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January 25, 2012

VIA RESS, EMAIL and COURIER

Ms Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, Ontario, M4P 1E4

Dear Ms Walli:

**Re: Enbridge Gas Distribution Inc. ("Enbridge") – Undertaking Responses
2012 Rate Adjustment Application ("Application")
Ontario Energy Board ("Board") File Number EB-2011-0277**

During the 2012 Rate Adjustment Hearing, Day 1, January 24, 2012, Enbridge agreed to file responses to Undertaking Exhibit J1.5 and J1.6. Please find both responses and attachments enclosed.

This submission has been filed through the Board's Regulatory Electronic Submission System ("RESS"), and two hard copies are being sent to the Board as directed. Enbridge's filing for this proceeding can be found on the Enbridge website at: www.enbridgegas.com/ratecase.

If you have any questions, please contact the undersigned.

Sincerely,

[Original Signed By]

Lesley Austin
Regulatory Coordinator, Regulatory Affairs

cc: Mr. F. Cass, Aird & Berlis LLP (via email and courier)
All Interested Parties EB-2011-0277 (via email)

UNDERTAKING J1.5

UNDERTAKING

Transcript Volume 1, page 135

To provide terms of reference or guidance documents for pension committees at EGD and EI.

RESPONSE

Please see the attached documents for terms of reference.

1. Pension Administration Committee
2. Pension Committee
3. Human Resources and Compensation Committee
4. Manager, Pension and Benefits
5. Manager, Pension Investments
6. Summary of roles and responsibilities

Witnesses: S. Kancharla
A. Patel

**ENBRIDGE GAS DISTRIBUTION INC.
PENSION ADMINISTRATION COMMITTEE
TERMS OF REFERENCE**

Constitution

1. There shall be a committee known as the Pension Administration Committee (the "PAC") constituted of members of management of Enbridge Gas Distribution Inc. (EGD), and Enbridge Inc.. The PAC shall be accountable to the Pension Committee of Enbridge Inc. (the "Committee").

Purpose / Mission

2. The PAC's mandate is to oversee the day-to-day management of all the pension and savings plans sponsored by EGD (collectively or individually a "Plan" or "Plans") with a view to formulating recommendations to the Committee in respect of Plan design, amendment, administration, operation, and compliance. This mandate includes the oversight of administrative issues relating to the Supplemental Executive Retirement Plan, the Senior Supplemental Executive Retirement Plan and the Enbridge Supplemental Pension Plan (the "Executive Plans").

General Fiduciary Responsibilities

3. The PAC's mandate extends to certain activities, as described in these Terms of Reference, undertaken by the PAC on behalf of the sponsors of the Plans. The pension plan sponsors themselves have dual roles in respect of the Plans: namely, a role as administrator of the pension plan pursuant to applicable laws, which role entails fiduciary duties, and a role as employer under the pension plan, which role does not entail fiduciary duties. When acting on behalf of the sponsors, therefore, it is recognized that the PAC also has dual roles, and is therefore acting as a fiduciary when it is undertaking an activity related to the sponsors' role as administrator of a pension plan, but is not acting as a fiduciary when it is undertaking an activity related to the sponsors' role as employer under a pension plan.
4. In its fiduciary role, the PAC's responsibilities include:¹
 - a. treating members and beneficiaries impartially,
 - b. acting with the care, skill and diligence of a prudent person,
 - c. interpreting the plan terms impartially and in good faith,
 - d. preventing personal interests from conflicting with those of the plan, and
 - e. ensuring, within the scope of its authority, that members and beneficiaries receive promised benefits under the terms and conditions of the plans.

¹ See Principle #1 of the *Pension Plan Governance Guidelines*, issued by the Canadian Association of Pension Supervisory Authorities, in October 2004.

Membership

5. The Committee shall appoint the PAC members and chair. Membership may include representatives from:
 - a. Finance (EGD)
 - b. Human Resources (EGD)
 - c. Operations/Projects (EGD)
 - d. Accounting (EGD)
 - e. Regulatory Affairs (EGD)
 - f. Legal (EGD)
 - g. Enbridge Inc.

There shall be no more than seven (7) members serving on the PAC at any one time.
The list of current members is attached as Appendix 1.

The Manager, Pension & Benefits (EI) shall serve as Secretary to the PAC.

Definitions

6. For purposes of this policy, "pension staff" shall be defined as Enbridge Inc.'s Manager, Pension & Benefits and Manager, Pension Investments.

Meeting Protocols

7. Meeting protocols shall be as follows:
 - a) Quarterly meetings are at the call of the Chair.
 - b) One-half of the members of the PAC shall constitute a quorum for the transaction of business.
 - c) Notice of a meeting shall not be given less than 24 hours prior to the PAC meeting.
 - d) The PAC shall decide matters by a majority vote of the members at which a quorum is present.
 - e) Invitations will be extended to such persons the PAC or the Secretary deems appropriate.
 - f) The Secretary will keep and circulate minutes.
 - g) The Chair has the deciding vote in the event of a tie vote.
 - h) Members may participate in meetings by telephone. Participation in such a meeting shall constitute presence in person at such meeting.
 - i) Resolution or action not taken at a PAC meeting may be decided by written consent provided unanimous approval is received.
 - j) A PAC member who is also a participant or beneficiary under the plan at issue shall not vote or act upon any matter relating solely to himself with respect to such plan. For any other matter brought before the PAC, no PAC member shall be deemed disqualified by reason of being a participant or beneficiary, or by reason of having an interest in any matter to be acted upon by the PAC, unless so disqualified as to such matter by action of the PAC or Committee.

Duties and Responsibilities

Plan Design and Administration:

8. The PAC shall:
- a. Review and recommend to the Committee changes in the design, benefit provisions, and text of the Plans.
 - b. With the assistance of pension staff, review the administration of the Plans and confirm that administration is performed in compliance with Plan documents, policies, and legal requirements.
 - c. While oversight of the Executive Plans will remain the responsibility of the HRCC, the PAC may make recommendations on administrative issues relating to the Executive Plans.
 - d. In consultation with pension staff and the Plans' advisors, bring to the Committee's attention matters concerning the interpretation of Plan provisions arising in the course of administration of the Plans.
 - e. Review documents and filings thereof in respect of the Plans as presented by pension staff, EGD management or the Plans' advisors.
 - f. Review and recommend to the Committee policy guidelines with respect to education and communication for members of the Plans.

Plan Financing / Benefit Security

9. The PAC shall:
- a. Advise the Committee where it becomes aware of unmet financing needs of the Plans.
 - b. Review and comment on the Funding Policy Statement for the Plans.
 - c. With the assistance of pension staff and the actuary, annually review and present to the Committee the actuarial valuation reports prepared for the Plans.
 - d. With the assistance of pension staff and the actuary, annually review and recommend to the Committee the following:
 - i. The actuarial methods and assumptions used by the actuary;
 - ii. The filing of actuarial valuation reports for regulatory purposes, and in accordance with applicable legislation; and
 - iii. Pension fund contributions for the Plans.

Control, Compliance & Reporting

10. The PAC shall:
- a. Annually review and recommend the Plans' audited financial statements and accompanying auditor reports to the Committee.
 - b. Review and recommend the corporate accounting plan assumptions to the Committee.

- c. Review and comment on the delegation of signing authority for the Plans.
- d. Review internal audit reports pertaining to the Plans and/or the pension function and advise the Committee of the results. When directed by the Committee, assist in the implementation of internal audit recommendations.
- e. Review and present to the Committee periodic reports that assess the extent to which the administration of the Plans occurs in compliance with Plan documents, policies, and applicable legislation.

Governance

11. The PAC shall review and comment on the following governance documents, and any proposed amendments thereto:
- a. terms of reference for the Pension Committee, the PAC, and pension staff;
 - b. the Monitoring and Reporting Policy; and
 - c. the Fiduciary Education Policy.

Service Providers

12. The PAC shall:
- a. With the assistance of pension staff, review and recommend to the Committee the following service providers to be retained in connection with the Plans:
 - i. External auditors;
 - ii. Actuarial / benefit consultants; and
 - iii. DC record keepers.
 - b. Complete or delegate to pension staff or third parties such matters as the Committee may, in its discretion, delegate to the PAC from time to time.

Review and History

13. These terms of reference shall be reviewed at least every three (3) years, to ensure they remain relevant and appropriate.
14. The Pension Committee adopted these terms of reference on August 25, 2000.
The Pension Committee last amended these terms of reference on September 28, 2007.

