lower diluent cost per barrel.

Refineries and other producers of diluent would see a benefit due to an additional market for their product.

ICC Staff Data Request

ENG 1.8 Is there enough capacity in the Midwest refineries to process the additional oil sands that will be delivered if the proposed pipelines are constructed? Explain the basis for your answer, including sources of information and work papers.

Response prepared by:

Name: Dale Burgess
 Title: Director Southern Access
 Address: 10201 Jasper Ave.
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The refinery capacity (shown as the "demand" line on Table 2 below) is expected to increase from 3.3 million bpd in 2004 by about 1 percent per year, consistent with the historical experience. This translates to a PADD II crude demand of approximately 3.9 million bpd by 2020. That demand growth will be met by increased access to growing Canadian crude supply. Canadian supply will also replace the continuing decline in PADD II production and U.S. domestic production shown on table below as "domestic transfers". The onshore domestic production decline (short of opening new onshore or offshore production) is expected to continue to fall an average of about 1% per year. And finally, due to the attractive economics of access to Canadian heavy crude, a portion of the foreign imports will be replaced by Canadian supply. Together, this supports the 400,000 barrel per day Southern Access expansion.

As shown in the table below, crude demand in PADD II greatly exceeds crude production in the area.^{vii} In order to address this shortfall, PADD II relies on imports of about 1.5 million barrels per day from Canada and other countries.^{viii} Another 1.3 to 1.5 million barrels per day are supplied domestically through transfers from other regions of the U.S.^{ix}

Table 2

PADD II Crude Oil Supply and Demand
(Thousand Barrels per Day)

	2000	2001	2002	2003	2004
Demand	3,382	3,303	3,210	3,212	3,297
Production	475	458	451	442	435
Canada Receipts	917	962	946	994	1,057
Foreign Imports*	616	594	548	459	532
Domestic Transfers	1,531	1,478	1,335	1,485	1,452

*Exclusive of Canadian receipts

As additional Canadian production becomes available, this supply offsets the reduction

in crude transfers to PADD II from declining U.S. regional production and could, depending on refinery expansions noted in ENG 1.35 included in this submission, displace half a million barrels per day of foreign imports, generally heavy crude supply, coming in from the U.S. Gulf from countries such as Venezuela and the Middle East. Considering that the U.S. currently imports more than 8 million bbl/d from countries other than Canada, any displaced domestic crude from PADD II can be redirected to supply refineries on the U.S. Gulf Coast and to meet the growing demand of worldwide markets.

¹ SOURCE:

http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/current/pdf/table_07.pdf
http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2003/pdf/table_07.pdf
http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2002/pdf/table_07.pdf
http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2001/pdf/table_07.pdf
http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2000/pdf/table_07.pdf

² SOURCE:

http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2004/pdf/table_23.pdf
http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2003/pdf/table_23.pdf
http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2002/pdf/table_23.pdf
http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2001/pdf/table_23.pdf
http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2000/pdf/table_23.pdf

³ SOURCE:

http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2004/pdf/table_32.pdf
http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2003/pdf/table_32.pdf
http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2002/pdf/table_32.pdf
http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2001/pdf/table_32.pdf
http://www.eia.doe.gov/pub/oil_gas/petroleum/data_publications/petroleum_supply_annual/psa_volume1/historical/2000/pdf/table_32.pdf

ICC Staff Data Request

ENG 1.9 Does the Company plan on using any non-industry standard construction practices in the building of the proposed pipeline. If yes, describe the location of all such instances, how it deviates from the industry standard and explain why a non-industry standard construction practice is being used.

Response prepared by:

Name: Dale Burgess
Title: Director Southern Access
Address: 10201 Jasper Ave.
Edmonton, AB T5J 3N7

Enbridge has no present or future plans to use non-industry standard construction practices in the construction of its 42-inch crude line or its 16 or 20-inch diluent return line. Enbridge plans to employ proven practices and techniques aimed at minimizing impacts from pipeline construction. This applies to all types of areas along proposed pipeline routes.

More specifically, Enbridge plans to use conventional construction practices and also plans to employ the following other types of standard construction procedures and practices:

- Use of horizontal directional drills when driven by the crossing, allowed by geology and deemed appropriate by permitting agencies;
- Use of construction techniques to push pipeline sections in longer saturated wetland areas and use of concrete coating when pushes are required;
- Use of weights in wet areas when pipe can be laid; and
- Installation of road bores and drain tile as required.

