



NEB Application Update

Volume 2: Economics, Commercial and Financing

ENBRIDGE NORTHERN GATEWAY PROJECT

Update to Sec. 52 Application for the Enbridge Northern Gateway Project

June 2011



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Update to Volume 2

Section 1 Introduction

This Update supplements the information previously provided by Northern Gateway Pipelines Limited Partnership (Northern Gateway) in Volume 2 of its Application for Certificate of Public Convenience and Necessity in respect of the Enbridge Northern Gateway Project (the Project), which was filed with the National Energy Board (NEB) on May 27, 2010 (the Application).

Section 2 Commercial Considerations

Section 2.2 Progress Toward Long-Term Firm Transportation Service Commitments

As discussed in Volume 2 Section 2.2 of the Application for a Certificate of Public Convenience and Necessity, by Northern Gateway Pipelines Limited Partnership, extensive discussions have taken place with prospective shippers regarding the terms and conditions of precedent agreements and transportation service agreements for the Project.

Commercial agreement has now been reached on the form of such agreements. See Appendix C (New) for a Pro Forma Precedent Agreement and a Pro Forma Transportation Service Agreement in respect of the proposed crude oil pipeline. Substantially similar agreements in respect of the proposed condensate pipeline will be filed shortly.

Schedule B to the Pro Forma Transportation Service Agreement contains an expanded form of Toll Principles, as summarized in the Application Volume 2, Section 3 at p. 3-2, and in respect of which approval is sought pursuant to Part IV of the *National Energy Board Act*.