Appendix 1
Composition of the Pension Administration Committee

Committee Members

1. M. Weil (Chair)	Human Resources	Enbridge Gas Distribution Inc.
2. G. Beaumont	Finance	Enbridge Gas Distribution Inc.
3. B. Yuzwa	Finance	Enbridge Gas Distribution Inc.
4. N. Kishinchandani	Accounting	Enbridge Gas Distribution Inc.
5. M. Boyce	Legal	Enbridge Gas Distribution Inc.
6. L. Edmunds	Human Resources	Enbridge Gas Distribution Inc.
7. S. Heroux (Secretary)	Manager, Pension & Benefits	Enbridge Inc.

The Composition of the PAC was approved by the Pension Committee in January 2011.

**ENBRIDGE INC.
PENSION COMMITTEE
TERMS OF REFERENCE**

Constitution

1. There shall be a committee known as the Pension Committee (the "Committee") constituted of members of senior management of Enbridge Inc. ("EI") and affiliates ("Enbridge"). The Committee shall be accountable to the Human Resources & Compensation Committee of the Board of Directors of EI ("HRCC"), and with respect to certain matters described in these Terms of Reference, the Board of Directors of Enbridge Pipelines Inc. ("EPI"), Enbridge Gas Distribution Inc. ("EGD"), and Enbridge Employee Services Inc. ("EESI").

Purpose / Mission / Scope

2. The Committee's mandate is to oversee management of the pension and savings plans (collectively or individually referred to as the "Plan" or "Plans") sponsored by Enbridge, with a view to promoting effective Plan design, governance, investment policy, financing, administration, and legal compliance. In discharging these responsibilities the Committee will enlist the assistance of the local Pension Administration Committees ("PACs") of EPI, EGD and EESI.
3. The scope of this mandate excludes benefit-related issues concerning the Enbridge-funded executive pension and savings Plans, but does include administration, funding, and asset management of the Enbridge-funded executive pension and savings Plans.
4. The Committee's mandate extends to certain activities, as described in these Terms of Reference, undertaken by the Committee on behalf of sponsors of the following three pension plans:
 - a. Retirement Plan for the Employees of Enbridge Inc. and Affiliates;
 - b. Pension Plan for Employees of Enbridge Gas Distribution Inc. and Affiliates; and
 - c. Enbridge Employees Services Inc. Employees' Annuity Plan.

The pension plan sponsors themselves have dual roles in respect of the pension plans: namely, a role as administrator of the pension plan pursuant to applicable laws, which role entails fiduciary duties, and a role as employer under the pension plan, which role does not entail fiduciary duties. When acting on behalf of the sponsors, therefore, it is recognized that the Committee also has dual roles, and is therefore acting as a fiduciary when it is undertaking an activity related to the sponsors' role as administrator of a pension plan, but is not acting as a fiduciary when it is undertaking an activity related to the sponsors' role as employer under a pension plan.

5. In its fiduciary role, the Committee's responsibilities include:¹
 - a. treating members and beneficiaries impartially,
 - b. acting with the care, skill and diligence of a prudent person,
 - c. interpreting the plan terms impartially and in good faith,
 - d. preventing personal interests from conflicting with those of the plan, and
 - e. ensuring, within the scope of its authority, that members and beneficiaries receive promised benefits under the terms and conditions of the plans.

¹ See Principle #1 of the *Pension Plan Governance Guidelines*, issued by the Canadian Association of Pension Supervisory Authorities, in October 2004.

Membership

6. The membership and chair of the committee will be recommended by the Chief Financial Officer ("CFO") [NTD: to be confirmed by David Robottom] of EI to the HRCC for approval.
7. The membership shall typically include the CFO (EI), and may include senior representatives from:
 - a. Corporate Resources (EI)
 - b. Finance and Administration (EI)
 - c. Human Resources (EI)
 - d. Accounting (EI)
 - e. Regulatory Affairs (EI)
 - f. Legal (EI)
 - g. Each of the major business units.

Current Pension Committee members are listed in Appendix 2.

8. Other Enbridge management and advisors may be invited to monitor or participate in meetings, as required.
9. The Manager, Pension Investments will serve as Secretary to the Committee but will not have a vote.

Definitions

10. For purposes of this policy, "pension staff" shall be defined as EI's Manager, Pension & Benefits and Manager, Pension Investments.

Meeting Protocols

11. Meeting protocols shall be as follows:
 - a. Quarterly meetings are at the call of the Chair.
 - b. A majority of the members of the Committee shall constitute a quorum for the transaction of business.
 - c. Written notice of a meeting will be provided to all members not less than 24 hours prior to the Committee meeting.
 - d. The Committee shall decide matters by a majority vote of the members at which a quorum is present.
 - e. Invitations will be extended to such persons as the Committee or Secretary deems appropriate.
 - f. The Chair has a deciding vote in the event of a tie vote.
 - g. Resolution or action not taken at a Committee meeting may be decided by a written unanimous resolution of members.
 - h. The Secretary will keep and circulate minutes to Committee members.
 - i. A Committee member who is also a participant or beneficiary under the plan at issue shall not vote or act upon any matter relating solely to himself with respect to such plan. For any other matter brought before the Committee, no Committee member shall be deemed disqualified by reason of being a participant or beneficiary, or by reason of having an interest in any matter to be acted upon by the Committee, unless so disqualified as to such matter by action of the Committee.

Duties and Responsibilities

Plan Design and Administration

12. The Pension Committee shall:

- a. With respect to the Canadian Plans, review recommendations of the PACs with regard to Plan design, material Plan amendments, and material changes to Plan benefits (i.e., those that impact benefit costs), and recommend their approval to the HRCC.
- b. Approve non-material amendments to the Canadian Plans (i.e., those that do not impact benefit costs) or amendments required to maintain the registration, tax qualification or compliance of the Canadian Plans under applicable laws.
- c. Review and decide questions of Plan interpretation presented by the PACs; and
- d. Review and decide other matters presented by the PACs arising out of, or in the course of, the administration of the Plans.

Plan Funding and Benefit Security

13. The Pension Committee shall generally oversee the funding of the Plans, and specifically shall:

- a. Review the Funding Policy Statement for each Plan in consultation with each Plan's actuary, and recommend changes to the HRCC as appropriate. The Funding Policy Statements shall be reviewed at least once every three years.
- b. Accept the actuarial valuations for the Plans and approve the actuarial methodologies and assumptions.
- c. Approve the filing of actuarial valuation reports for regulatory purposes and in accordance with applicable legislation.
- d. Approve contributions to each Plan and in accordance with the Funding Policy Statements.
- e. Report to the HRCC annually on the funded status of the Plans, and on compliance with the Funding Policy Statements.

Plan Asset Management

14. The Pension Committee shall oversee the investment and management of Plan assets, and shall specifically:

- a. Recommend to the HRCC for approval the Statement of Investment Policies and Procedures for each Plan, and any subsequent amendments, and review such policies on an annual basis;
- b. Approve other investment policies, as necessary, and review such on a periodic basis (e.g., Investment Beliefs Statement);

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- c. Approve the investment manager structure for the Plans, including the number of managers per asset class, the manager styles to be used, and the allocation of assets among managers;
 - d. Approve the appointment, and if necessary, the termination, of investment managers;
 - e. Approve policy guidelines with respect to investment education and communication for members of the Plans;
 - f. Review the quarterly investment performance reports for each Plan;
 - g. Review the results of asset liability studies, as prepared for the Plans; and
 - h. Review any reports regarding the performance of individual investment managers, as may be provided by pension staff.

Control, Compliance & Reporting

15. The Pension Committee shall:

- a. Review and approve an annual report on the funded position and investment performance of the Plans, and present the report annually to the HRCC.
- b. Review and recommend to the Audit, Finance and Risk Committee (AFRC) for approval the audited financial statements of the Plans together with the accompanying auditor reports.
- c. Receive, for information purposes, the audited financial statements of the Health and Welfare Plan and the Savings Plan, and the accompanying auditor reports.
- d. Review and approve the corporate accounting plan assumptions.
- e. Review and approve the delegation of signing authority for the Plans;
- f. Review internal audit reports, pertaining to the Plans and/or the pension function, and assist in the implementation of internal audit findings where appropriate;
- g. Review periodic reports from the PACs assessing compliance with Plan documents, policies and applicable legislation.

Governance

16. The Pension Committee shall:

- a. Review and approve a fiduciary education policy for the Plans' fiduciaries;
- b. Review and approve terms of reference for the PACs and pension staff.
- c. Review and recommend terms of reference for the Pension Committee to the HRCC for approval.
- d. Review and recommend to the HRCC a Monitoring and Reporting policy that sets out all routine reports to be provided to the Plan fiduciaries.

