2016 POST-RETIREMENT TRUE-UP VARIANCE ACCOUNT ("PTUVA")

1. In accordance with the EB-2015-0114 Final Accounting Order, page 23, the purpose of PTUVA is to record the differences between the 2016 forecast pension and post-employment benefit expenses of $34.6 million and the actual pension and post-employment benefit expenses (both determined on an accrual basis).

2. As of December 31, 2016 the actual pension and post-employment benefit ("OPEB") expense was $24.9 million, as calculated by Mercer. A breakdown of the $24.9 million is as follows:

	$ million
Registered Pension Plan	17.7
Supplementary Executive Retirement Plan	0.0
Senior Supplementary Executive Retirement Plan	(0.1)
Supplementary Pension Plan	1.4
Defined contribution	0.8
Total pension expense	19.8
OPEB expense	5.1
Total pension and OPEB expense	24.9

3. Please refer to Appendix 1 for an extract of the 2016 Final Accounting Mercer Reports that supports the figures above.

4. Therefore, the PTUVA balance that relates to the 2016 year is a $9.7 million credit amount, which is the difference between the Board-approved forecast of $34.6 million and the actual expense of $24.9 million.

Witnesses: J. Shem
L. Uhyrek

5. As was agreed in Enbridge's 2013 Rate Application (EB-2011-0354) Settlement Agreement (p. 20), the maximum clearance from the PTUVA (credit or debit) in any one year is $5 million. Any remaining balance is to be carried forward to the following year, so that large variances can be cleared over time (smoothed). This treatment for the PTUVA has remained in place since 2013, and is reflected in the EB-2015-0114 approved 2016 PTUVA.

6. In this proceeding, the Company is requesting to refund and clear the maximum $5 million amount from the 2016 PTUVA (to be refunded to ratepayers), with the remaining amount ($4.7 million) being transferred to the 2017 PTUVA for future treatment and disposition.

Witnesses: J. Shem
L. Uhyrek