Additionally, Enbridge recognizes that a vast majority of the proposed pipeline right-of-way will be located in prime agricultural lands, and for that reason, it has been working diligently with the Illinois Department of Agriculture and seeking input from other state and local agencies on its agricultural agreement for the proposed project.² The purpose of these consultations and early dialogue with numerous federal, state and local agencies is to develop a quality plan that will ensure protection of future crop productivity in areas disrupted by pipeline construction. As a direct result of this

² This includes consultation with Farm Bureau, Soil and Water Conservation District and U.S. Department of Agriculture personnel regarding proposed depth-of-cover, drain tile repair, soil separation and segregation, and other important techniques aimed at restoring crop productivity as soon as possible after pipeline construction. Several items of input from these groups have been added to the practices and standards of the Agricultural Impact Mitigation Agreement (AIMA) that Enbridge will soon sign with the Illinois Department of Agriculture.

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coordinated effort by all involved stakeholders, Enbridge was able to develop a comprehensive Agriculture Impact Mitigation Agreement (AIMA) that is expected to be finalized by the Illinois Department of Agricultural soon after filing of this data request. In this agreement, Enbridge has agreed to a minimum depth of five (5) feet coverage in cultivated areas and additional depth as necessary in areas with drain tiles. A final executed AIMA will be submitted to the ICC upon completion.

ICC Staff Data Request

ENG 1.10 Provide a list of all international, federal, state and local permits, licenses, and other similar type of documents which Enbridge will be required to obtain in order to construct its proposed pipeline. Include as part of the list the identity of each entity from which a permit, license or other similar type document must be obtained and indicate whether or not the permit, license or other similar type document has already been obtained. For all permits, licenses, and other similar type documents which Enbridge has already obtained, provide a copy of each. For all permits, licenses, and other similar type documents that have not been obtained, provide the status of Enbridge's efforts to obtain the permit, license or other similar type document, including a history of Enbridge's actions to date to obtain the permit, license or other similar type document to date, and an estimate of when Enbridge believes it will obtain the permit license or other similar type document. This response should be updated with copies of permits as they are obtained.

Response prepared by:

Name: Dale Burgess
Title: Director Southern Access
Address: 10201 Jasper Ave.
Edmonton, AB T5J 3N7

As explained in the application docketed as ICC Docket No. 06-0470, Enbridge will be constructing its proposed Southern Access Expansion crude pipeline and its Southern Lights diluent pipeline in program components that will be phased-in over the next several years. The crude pipeline expansion will be phased in with incremental capacity provided in 2007, 2008 and the final phase in service during first quarter 2009. The diluent pipeline is expected to be placed in service by the fourth quarter of 2009. As part of this program, Enbridge plans to concurrently construct the 42-inch crude oil pipeline and 16 or 20-inch diluent return pipeline in those states (Illinois and Wisconsin) where both proposed pipelines will be co-located within the same pipeline corridor. This approach will minimize construction impacts to the environment and affected landowners while also building critical pipeline infrastructure in a cost effective manner.

To more fully describe and explain the program components for constructing these proposed pipeline projects, Enbridge offers the following information.

Southern Access Expansion Program

The new pipeline for the Southern Access Expansion Program will be constructed in two stages, and involves the overall installation of approximately 454 miles of 42-inch pipeline with initial capacity to transport approximately 400,000 barrels per day.

- Stage 1 will involve approximately 321 miles of new 42-inch pipe to be built primarily in existing, previously disturbed pipeline right-of-way of its Lakehead system. Stage 1 will begin at Superior, Wisconsin and extend south to a point where it will end at Enbridge's Delavan pumping station in Rock County, Wisconsin. Enbridge expects Stage 1 to be operational by first quarter 2008.
- Stage 2 is scheduled for completion in the first quarter of 2009 and includes construction of another 133 miles of new 42-inch pipeline. Stage 2 will begin at the Delavan pump station in Rock County, Wisconsin and extend south to a point where it will end and connect to the Enbridge Spearhead's tankage facility near Flanagan in Livingston County, Illinois.
- Complementary expansions to balance the capacity on the Enbridge system will be conducted by adding pumping capacity at existing stations upstream of Superior.
- The Southern Access Extension, a 170-mile, 36-inch pipeline from Flanagan to the pipeline hub at Patoka, IL, has recently received shipper support and is currently under development.