- e. Periodically review the governance structure and practices of the Plans, as well as the above noted governance documents.

Delegation and Service Providers

- 17. The Pension Committee shall appoint and, as necessary, terminate the following service providers to be retained in connection with the Plans:
 - a. investment managers,
 - b. external auditors,
 - c. actuaries,
 - d. custodians,
 - e. performance measurement services,
 - f. DC record keepers; and
 - g. Other advisors as required.
- 18. The Pension Committee shall delegate assignments to pension staff and service providers, as appropriate, and monitor such assignments.
- 19. The Pension Committee shall periodically review the performance of its key service providers.
- 20. The Chair of the Pension Committee shall:
 - a. Review and sign all investment manager mandates, as recommended by pension staff and reviewed by legal counsel, as necessary.
 - b. Review and sign all contracts for the Plans' service providers, as recommended by pension staff and reviewed by legal counsel, as necessary. .

U.S. Plans

- 21. All decisions of the Committee and all matters to be presented to the HRCC or the AFRC concerning the U.S. Plans shall be presented to the EESI Board of Directors or its delegate, as appropriate, for approval and adoption. Decisions of the Committee or those of the HRCC or AFRC relating to the U.S. Plans shall be considered effective as to the U.S. Plans only if, and to the extent, such decisions are approved and adopted by the EESI Board or its delegate.

Charter Review and History

- 22. These terms of reference shall be reviewed at least every three (3) years, to ensure they remain relevant and appropriate, and any changes shall be recommended to the HRCC for approval.
- 23. The HRCC adopted these terms of reference on November 1, 2000.

The HRCC last amended these terms of reference on November 6, 2007.

Appendix 1

Documents – Defined

<i>Human Resources & Compensation Committee - Terms of Reference</i>	Mandate of the Human Resources and Compensation Committee.
<i>Pension Committee - Terms of Reference</i>	Mandate of the Pension Committee.
<i>Pension Plan Text</i>	Document describing pension plan benefit provisions.
<i>Trust Agreement</i>	Contract with the custodian creating the pension trust fund and describing the custodial arrangement.
<i>Funding Policy Statement</i>	Document describing the pension plan's funding policy including the long-term target level of assets and contribution strategy.
<i>Investment Beliefs Statement</i>	Document describing the Corporation's views on appropriate asset classes, Manager structure and other matters for the DB and DC Plans.
<i>Statement of Investment Policies and Procedures</i>	Document describing the pension fund's investment policy including the long-term Target asset mix, expected return, and Investment limits and guidelines.
<i>Investment Management Mandates</i>	Contract with each investment manager describing the investment mandate and performance objectives.
<i>Pension and Savings Plans Roles and Responsibilities Summary</i>	Matrix describing the roles and responsibilities of all parties involved in pension administration and management.

Appendix 2

Composition of the Pension Committee

Committee members

1. R. Bird (Chair)	Finance & Administration	Enbridge Inc.
2. K. Radford	Corporate Resources	Enbridge Inc.
3. J. Haberbusch	Human Resources	Enbridge Inc.
4. C. Gruending	Accounting	Enbridge Inc.
5. J. Whelen	Accounting	Enbridge Inc.
6. D. Robottom	Legal	Enbridge Inc.
7. B. Ross	Business Unit Representative	Enbridge Pipelines Inc.
8. N. Kishinchandani	Business Unit Representative	Enbridge Gas Distribution
9. S. Neyland	Business Unit Representative	Enbridge Employee Services Inc.

Committee Secretary

A. McKnight	Manager, Pension Investments	Enbridge Inc.
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Note: The Composition of the Pension Committee was approved by the HRCC in November 2011.

TERMS OF REFERENCE FOR THE HUMAN RESOURCES & COMPENSATION COMMITTEE

I. CONSTITUTION

There shall be a committee, to be known as the Human Resources & Compensation Committee (the "HRCC"), of the Board of Directors of Enbridge Inc.

II. MEMBERSHIP

Following each annual meeting of shareholders of the Corporation, the Board shall elect from its members, not less than three (3) Directors to serve on the HRCC (the "Members"). The Members and the Chair of the HRCC are elected by the Board following the nomination of Directors by the Governance Committee. No member of the HRCC shall be an officer or employee of the Corporation or any of the Corporation's affiliates. The HRCC shall be comprised of Members each of whom the Board has determined has no material relationship with the Corporation and each of whom is otherwise independent. Any Member may be removed or replaced at any time by the Board and shall cease to be a member upon ceasing to be a Director of the Corporation. Each Member shall hold office until the close of the next annual meeting of shareholders of the Corporation or until the Member resigns or is replaced, whichever first occurs.

The Corporate Secretary of the Corporation shall be secretary to the HRCC unless the HRCC directs otherwise.

III. MEETINGS

The HRCC shall convene at such times and places designated by its Chair or whenever a meeting is requested by a Member, the Board, or an officer of the Corporation. A minimum of twenty-four (24) hours notice of each meeting shall be given to each Member. The Corporate Secretary and members of management shall attend whenever requested to do so by a Member.

A meeting of the HRCC shall be duly convened if all Members are present, or at least a majority of the Members present. A quorum at a Meeting shall consist of at least a majority of Members. Where the Members consent, and proper notice has been given or waived, Members of the HRCC may participate in a meeting of the HRCC by means of such telephonic, electronic or other communication facilities as permit all persons participating in the meeting to communicate adequately with each other, and a Member participating in such a meeting by any such means is deemed to be present at that meeting.

In the absence of the Chair of the HRCC, the Members may choose one (1) of the Members to be the Chair of the meeting.

Where appropriate, Members of the HRCC may meet separately with the Corporation's senior management.

Minutes shall be kept of all meetings of the HRCC.

IV. DUTIES AND RESPONSIBILITIES OF THE CHAIR

The Chair is responsible for:

- A. convening HRCC meetings and designating the times and places of those meetings;
- B. ensuring HRCC meetings are duly convened and that quorum is present when required;
- C. working with Management on the development of agendas and related materials for the HRCC meetings;
- D. ensuring HRCC meetings are conducted in an efficient, effective and focused manner;
- E. ensuring the HRCC has sufficient information to permit it to properly make decisions when decisions are required;
- F. providing leadership to the HRCC and to assist the HRCC in reviewing and monitoring its responsibilities; and
- G. reporting to the Board on the recommendations and decisions of the HRCC.

V. DUTIES AND RESPONSIBILITIES OF THE HRCC

The HRCC shall, as permitted by and in accordance with the requirements of the Canada Business Corporations Act, the Articles and By-Laws of the Corporation:

- A. review, approve or make recommendations to the Board or to the Boards of the Corporation's subsidiaries and affiliates in respect of:
 - (i) the human resource policies, practices and structures (to monitor consistency with the strategic plan, support of operational effectiveness and efficiency, and maximization of human resources potential);
 - (ii) compensation policies and guidelines;
 - (iii) annual salary budgets;
 - (iv) management incentive and perquisite plans and any other non-standard remuneration plans;
 - (v) the selection, from time to time, of the comparator group of companies to be used for executive compensation purposes;

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- (vi) senior management, executive and officer appointments and their compensation;
 - (vii) management succession plans, management development plans and termination policies/arrangements;
 - (viii) the Corporation's human resource structure; and
 - (ix) the Human Resources & Compensation Committee Report for publication in applicable disclosure documents.
- B. review, approve or make recommendations to the Board or to the Boards of the Corporation's subsidiaries and affiliates in respect of the following pension, retirement, and savings plan matters:
- (i) the design, benefit provisions, investment options and text of applicable pension, retirement and savings plans;
 - (ii) policies and guidelines with respect to:
 - (a) the funding of the liabilities of each pension and retirement plan (the "Plans");
 - (b) the investment of the assets of each Plan, including the investment principles, goals and beliefs;
 - (c) the monitoring and evaluation of investment performance of the assets of each Plan;
 - (d) investment education and communications to Plan members in respect of pension and retirement plans;
 - (iii) the funding and risk tolerance policies applicable to pension and retirement plans, and any material changes in pension plan surpluses or deficiencies;
 - (iv) the financial risk aspects of programs, policies and investment portfolios for pension and retirement plans; and
 - (v) the terms of reference of the management pension committee and appointment of its members.
- C. review and administer incentive stock option plans or any other long term incentive plans and designate plan participants and the extent and terms of their participation, subject to Board approval;
- D. in conjunction with the Chair of the Board, lead the annual CEO review process and report the results to the Board;

- E. review outside service or outside Board opportunities with senior management prior to their acceptance of such positions;
- F. exercise authority and utilize resources as are appropriate to discharge the duties and responsibilities of the HRCC, including, as deemed necessary by the HRCC, authority to select, retain, terminate and approve terms of engagement including fees, for special counsel, experts or consultants, without seeking approval of the Board or Management;
- G. meet separately with senior management, employees or independent advisors in respect of human resources and compensation matters, as deemed necessary by the HRCC;
- H. consider any other matter properly referred to the HRCC by the Chair of the Board, the Board, a Director, the CEO, or the management of the Corporation, for review, recommendation or decision; and
- I. in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the HRCC. The HRCC shall prepare and review with the Board an annual performance evaluation process of the HRCC, which evaluation shall compare the performance of the HRCC with the requirements of these terms of reference. The performance evaluation shall also recommend to the Board any improvements to these terms of reference deemed necessary or desirable by the HRCC. The performance evaluation shall be conducted in such manner as the Governance Committee deems appropriate. The report to the Board may take the form of an oral or written report by the Chair of the HRCC or any other member of the HRCC designated by the HRCC to make this report.

