

2017 TRANSITION IMPACT OF ACCOUNTING CHANGES DEFERRAL ACCOUNT
REQUESTED FOR CLEARANCE OCTOBER 1, 2017

1. The purpose of the Transition Impact of Accounting Changes Deferral Account (“TIACDA”) is to track the un-cleared Other Post Employment Benefit (“OPEB”) costs which the Board has approved for recovery. Within EB-2011-0354, the Board approved the recovery of OPEB costs, which were forecast to be \$90 million at the end of 2012, evenly over a 20 year period, commencing in 2013. The OPEB costs needed to be recognized as a result of Enbridge having to account for post-employment expenses on an accrual basis, upon transition to USGAAP for corporate reporting purposes in 2012. The use of USGAAP for regulatory purposes was approved within the 2013 rate proceeding, EB-2011-0354.
2. The final amount recorded in the TIACDA as of the end of 2012 was \$88.716 million. The first four installments (for each of 2013 through 2016) of \$4.436 million each (1/20 of \$88.716 million), were approved for recovery within the EB-2013-0046, EB-2014-0195, EB-2015-0122, and EB-2016-0142 proceedings.
3. Enbridge is now requesting recovery of the fifth, or 2017 installment of the Board-Approved TIACDA amount, in the amount of \$4.436 million (1/20 of \$88.716 million).
4. As per the approved description and scope of the account, interest is not applicable to the balances to be cleared from the TIACDA.

Witnesses: R. Small
L. Uhyrek