

STATUS OF GTA PROJECT

1. Within the EB-2012-0459 Custom IR Decision (p. 81), the Board indicated that Enbridge was to report on the status, progress and cost versus schedule of the GTA project.
2. The GTA project entered into service on March 31, 2016 with the exception of the Ashtonbee station which is currently in the final stages of energization and the Buttonville station which is delayed and pending review of various circumstances.
3. As indicated in EB-2016-0142, the project has experienced some timing delays and cost challenges due to the complexity of permitting in urban areas. The pipeline is currently energized and minor residual and closeout costs will continue to occur throughout 2017.
4. Some siting issues have also been experienced, which delayed the installation of the originally scoped Buttonville and Jonesville stations. The Jonesville Station was relocated to the Ashtonbee site (EB-2016-0034) and is currently in the final stages of energization.
5. The actual 2016 actual costs incurred were \$114.8 million versus the forecast of \$0.0 million approved by the Board. This variance is the result of the project being planned to be completed in October 2015 with no budgeted costs for 2016 and also due to increased construction costs.
6. The current forecast of remaining costs to complete the project are approximately \$6.5 million for a total project cost of \$870.3 million. This is higher than the forecast total project cost of \$686.5 million that was presented in the GTA project LTC

application (EB-2012-0451).

7. The overall cost increase is driven by a number of factors, including:
 - a. escalation of construction bid price, relative to what was filed in EB-2012-0451;
 - b. increased costs associated with greater construction complexity, relative to the design basis used to estimate the costs in EB 2012-0451; and
 - c. increased project duration due to longer permit acquisition timelines.

8. The Company will file its Post Construction Financial Report (paragraph 1.5 of EB-2012-0451 Conditions of Approval) no later than June 30, 2017.

9. The Company will file further evidence about the GTA project costs within a rebasing application where such evidence is relevant and required.