VI. COMMITTEE TIMETABLE

The major activities of the HRCC will be outlined in an annual schedule.

VI. ENBRIDGE INC. HUMAN RESOURCES & COMPENSATION COMMITTEE 2010 TIMETABLE			
DATE ⁽¹⁾	LOCATION	TIME ⁽²⁾	PROPOSED AGENDA
February 2	Calgary	11:30 a.m.	<ul style="list-style-type: none"> • 2009 Business Results • Performance review for CEO for past year • 2010 Corporate Performance Measures approved • Approval of the Executive Compensation Disclosure for the Management Information Circular ("MIC") • Compensation Program Recommendations and Approval: <ul style="list-style-type: none"> • CEO and direct reports' incentive awards and current year compensation • Incentive Program awards (STI, Stock Options, PSU's and RSU's) • Approve CEO's 2010 performance targets and annual objectives
May 4	Calgary	11:30 a.m.	<ul style="list-style-type: none"> • Pension Plan Recommendation and Approval • Annual Pension Funds Report • STIP Performance Update • PSU Performance Update • Out of Cycle Grants
July 27	Calgary	11:30 a.m.	<ul style="list-style-type: none"> • Review Workforce planning status • Review CEO succession planning • Next year's Meeting Schedule and Agenda • STIP Performance Update • PSU Performance Update • Out of Cycle Grants
November 2	Calgary	11:30 a.m.	<ul style="list-style-type: none"> • 2011 Salary Increase Budget • STIP Performance Update • PSU Performance Update • Out of Cycle Grants • Succession Planning – ELT positions • Review Committee's Terms of Reference
December	Calgary	9:00 a.m.	<ul style="list-style-type: none"> • Meeting will be held if required

1. Dates noted are approximate and will be determined in a complete annual schedule for each year circulated and approved in the preceding year, and adjusted as required.

2. Enbridge Inc. – Standard Times to avoid schedule conflicts for Board and Committee Meetings

Committee Meetings	Standard Time
Audit, Finance & Risk Committee Meeting	8:00 a.m. – 11:00 a.m.
Human Resources & Compensation Committee Meeting	11:30 a.m. – 1:00 p.m.
Governance Committee Meeting	1:00 p.m. – 2:00 p.m.
Corporate Social Responsibility Committee Meeting	2:00 p.m. – 3:00 p.m.
Enbridge Inc. Board Meeting	3:00 p.m. – 6:00 p.m. (on committee meeting day) 8:00 a.m. – 12:00 p.m. (following day)
Enbridge Pipelines Inc. Board Meeting	If required

**ENBRIDGE INC.
MANAGER, PENSION AND BENEFITS
TERMS OF REFERENCE**

Constitution

1. There shall be a position known as the Manager, Pension and Benefits (the "MPB") appointed by the senior management of Enbridge Inc. ("EI"). The MPB shall report directly to the Director, Total Compensation and shall also be accountable to the Pension Committee of EI (the "Committee").

Purpose / Mission

2. The MPB's mandate is to manage all of the pension and savings Plans (collectively or individually a "Plan" or "Plans") sponsored by Enbridge Inc. and affiliates ("Enbridge") and to monitor and provide advice in respect of similar Enbridge Plans outside of Canada with a primary view to formulating recommendations to the Committee in respect of Plan design and administration. The MPB shall also advise the Committee and the Pension Administration Committees¹ (the "PACs") on issues of plan governance, financing, compliance, and other related matters.

General Fiduciary Responsibilities

3. The MPB's mandate extends to certain activities, as described in these Terms of Reference, undertaken by the MPB on behalf of the sponsors of the Plans. The pension plan sponsors themselves have dual roles in respect of the Plans: namely, a role as administrator of the pension plan pursuant to applicable laws, which role entails fiduciary duties, and a role as employer under the pension plan, which role does not entail fiduciary duties. When acting on behalf of the sponsors, therefore, it is recognized that the MPB also has dual roles, and is therefore acting as a fiduciary when it is undertaking an activity related to the sponsors' role as administrator of a pension plan, but is not acting as a fiduciary when it is undertaking an activity related to the sponsors' role as employer under a pension plan.
4. In its fiduciary role, the MPB's responsibilities include:²
 - a. treating members and beneficiaries impartially,
 - b. acting with the care, skill and diligence of a prudent person,
 - c. interpreting the plan terms impartially and in good faith,
 - d. preventing personal interests from conflicting with those of the plan, and
 - e. ensuring, within the scope of its authority, that members and beneficiaries receive promised benefits under the terms and conditions of the plans.

¹ There is a PAC for each of Enbridge's major business units: Enbridge Gas Distribution Inc., Enbridge Pipelines Inc., and Enbridge Employee Services Inc.

² See Principle #1 of the *Pension Plan Governance Guidelines*, issued by the Canadian Association of Pension Supervisory Authorities, in October 2004.

Duties and Responsibilities

5. These terms of reference have been prepared to define the MPB's responsibilities with respect to the Plans, and form part of the formal pension governance structure of the Plans. A detailed job description has also been developed for corporate purposes, and may contain additional responsibilities and details.
6. The MPB shall serve as a member and secretary on the PACs.

Plan Design and Administration

7. The MPB shall:
 - a. Assist the PACs in preparing submissions and recommendations to the Committee concerning Plan design, benefit changes, and administration.
 - b. Prepare submissions and recommendations to the HRCC concerning benefit design and administration of the Supplemental Executive Retirement Plan, the Senior Supplemental Executive Retirement Plan and the Enbridge Supplemental Pension Plan (the "Executive Plans").
 - c. Oversee implementation of Plan amendments of both material and non-material natures and ensure that approvals for such amendments are obtained.
 - d. Review the administration of the Plans with the PACs and with respect to the Executive Plans, the HRCC and confirm that administration is performed in compliance with Plan documents, policies, and legal requirements.
 - e. Bring to the attention of the appropriate PACs matters concerning the interpretation of Plan provisions arising in the course of the administration of their respective Plans.

Plan Financing / Benefit Security

8. The MPB shall:
 - a. Provide input and advice to the Manager, Pension Investments (MPI) regarding the Funding Policy Statements for the Plans, when requested.
 - b. With the Plan actuary, present the actuarial valuations reports for the Plans to the PACs and the Committee:
 - c. With the Plan actuary, recommend to the PACs and the Committee:
 - i. Actuarial methods and assumptions used by the actuary;
 - ii. The filing of actuarial valuation reports for regulatory purposes.
 - d. With the Manager, Pension Investments recommend to each of the PACs the level of pension fund contributions for their respective Plans, based on the recommendations of the Plan actuary, and the guidelines set out in the Funding Policy Statement.

Plan Asset Management

9. The MPB shall:

- a. Review and recommend policy guidelines to the PACs in connection with education and communication for members of the Plans.
- b. Periodically report to the Committee and the PACs on the status of investment education initiatives for Plan members.

Control, Compliance & Reporting

10. The MPB shall:

- a. Assist the MPI in preparing an annual report on the funded position and investment performance of the Plans.
- b. Assist accounting staff in preparing Plan financial statements, and external financial auditors in conducting their audits.
- c. File reports and material as necessary to ensure regulatory compliance.
- d. Provide input and advice to the MPI on the delegation of signing authorities for the Plans, when requested.
- e. Review internal audit reports pertaining to the Plans and/or the pension function and advise the Committee of the results. When directed by the Committee, assist in the implementation of internal audit recommendations.
- f. Review and present to each of the PACs periodic reports that assess the extent to which the administration of their respective Plans are in compliance with Plan documents, policies, and applicable legislation.

