

## PROJECT MANAGEMENT FRAMEWORK

1. The purpose of this section is to describe the overall project management framework that has been, and will continue to be, applied to the GTA Project during the project management lifecycle.
2. The Company has adopted a specialized risk based project development and execution framework specifically designed for the development and implementation of major capital projects. The Project Life Cycle Gating Control (“PLGC”) is a key tool used to develop and execute major capital projects in a methodical, structured and rigorous risk based approach.
3. Using the PLGC, the Enbridge group of companies has been able to successfully deliver over \$14 billion worth of high capital cost, technically complex, and strategically important projects. These effectively executed projects consist of over 4,200 km of installed pipeline of which 2,500 km is NPS 36 in diameter or greater as is being used for this project.

### Project Lifecycle Gating Control

4. The PLGC was developed in 2007 in conjunction with project development and execution subject matter experts, based on concepts from the Project Management Institute (“PMI”). The PLGC framework breaks complex projects into smaller, logical, sequential parts; requires standardized deliverables and reporting; engages key stakeholders early on in the project; and has precise decision and control points. This approach is applied at the initial project development screening phase of a project, continues through the execution of the project, and progresses through to placing the facilities in-service and the turn-over to operations.

5. The PLGC provides the framework for effective execution of major projects in key areas including; project development, engineering, procurement, construction, organizational structures, Environment Health and Safety (“EH&S”), Quality Assurance Quality Control (“QA/QC”) and regulatory approvals. The PLGC identifies the project deliverables required to fulfill the requirements of each stage gate. The PLGC provides guidance and oversight standards for completion of stage gate deliverables, ensures that cost control measures are implemented and followed, and that the project scope is clearly defined and managed. The PLGC requires that risks associated with incomplete deliverables are identified, and that these risks are monitored and mitigated.
  
6. A primary focus of the PLGC and the project execution teams’ management and execution strategy focuses on risk management. The risk management philosophy employs an iterative process of risk identification, assessment, response planning, control, and monitoring in order to increase the probability of delivering a project within its target cost, schedule, scope, quality, safety, and environmental targets. Risk management is performed at every stage of the project lifecycle and inside every critical functional area including estimating, planning, procurement, environmental, and compliance.