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20 July 2012

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Dear Mr. Goudy and Ms. Vance:

**Enbridge Pipelines Inc. (Enbridge) Line 9 Reversal Phase I Project (Project)
Hearing Order OH-005-2011
Ontario Pipeline Landowners Association (OPLA) Notice of Motion**

On 16 July 2012, the National Energy Board (Board) received a notice of motion from OPLA (Motion). The Motion seeks various orders from the Board including orders to re-open the evidentiary record of the OH-005-2011 proceeding and to admit onto the record the synopsis of the report of the National Transportation Safety Board (NTSB) in the United States concerning the Enbridge Inc. Hazardous Liquid Pipeline Rupture at Marshall, Michigan on 25 July 2010. The Motion also seeks an order directing Enbridge to file the complete NTSB report with the Board once it becomes available, as well as to admit it onto the record of the proceeding. Lastly, the Motion seeks an order postponing the Board's decision on Enbridge's Project until such time that the Board has fully considered the entire report.

The Board has the discretion to re-open the record of a proceeding and to admit new evidence onto the evidentiary record of that proceeding at any time before its final decision is issued. However, in exercising this discretion, the Board will assess whether the information sought to be introduced is relevant and would further assist the Board in reaching its ultimate decision. It must also look at whether information could have been provided at an earlier date, and what the prejudice to other parties may be if the relief is granted.

The Board appreciates that OPLA could not file this Motion and synopsis earlier since the synopsis only recently became available, after the close of the hearing. The Board also acknowledges that the full report may be issued several weeks from now. In this regard, the Board finds that OPLA has shown diligence in making its Motion when it did.

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The Board is also satisfied that the synopsis and full report could contain information that is relevant to the Project. However, the Board notes that, since these documents originate from a different jurisdiction, and this jurisdiction has its own set of regulators, regulatory requirements, pipeline standards and history with Enbridge Inc., some information may not be relevant to what the Board has to determine in this matter.

In terms of prejudice, if the Board needed more safety- and integrity-related information to be in a position to make a final decision, it would take the time it needs to gather this information and would not be greatly concerned about the delay this may cause. However, the Board is also mindful that Enbridge and parties, who have fully presented their case, are entitled to a timely decision from the Board.

Therefore, the primary question that remains to be answered in determining whether or not to grant the Motion is if the information sought to be admitted on the record could impact the Board's ultimate decision. The information should further assist the Board's decision-making process and should not repeat issues already sufficiently canvassed on the record.

The Board was fully aware that this NTSB report would be issued. Still, the Board commenced its proceeding and conducted a public hearing without waiting for this report. A suggestion was never made that the Board ought to postpone its proceeding in order to wait for the NTSB report. The Board was confident that it could independently carry out a thorough assessment of the Project and obtain all the information it needed to make a final decision on the Project.

When determining whether a project is in the public interest, which is the ultimate decision the Board must make in a facilities application, it assesses whether the project can be constructed and operated safely. In conducting this assessment, it is logical and reasonable for the Board to take notice of an applicant's system-wide performance and canvass the applicant on the various plans and systems it has in place, whether general or project-specific, in order to demonstrate to the Board that the applied-for project can be constructed and operated safely.

In this case, the Board is satisfied that it has conducted a comprehensive assessment against its own set of regulatory requirements and applicable Canadian standards to determine whether Enbridge has the ability to safely construct and operate the Project. The Board has fully turned its mind to assessing the integrity of the pipeline, including the effects of reversal, as well as contingency planning for spills, accidents and malfunctions, safety and security during construction and operation, and emergency response planning.

Enbridge also stated that it continues to evaluate all information and learnings from the Line 6B incident and that it has and will continue to apply them to all of its pipeline operations.

The Board is of the view that it has all the information it needs to be able to make a final decision on Enbridge's Project. In this regard, re-opening the record to admit the synopsis and the NTSB report would not help the Board any further in its decision-making process and the materials themselves, in the Board's view, would not impact its decision.

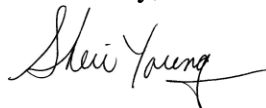
Of note, while the Board conducts assessments of specific projects to determine whether they are in the public interest, it also conducts operational follow-ups with regulated companies on a system-wide level as part of its overall compliance program. The Board would, as part of its regulatory oversight, verify that its regulated companies apply pertinent learnings gained from various sources to their system-wide operations. This includes applying lessons learned from past incidents, regardless of the jurisdiction within which they occur, in order to minimize the risk of similar incidents occurring in the future. Depending on what the Board finds in these follow-ups, it can guide and shape its industry-wide, overarching and company-specific, or even project-specific, regulatory actions with the aim of improving pipeline performance.

The Board is committed to continually improving. In that vein and, independent of the Project, it has already completed a review of the recently released report synopsis to see what it can learn in the interests of pipeline safety and environmental protection. The Board will also be looking very carefully at the NTSB report in its entirety once it is formally released. The Board's compliance verification activities allow it to identify potential issues and address them proactively with appropriate enforcement measures. Specifically with respect to Enbridge, the Board has been looking at aspects of the company's operation since the time of the incident, and is planning additional compliance verification activities that focus on the findings of the NTSB as they relate to Enbridge and its Canadian operations.

The Board has considered the foregoing reasons along with the entirety of the record and all proposed conditions (if the Project is approved), as well as other compliance processes that are in place or are being developed. The Board is of the view that re-opening the record for the purposes of admitting the synopsis of the NTSB report, and to direct that the full report be filed when it is available, would not further assist the Board in reaching its ultimate decision on the Project. Therefore, the Board denies the Motion in all its parts.

If you have any questions about this letter, please contact Christine Beauchemin, Legal Counsel, at 403-292-6489, or through the Board's toll-free number at 1-800-899-1265.

Yours truly,

A handwritten signature in cursive script, appearing to read "Sheri Young".

Sheri Young
Secretary of the Board

c.c. All parties to the OH-005-2011 proceeding