Governance

11. The MPB shall

- a. Prepare and recommend to the Committee policies pertaining to the governance of the Plans, including, but not limited to:
 - i. the Monitoring and Reporting Policy; and
 - ii. the Fiduciary Education Policy.
- b. Provide input and advice to the MPI in the preparation of the terms of reference for the Plans' fiduciaries, and any amendments thereto.
- c. Implement the fiduciary education program for the Plans' fiduciaries.
- d. Assist the MPI with any governance reviews performed in connection with the Plans.

Service Providers

12. The MPB shall:

- a. As needed, recommend to the PACs the following service providers:
 - i. External auditors;
 - ii. Legal advisors;
 - iii. Actuarial / benefit consultants; and
 - iv. DC record keepers.
- b. Recommend to the Committee Chair contracts and mandates for the service providers listed in subparagraph (a) above, and will seek advice and review from legal counsel as necessary.
- c. Supervise and coordinate the service providers listed in subparagraph (a) above.
- d. Periodically review the performance of service providers listed in subparagraph (a) above and present the findings of such reviews to the Committee.

Review and History

- 13. These terms of reference shall be reviewed at least every three (3) years, to ensure they remain current and appropriate.
- 14. The Pension Committee adopted these terms of reference on August 25, 2000.
The Pension Committee last amended these terms of reference on September 28, 2007.

**ENBRIDGE INC.
MANAGER, PENSION INVESTMENTS
TERMS OF REFERENCE**

Constitution

1. There shall be a position known as the Manager, Pension Investments (the "MPI") appointed by the senior management of Enbridge Inc. ("EI"). The MPI shall report directly to the Vice President, Controller (EI) and shall also be accountable to the Pension Committee of EI (the "Committee").

Purpose / Mission

2. The MPI's mandate is to manage the assets of the pension and savings plans (collectively or individually referred to as the "Plan" or "Plans") sponsored by Enbridge Inc. and affiliates ("Enbridge"), including developing and recommending investment policies and strategies. The MPI shall also advise the Committee and the Pension Administration Committees¹ (the "PACs") on issues of Plan governance, financing, and compliance matters.

General Fiduciary Responsibilities

3. The MPI's mandate extends to certain activities, as described in these Terms of Reference, undertaken by the MPI on behalf of the sponsors of the Plans. The pension plan sponsors themselves have dual roles in respect of the Plans: namely, a role as administrator of the pension plan pursuant to applicable laws, which role entails fiduciary duties, and a role as employer under the pension plan, which role does not entail fiduciary duties. When acting on behalf of the sponsors, therefore, it is recognized that the MPI also has dual roles, and is therefore acting as a fiduciary when it is undertaking an activity related to the sponsors' role as administrator of a pension plan, but is not acting as a fiduciary when it is undertaking an activity related to the sponsors' role as employer under a pension plan.
4. In its fiduciary role, the MPI's responsibilities include:²
 - a. treating members and beneficiaries impartially,
 - b. acting with the care, skill and diligence of a prudent person,
 - c. interpreting the plan terms impartially and in good faith,
 - d. preventing personal interests from conflicting with those of the plan, and
 - e. ensuring, within the scope of its authority, that members and beneficiaries receive promised benefits under the terms and conditions of the plans.

¹ There is a PAC for each of Enbridge's major business units: Enbridge Gas Distribution Inc., Enbridge Pipelines Inc., and Enbridge Employee Services Inc.

² See Principle #1 of the *Pension Plan Governance Guidelines*, issued by the Canadian Association of Pension Supervisory Authorities, in October 2004.

Duties and Responsibilities

5. These terms of reference have been prepared to define the MPI's responsibilities with respect to the Pension Plans, and form part of the formal pension governance structure of the Pension Plans. A detailed job description has also been developed for corporate purposes, and may contain additional responsibilities and details.
6. The MPI shall act as secretary to the Pension Committee, arranging meetings, and preparing agendas and minutes.

Plan Design and Administration

7. The MPI shall provide input and advice to the Director, Pensions & Benefits (DPB), when requested, regarding proposed changes in the design, benefit provisions, and text of the Plans.

Plan Financing / Benefit Security

8. The MPI shall:
 - a. Develop and recommend to the Committee the Funding Policy Statements for the Plans.
 - b. Provide input and advice to the DPB, when requested, in connection with:
 - i. Actuarial valuation reports prepared for the Plans,
 - ii. Actuarial methods and assumptions used by the actuary; and
 - iii. The filing of actuarial valuation reports for regulatory purposes.
 - c. With the DPB, recommend to each of the PACs the level of pension fund contributions for their respective Plans, based on the recommendations of the Plan actuary, and the guidelines set out in the Funding Policy Statement.

Plan Asset Management

9. The MPI shall recommend to the Pension Committee:
 - a. The Statement of Investment Policies and Procedures (SIP&P) for each Plan, and any subsequent amendments;
 - b. Other investment policies, as necessary, and review such on a periodic basis;
 - c. The investment manager structure for each of the Plans, including the number of managers per asset class, the manager styles to be used, and the allocation of assets among managers; and
 - d. The appointment, and if necessary, the termination of investment managers.

10. The MPI shall:

- a. Implement the investment policies and management structure for each Plans;
- b. Develop investment mandates, and negotiate investment management agreements with each manager;
- c. Monitor Plan assets and instruct investment managers and custodians as required to ensure investments are in compliance with policies and guidelines;
- d. Regularly review the performance of individual investment managers, and report to the Pension Committee any concerns regarding manager performance, recommending replacements as necessary;
- e. Prepare quarterly investment performance reports for each Plans, and present them to the Pension Committee;
- f. Review the SIP&Ps on an annual basis, and identify any necessary changes;
- g. Provide input and advice to the DPB on policy guidelines for investment education and communication for members of the Plans; and
- h. Coordinate asset liability studies for the Plans, as needed, and present the results to the Committee.

Control, Compliance & Reporting

11. The MPI shall prepare and present to the Pension Committee:

- a. An annual report on the funded position and investment performance of the Plans.
- b. An annual funding policy compliance report that confirms compliance with the funding policy of each Plan.

12. The MPI shall prepare and recommend to the Pension Committee:

- a. The corporate accounting plan assumptions.
- b. The delegation of signing authority for the Plans.

13. The MPI shall:

- a. Assist accounting staff in preparing Plan financial statements and external financial auditors in conducting their audits.
- b. Assist the DPB in filing reports and material as necessary to ensure regulatory compliance.
- c. Assist each PAC in reviewing the annual financial statements of their respective Plans, and the accompanying auditor reports.

- d. Review internal audit reports pertaining to the Plans and/or the investment of Plan assets, and advise the Committee of the results. When directed by the Committee, assist in the implementation of internal audit recommendations.
- e. Assist the Director, Pensions & Benefits in the preparation of periodic reports that assess the extent to which the administration of the Plans are in compliance with Plan documents, policies, and applicable legislation.

Governance

14. The MPI shall:

- a. Develop and recommend to the Committee terms of reference for the Plans' fiduciaries, and any amendments thereto. Seek input from the PACs with regards to their respective terms of reference.
- b. Provide input and advice to the DPB in the preparation of policies pertaining to the governance of the Plans, including, but not limited to:
 - i. the Monitoring and Reporting Policy; and
 - ii. the Fiduciary Education Policy.
- c. Implement the fiduciary education program for the Plans' fiduciaries.
- d. Coordinate governance reviews for the Plans, as needed, and present the results to the Committee.

Service Providers

15. The MPI shall:

- a. As needed, review and recommend to the Committee the following service providers:
 - i. Investment managers;
 - ii. Investment consultants;
 - iii. Custodians;
 - iv. Performance measurement service providers;
 - v. DC record keepers; and
 - vi. Other service providers as requested by the Committee.
- b. Recommend to the Chair of the Committee contracts and mandates for the service providers listed in subparagraph (a) above. Seek advice and review from legal counsel as necessary.
- c. Supervise and coordinate the service providers listed in subparagraph (a) above.
- d. Periodically review the performance of service providers listed in subparagraph (a) above and present the findings of such reviews to the Committee.