Southern Lights Pipeline Program

The Southern Lights Project will eventually result in new and existing pipeline to transport diluent from Chicago to Edmonton, Alberta. It will be built in six incremental program components over the next several years, as described geographically in the list below (not necessarily installed in this sequential order).

- Part I requires the construction of approximately 44 miles of new pipeline from Manhattan, IL, to the Southern Access right-of-way near Streator, IL. For this segment of pipeline, Enbridge plans to acquire right-of-way adjacent to and abutting another company's existing pipeline corridor.
- Part II involves the construction of approximately 442 miles of new pipeline from Streator, IL, to Superior, WI. built in the same construction season as the Southern Access crude pipeline expansion, Stages I and II. Construction work for the first part of Southern Lights will occur in 2006 and 2007, coincident with construction of Stage 1 of the Southern Access crude pipeline. Construction work for the second part of Southern Lights will occur in 2008, coincident with construction of Stage II of the Southern Access crude pipeline expansion, and involve the Rock County, WI to Streator, IL portion of the proposed project.
- Part III requires construction of a new 313-mile segment of crude petroleum pipeline, as Enbridge plans to convert an existing crude pipeline (Enbridge's Line 13) to diluent service and then reverse flow to allow diluent to run south to north to Alberta. In order to facilitate this

conversion, Enbridge proposes to construct a replacement crude petroleum pipeline between Cromer, Manitoba and Clearbrook, MN so that Enbridge can maintain and expand its existing crude oil delivery capabilities through this segment of new pipeline.

- Part IV will involve the construction of approximately 188 miles of new pipeline from Superior, WI to Clearbrook, MN, along the existing, previously disturbed pipeline right-of-way of Enbridge's Lakehead system.
- Part V will involve the conversion of an existing Enbridge crude oil pipeline (Line 13) to diluent service, and then reversing its flow to allow diluent to run south to north from Clearbrook, MN to Edmonton, AB.

As demonstrated in the explanation above, Enbridge is in the first stages of its phased-in program and will be securing the appropriate international, federal, state and local permits as required under federal and state laws, rules and regulations over the next several years. However, in response to the ICC's data request question above, Enbridge has provided Attachment J listing all major local, state and federal permits required for the construction of both the Southern Access crude petroleum pipeline and the Southern Lights diluent pipeline in the states of Wisconsin and Illinois. Please note that Enbridge is not as far along in agency consultations and land surveys north of Superior, Wisconsin for the diluent pipeline and these efforts may determine the need for additional permits. Also note that a multitude of local permits, such as individual road crossings permits are needed but are not individually listed.

ICC Staff Data Request

ENG 1.11 Provide a color coded map or maps which shows the existing and any proposed pipelines that provide crude petroleum deliveries to the state of Illinois. Also list the capacity of each line, the line's owner, the line operator and explain if each is solely used for the transportation of crude petroleum. If not, explain how frequently those pipelines are used for the delivery of crude petroleum.

Response prepared by:

Name: Dale Burgess
Title: Director Southern Access
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Enclosed herewith as Attachment A is a color map that shows existing and proposed crude petroleum pipelines serving refineries in the PADD II area including Illinois. The legend on the map indicates the name of the system; its owner/operator; and its publicly reported pipeline capacity.

ICC Staff Data Request

ENG 1.12 Provide a detailed description, including any studies completed, which shows all the various alternatives considered, in addition to the proposed pipeline, for delivery of oil sands to the Chicago area and diluent to the Alberta region.

Response prepared by:

Name: Dale Burgess
Title: Director Southern Access
Address: 10201 Jasper Ave.
Edmonton, AB T5J 3N7

Southern Access Expansion Route Analysis

Enclosed herewith as Attachment B, is the route alternative analysis and map compiled by Enbridge for its Southern Access Expansion and co-located diluent return line (Southern Lights). In addition, Enbridge encloses herewith as Attachment C its route alternative analysis and associated map for Southern Lights, Manhattan to Streator Lateral, all being located in Wills, Grundy and La Salle Counties, Illinois.

In connection with this matter, Enbridge further encloses in Attachment D the criteria used in its initial project scoping process. This information is used to help evaluate and determine potential route selections and identify high consequence areas (as defined by U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration) along the proposed pipeline route, and the need to identify and determine route alternative as deemed necessary to meet the market need, avoid to the extent feasible major construction challenges, and, to the extent possible, areas that will have adverse environmental and/or human impacts.