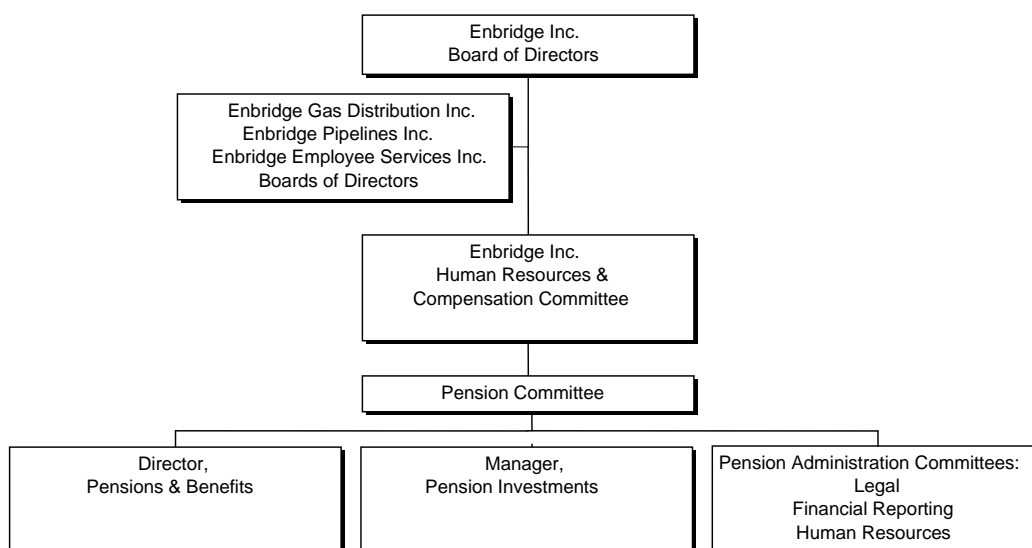
Review and History

- 16. These terms of reference shall be reviewed at least every three (3) years, to ensure they remain current and appropriate.
- 17. The Pension Committee adopted these terms of reference on August 25, 2000.
The Pension Committee last amended these terms of reference on September 28, 2007.

**ENBRIDGE INC.
PENSION AND SAVINGS PLANS
ROLES AND RESPONSIBILITIES SUMMARY**

The “Roles and Responsibilities Summary” illustrates in tabular form the governance structure of the Enbridge Inc. Pension and Savings Plans.

The summary illustrates the delegation of authority from the governing fiduciaries (the Board, the affiliate boards, and the Human Resources and Compensation Committee (HRCC)), to the managing fiduciaries (the Pension Committee), through to the operating fiduciaries (the Pension Administration Committees (PACs), the Director, Pension & Benefits, and the Manager, Pension Investments). It also outlines which fiduciaries receive specific documents and reports for review and/or approval. The relationship of the fiduciary bodies is illustrated below:



This is only a summary of the pension governance structure. The pension governance structure is documented in the Board Guidelines, and in the terms of reference of the HRCC, the Pension Committee, the Pension Administration Committees, and pension staff.

The following terms and definitions are provided to assist in the interpretation of this summary.

“Approve”	To pass final decision on a recommendation or a document (such as a policy or report)
“Accept”	To formally acknowledge the findings in a report, as prepared by pension staff or an independent third party (e.g., auditor, actuary).
“Recommend”	To develop, summarize, or aggregate relevant information into a recommendation or document, and recommend it to a specified party for approval.
“Present”	To develop, summarize, or aggregate relevant information in a report format and present it to a specified party for information purposes, or to be formally accepted.
“Advise”	To review and assess a recommendation or document, and provide advice or input to a specified party.
“Implement”	To implement a policy or the recommendations of a report, as directed by a senior party.
“Information”	To receive for information purposes, education, or awareness.

Note: Each of the following matters are to be reviewed on an as needed or periodic basis, unless stated otherwise.

	Governing Fiduciary	Managing Fiduciary	Operating Fiduciaries		
RESPONSIBILITY OF: ROLE:	HRCC	Pension Committee (PC)	Pension Administration Committees (PAC)	Director, Pensions & Benefits (DPB)	Manager, Pension Investments (MPI)
Plan Design and Administration					
1. Benefit Design and Provisions	Approve	Recommend to HRCC	Recommend to PC	Recommend to PAC	Advise DPB
2. Canadian Plan Amendments – material ¹	Approve	Recommend to HRCC	Recommend to PC	Recommend to PAC	
3. US Plan Amendments - material	EESI Board approves	Information	EESI PAC recommends to EESI Board	Recommend to EESI PAC	
4. Canadian Plan Amendments - non-material or required by legislation ²	Information	Approve	Recommend to PC	Recommend to PAC	
5. US Plan Amendments - non-material or required by legislation			EESI PAC approves	Recommend to EESI PAC	
6. Executive Plans	Approve			Recommend to HRCC	
7. Interpret plan provision if disputed		Approve	Recommend to PC	Recommend to PAC	
Plan Funding and Benefit Security					
8. Funding Policy Statement (reviewed at least once every 3 years)	Approve	Recommend to HRCC	Advise MPI	Advise MPI	Recommend to PC
9. Actuarial Methods & Assumptions (reviewed annually)	Information ³	Approve	Recommend to PC	Recommend to PAC	Advise DPB

¹ Material amendments are defined as those that increase (or decrease) plan benefits.

² The Pension Committee may approve non-material amendments to the Plans, which are defined as those that do not increase (or decrease) plan benefits. The Pension Committee may also approve amendments required to maintain the registration of the Plans under applicable laws. All such amendments shall be provided to the HRCC for information purposes.

³ Summary of actuarial assumptions is included in the Funding Policy Statement, which the HRCC reviews at least once every 3 years.

* Information to be included in the Annual Pension Report.

Note: Each of the following matters are to be reviewed on an as needed or periodic basis, unless stated otherwise.

	Governing Fiduciary	Managing Fiduciary	Operating Fiduciaries		
RESPONSIBILITY OF: ROLE:	HRCC	Pension Committee (PC)	Pension Administration Committees (PAC)	Director, Pensions & Benefits (DPB)	Manager, Pension Investments (MPI)
10. Actuarial Valuation Reports (reviewed annually)	Information*	Accept	Present to PC	Present to PAC	Advise DPB
11. Decision to file Actuarial Valuations (at least once every 3 years)	Information*	Approve	Recommend to PC	Recommend to PAC	Advise DPB
12. Pension fund contributions (reviewed annually)	Information*	Approve	Recommend to PC	Recommend to PAC	
13. Funding Policy Compliance Report (reviewed annually)	Information*	Accept*	Information*	Information*	Present to PC
Plan Asset Management					
14. Statement of Investment Policies & Procedures (reviewed annually)	Approve	Recommend to HRCC	Advise MPI (US Savings Plan) ⁴		Recommend to PC
15. Other Investment Policies	Information	Approve	Advise MPI (US Savings Plan) ⁴		Recommend to PC
16. Investment Manager Structure		Approve	Advise MPI (US Savings Plan) ⁴		Recommend to PC
17. DC Member Education Policy		Approve	Recommend to PC	Recommend to PAC	Advise DPB
18. Asset liability studies		Accept			Present to PC
19. Selection of investment managers	Information	Approve	Advise MPI (US Savings Plan) ⁵		Recommend to PC
20. Investment performance and policy compliance reports	Information* (annually)	Accept (quarterly)			Present to PC

⁴ The Enbridge Employee Services Inc. PAC will review all related materials or recommendations for the US Savings Plan only, and provide comments or advice to the Manager, Pension Investments.

⁵ The Enbridge Employee Services Inc. PAC will review all recommendations regarding the appointment of investment managers for the US Savings Plan only, and provide comments or advice to the Manager, Pension Investments.

* Information to be included in the Annual Pension Report.

Note: Each of the following matters are to be reviewed on an as needed or periodic basis, unless stated otherwise.

	Governing Fiduciary	Managing Fiduciary	Operating Fiduciaries		
RESPONSIBILITY OF: ROLE:	HRCC	Pension Committee (PC)	Pension Administration Committees (PAC)	Director, Pensions & Benefits (DPB)	Manager, Pension Investments (MPI)
21. Investment manager reviews (ongoing)		Information (as needed)			Prepare
Control, Compliance and Reporting					
22. Annual Pension Report (prepared annually)	Information	Accept	Information*	Advise MPI	Present to PC
23. Audited Financial Statements (prepared annually)	AFRC Approves	Recommend to AFRC	Recommend to PC		Advise PAC
24. Audited Financial Statements for US Health and Welfare Plan and Savings Plan (prepared annually)	EESI Board approves	Information	EESI PAC recommends to EESI Board		Advise EESI PAC
25. Plan Assumptions for corporate accounting (reviewed annually)		Approve	Recommend to PC		Advise PAC
26. Delegation of signing authority		Approve	Advise MPI	Advise MPI	Recommend to PC
27. Internal audit reports	Information	Accept	Advise PC	Advise PC	Advise PC
28. Internal audit reports – implement recommendations		Information	Implement	Implement	Implement
29. Administrative & Regulatory Compliance Report	Information*	Accept	Present to PC	Present to PAC	Advise DPB
Governance					
30. Terms of Reference for the Pension Committee	Approve	Recommend to HRCC	Advise MPI	Advise MPI	Recommend to PC
31. Terms of Reference for PAC and pension staff		Approve	Advise MPI	Advise MPI	Recommend to PC
32. Monitoring and Reporting Policy	Approve	Recommend to HRCC	Advise DPB	Recommend to PC	Advise DPB

Note: Each of the following matters are to be reviewed on an as needed or periodic basis, unless stated otherwise.

	Governing Fiduciary	Managing Fiduciary	Operating Fiduciaries		
RESPONSIBILITY OF: ROLE:	HRCC	Pension Committee (PC)	Pension Administration Committees (PAC)	Director, Pensions & Benefits (DPB)	Manager, Pension Investments (MPI)
33. Fiduciary Education Policy		Approve	Advise DPB	Recommend to PC	Advise DPB
34. Fiduciary Education Program			Advise DPB & MPI	Implement	Implement
35. Governance Reviews	Approve	Recommend to HRCC	Advise MPI	Advise MPI	Recommend to PC
Service Providers					
36. Appoint or terminate service providers for the Plans:					
a) External Auditors		Approve/ Accept ⁶	Recommend to PC	Recommend to PAC	
b) Legal advisors				Approve ⁷	Approve ⁷
c) Actuarial/Benefit Consultants		Approve	Recommend to PC	Recommend to PAC	
d) Investment consultants		Approve			Recommend to PC
e) Custodians		Approve			Recommend to PC
f) Performance measurement service providers		Approve			Recommend to PC
g) DC Record keepers		Approve	Advise MPI	Advise MPI	Recommend to PC
h) Investment managers	Information	Approve	Advise MPI (US Savings Plan) ⁸		Recommend to PC
i) Other service providers		Approve		Recommend to PC, as appropriate	

⁶ The Pension Committee may accept the appointment of the corporate auditor, or approve the appointment of an independent external auditor.

⁷ In coordination with corporate legal counsel.

⁸ The Enbridge Employee Services Inc. PAC will review all recommendations regarding the appointment of investment managers for the US Savings Plan only, and provide comments or advice to the Manager, Pension Investments.

Note: Each of the following matters are to be reviewed on an as needed or periodic basis, unless stated otherwise.

	Governing Fiduciary	Managing Fiduciary	Operating Fiduciaries		
RESPONSIBILITY OF: ROLE:	HRCC	Pension Committee (PC)	Pension Administration Committees (PAC)	Director, Pensions & Benefits (DPB)	Manager, Pension Investments (MPI)
j) Investment manager mandates and service provider contracts		Chair to approve & sign		Recommend to PC Chair, as appropriate ⁹	
37. Service provider performance review		Accept	Advise MPI or DPB	Conduct reviews and present to PC	

U.S. Plans

The entities are to perform tasks as noted above with respect to the U.S. Plans except that the task of "Approve" in each case shall be modified to be "Approve recommendation to the Board of Enbridge Employee Services Inc. or its delegate."

Governance Objectives

The governance objectives for the Plans are as follows:

1. To ensure that the Plans are administered in accordance with the Plan text, corporate policies and relevant legislation;
2. To ensure that the Plans are administered in a manner consistent with the fiduciary duties imposed on the Plan administrator by law.

To ensure that these objectives are met, the governance structure and practices of the Plans will be reviewed on a regular basis (e.g., every 3 to 5 years).¹⁰

Document History

- Adopted by the Human Resources and Compensation Committee on November 6, 2007.¹¹

⁹ Party to review and recommend contracts or mandates is determined in accordance with items (a) to (i) above. Contracts and mandates to be reviewed by legal counsel, as appropriate.

¹⁰ Documenting the Plan's governance objectives is recommended in the *Pension Plan Governance Guidelines*, issued by the Canadian Association of Pension Supervisory Authorities.

¹¹ This document was formerly part of the Pension Committee Terms of Reference.

UNDERTAKING J1.6

UNDERTAKING

Transcript Volume 1, page 141

To provide the performance of the plan benchmarked with asset performance over 10 years, identifying differences from BNY Mellon Benchmarking.

RESPONSE

Please see attached for BNY Mellon report. Included in this report are:

- Annual performance of the EGD RPP for years 2002-2011
- 4 year, 5 year, and 10 year horizon performance

Both charts compare the RPP performance against the EGD benchmark (see below for explanation of what benchmark includes) and the total BNY Mellon universe of clients.

The EGD RPP benchmark returns are determined assuming that the plan assets were invested passively based on the policy asset mix for the plan (e.g., the return on the Canadian equity allocation is equal to the return on the TSX Composite index).

The comparator group provided in Board Staff interrogatory #5, at Exhibit I, Tab 1, Schedule 5 is the companies on the TSX composite index with pension assets between \$100 million and \$2 billion. The comparator group in the BNY Mellon document is based on their universe of clients. The comparison against the benchmark returns is a more appropriate comparison than either of these peer comparisons because it reflects the investment policy of the EGD fund, whereas the peer comparisons involve comparisons across plans with different asset mixes.

Note that the EGD RPP returns per the BNY Mellon report differ from the returns provided in Board Staff interrogatory #5 as the returns in the BNY Mellon report are gross of investment and administration fees.

Looking at the annualized performance returns, the returns on the EGD RPP outperformed the benchmark in seven out of the ten years. It also shows that the EGD returns met or exceeded the median return of the BNY Mellon universe of clients in seven of the ten years (which is of less importance than the comparison against the benchmark).

Witnesses: S. Kancharla
A. Patel
Mercer

Over the ten year period ending December 31, 2011, the plan's investment performance was above the EGD benchmark and out-performed 75% of the BNY Mellon universe. This shows the strength of EGD pension plan investment performance over the long term.