Southern Lights Route Alternatives

Over the years, various route alternatives or other modes to transport diluent have been considered by the industry. There are a number of alternative proposals that have been explored by shippers. Among the list of alternatives are:

1. Railroad (from the U.S. West Coast, US Gulf Coast and Midwest);
2. Import pipelines in western Canada (proposed Spirit Pipeline and Gateway Diluent both from the West Coast into Alberta); and
3. Existing small diameter pipelines in the US Rocky Mountain region.

Enbridge is aware that these alternatives have been considered by potential shippers, but have been rejected in favor of the Southern Lights project as demonstrated by its successful open season. Enclosed herewith as Attachment E is a map showing the major existing and proposed diluent sources for Alberta Oil Sands.

ICC Staff Data Request

ENG 1.13 Provide a list of every shipper that has contracted or proposed to contract for capacity on the proposed pipeline, and include the length of the commitment, the product to be shipped, and the amount of capacity purchased.

Response prepared by:

Name: Dale Burgess
Title: Director Southern Access
Address: 10201 Jasper Ave.,
Edmonton, AB T5J 3N7

Pursuant to the Interstate Commerce Act, Enbridge is unable to reveal the identity of its prospective shippers on its Southern Access Expansion and Southern Lights projects.

Southern Access Expansion

The Enbridge Lakehead System, including the Southern Access crude oil pipeline, does not have any contracted capacity commitments and instead, conducts a monthly open nomination for capacity available to any shipper that can meet the pipeline's FERC approved tariff terms of service conditions. However, Enbridge is able to communicate to the ICC Staff that its has experienced two successful open seasons to market the capacity associated with its Southern Access Expansion and Southern Lights projects. Enbridge received full customer support for its Southern Access Expansion project through a shipper and CAPP supported tariff rate agreement to allow for a FERC approved rate surcharge over its existing tariff rates.

Southern Lights Pipeline

Enbridge has entered into fifteen (15) year contractual arrangements for available pipeline capacity on its Southern Lights Pipeline. Collectively, Southern Lights Pipeline has subscribed pipeline capacity commitments for approximately 162,000 bbl/d, which represent 90% of the annual capacity of a 16-inch pipeline design. The remaining non-committed capacity will be available, through a monthly nomination process, to any shipper who meets the pipeline's tariff terms of service conditions. As the open season confirmed capacity requests that exceeded 162,000 bbl/d, Enbridge is developing a proposal to increase the pipeline diameter to 20 inches, along with resulting changes to the proposed tariff rate (if any) to attempt to meet the demand for capacity commitments exceeding 162,000 bbl/d³.

³ Enbridge expects that our proposal to shippers to increase the capacity of the Southern Lights Pipeline by increasing pipe size to 20-inch is likely to be successful and thus is planning construction, land and permitting for a 20-inch.

ICC Staff Data Request

ENG 1.14 Will Enbridge be hiring out any of the construction of the proposed pipeline? If so, list:

a	all companies which will be involved in the construction;
b	all prior projects or experience that each company has had constructing similar projects; and
c	any other information that is relevant to showing the expertise of each company.

Response prepared by:

Name: Dale Burgess
Title: Director Southern Access
Address: 10201 Jasper Ave.
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Enbridge plans to staff its construction work force with qualified third-party contractors including all necessary construction crews, survey workers and pipeline inspectors. Presently, Enbridge is in the process of competitively bidding the construction work, therefore no definitive selection has been made at this time. Evaluation of the various Requests for Proposals will determine who will perform the work for mainline and station construction for both the proposed 42-inch and 16 or 20-inch liquid petroleum pipelines.

- a. As stated above, since Enbridge is presently taking construction bids and has not completed its selection process, Enbridge is unable to provide, at this time, a list of companies that will be involved in the construction of the proposed pipeline facilities. Enbridge will provide the requested information when the selection process has been completed and the information becomes available.
- b. This information is not available for the reasons stated above. However, Enbridge is very diligent in its selection process and views prior experience as one of the measures used to qualify contractors during the bidding process. Moreover, contractors bidding on Enbridge projects are pre-qualified in a number of areas including but not limited to, overall experience, safety performance, safety programs in place, drug and alcohol