Witnesses: S. Kancharla
A.Patel
Mercer



BNY MELLON
ASSET SERVICING

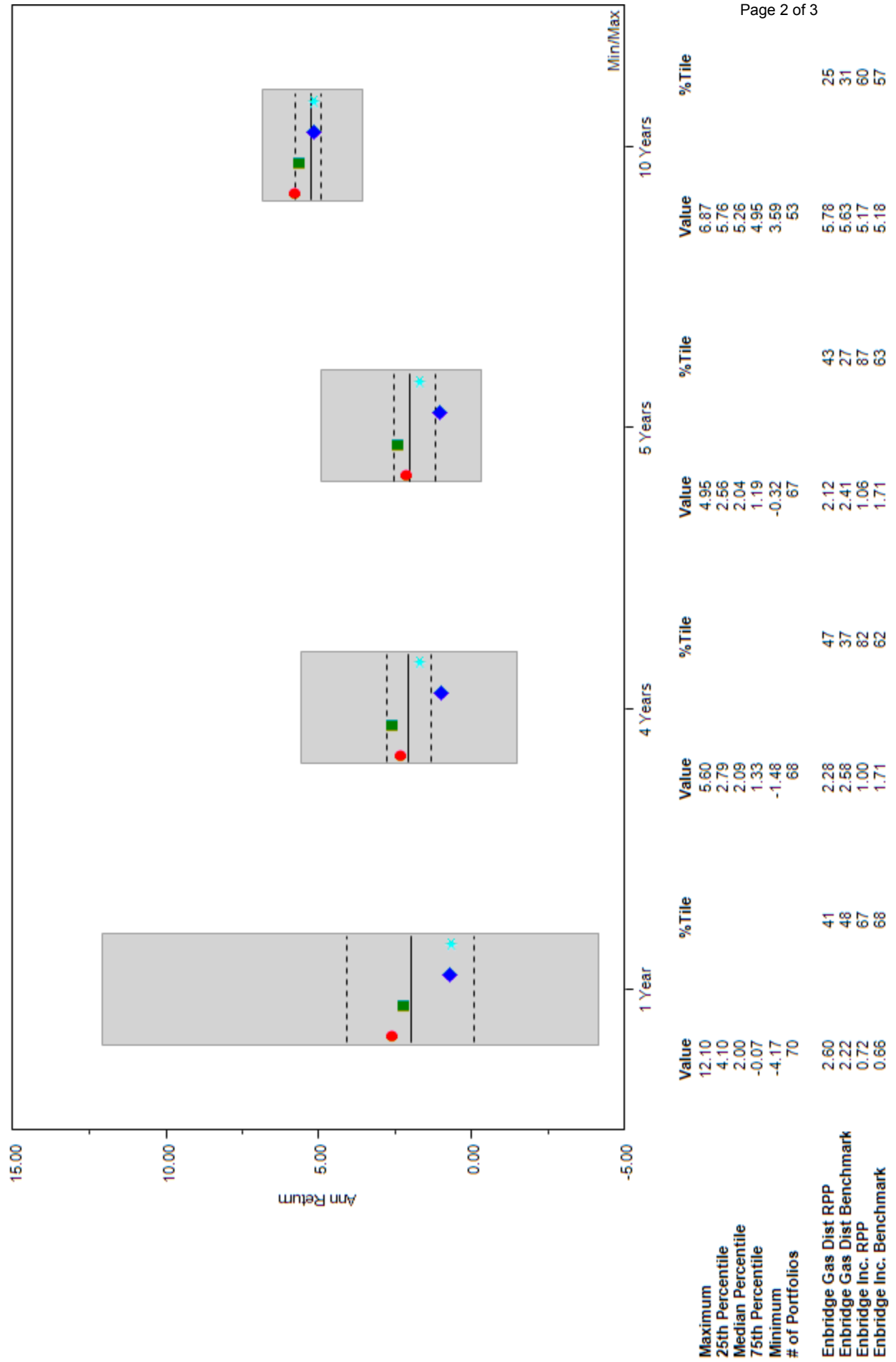


Universe Data 2011



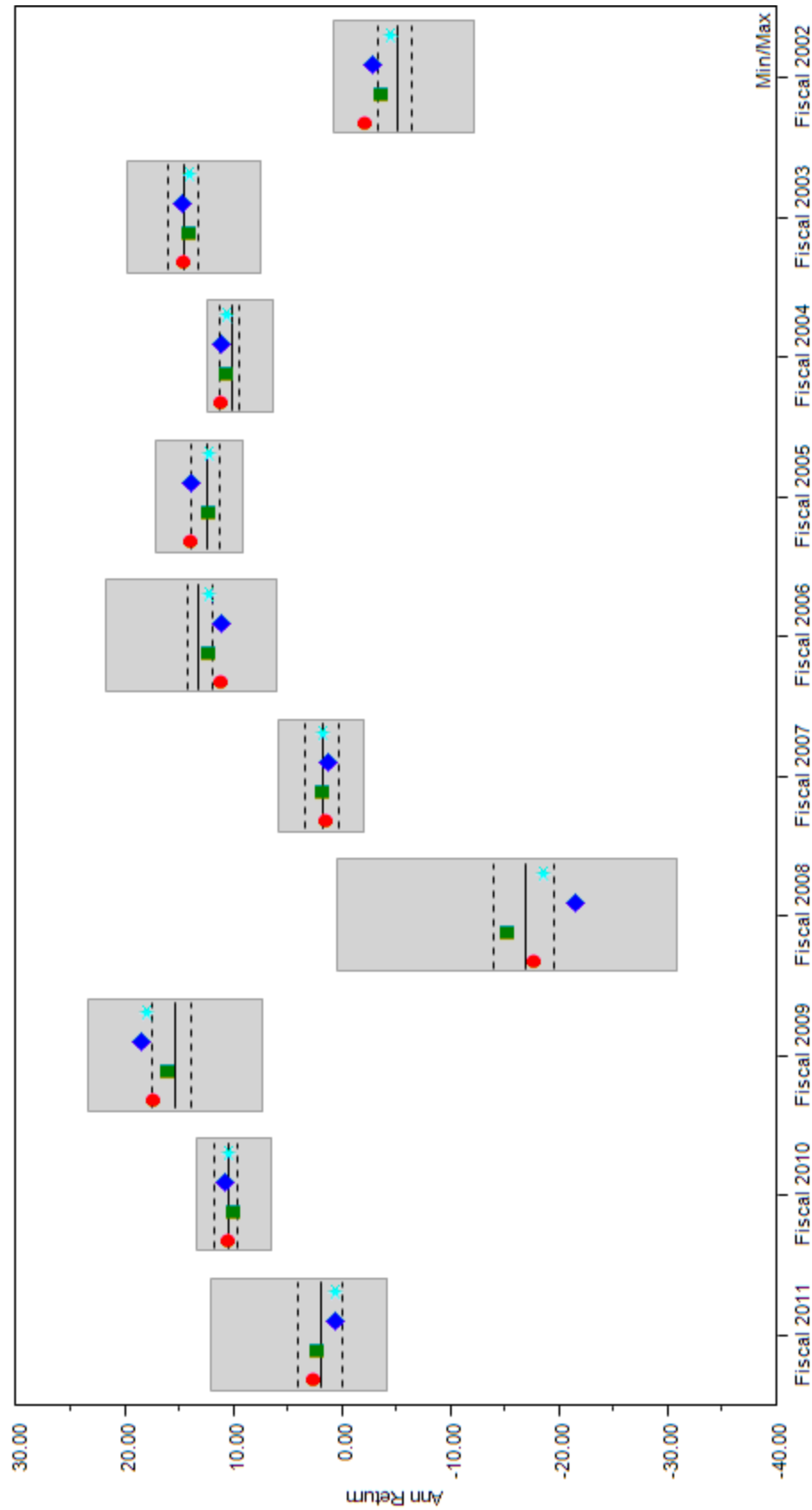
Enbridge Inc.

Canadian Master Trust - Total Fund (CAD) - Quarterly
As of December 31, 2011
Quartile - Annualized Returns



Universe Source: The Bank of New York Mellon Corporation; Universe Status: Preliminary

Canadian Master Trust - Total Fund (CAD) - Quarterly As of December 31, 2011 Quartile



	Fiscal 2011	Fiscal 2010	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2003	Fiscal 2002
Value	12.09	13.43	23.43	0.44	5.93	21.77	17.17	12.44	19.91	0.87
%Tile	41	50	27	58	58	90	26	27	50	19
Maximum	2.60	10.47	17.37	-17.73	1.48	11.16	13.87	11.18	14.64	-2.15
25th Percentile	2.22	10.06	16.12	-15.24	1.73	12.23	12.37	10.62	14.13	-3.58
Median Percentile	0.72	10.84	18.58	-21.41	1.32	11.16	13.97	11.13	14.79	-2.83
75th Percentile	0.66	10.53	17.95	-18.45	1.73	12.23	12.37	10.62	14.13	-4.35
Minimum	-4.17	6.54	7.41	-30.75	-1.89	6.06	9.22	6.43	7.58	-12.21
# of Portfolios	70	70	68	68	67	67	65	62	57	53

Performance & Risk Analytics BNY Mellon Canada Trust Universes



BNY Mellon Canada Trust Universes is one of the premier fund-level, peer comparison service available in the marketplace. Fund sponsors, consultants and others will find our Trust Universes invaluable for making valid and relevant peer group comparisons of performance and asset allocation results.

The Trust Universes are comprised of observations from our substantial client base of Canadian fund sponsors. These universes are available on both a monthly and quarterly basis.

Highlights and Features

- Access to a broad market peer group for unbiased and relevant peer comparisons.
- Total-fund and asset class performance universes based on sponsor type (university, foundation & endowment), and fund size.
- Meticulous standards and methodologies are used to create universes that are diverse, complete, unbiased, and objective.
- Asset allocation range, average, and median data for each trust universe category is published, assisting clients to gain insight into how allocation decisions compared to the relative peer group and contributed to the overall fund performance results.
- Asset class level peer group performance results are available for Total Equity, Canadian Equity, Non-Canadian Equity, U.S. Equity, Non-North American Equity, Fixed Income, and Real Estate asset classes.
- We maintain and publish the Trust Universe results.

Categories

All Master Trusts

- Total Fund
 - Total Equity
 - Canadian Equity
 - Non-Canadian Equity
 - US Equity
 - Non-North American Equity
 - Fixed Income
 - Real Estate

Master Trusts greater than \$1 Billion

- Total Fund
 - Total Equity
 - Canadian Equity
 - Non-Canadian Equity
 - US Equity
 - Non-North American Equity
 - Fixed Income
 - Real Estate

Master Trusts greater than \$500 Million

- Total Fund
 - Total Equity
 - Canadian Equity
 - Non-Canadian Equity
 - US Equity
 - Non-North American Equity
 - Fixed Income
 - Real Estate

Master Trusts less than \$500 Million

- Total Fund
 - Total Equity
 - Canadian Equity
 - Non-Canadian Equity
 - US Equity
 - Non-North American Equity
 - Fixed Income
 - Real Estate

University Master Trusts

- Total Fund

Foundation & Endowments Master Trusts

- Total Fund