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Enbridge
200, 425 – 1st Street SW
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Canada

April 29, 2019 **E-FILED**

National Energy Board
Suite 210, 517 – 10th Avenue SW
Calgary, AB T2R 0A8

Attention: Ms. Sheri Young, Secretary of the Board

Dear Ms. Young,

Re: Land Matters Consultation Initiative – MH-001-2013 Reasons for Decision
Enbridge Pipelines Inc., Enbridge Pipelines (NW) Inc., Enbridge Bakken Pipeline Company Inc. on behalf of Enbridge Bakken Pipeline Limited Partnership, Express Pipeline Ltd., Niagara Gas Transmission Limited, 2193914 Canada Limited, Southern Lights GP Inc. on behalf of Enbridge Southern Lights LP and Vector Pipeline Limited on behalf of Vector Pipeline Limited Partnership (together, the "Enbridge Entities")
Audited Financial Statements and Appendix XV Reporting forms

Pursuant to the National Energy Board ("NEB") MH-001-2013 Reasons for Decision ("MH-001-2013"), please find enclosed for filing the 2018 audited financial statements for each of the following pipeline abandonment trusts:

- Enbridge Pipelines Inc. Abandonment Trust;
- 2193914 Canada Limited Pipeline Abandonment Trust;
- Enbridge Bakken Pipeline Limited Partnership Abandonment Trust;
- Express Pipeline Ltd. Abandonment Trust;
- Niagara Gas Transmission Limited Abandonment Trust;
- Enbridge Pipelines (NW) Inc. Abandonment Trust;
- Enbridge Southern Lights LP Abandonment Trust; and
- Vector Pipeline Limited Partnership Abandonment Trust.

In addition, pursuant to MH-001-2013 and the NEB letter dated 11 January 2017 please find enclosed for filing the following 2018 Appendix XV reporting forms:

- Enbridge Pipelines Inc. – The Canadian Mainline System (including Line 8);
- Enbridge Pipelines Inc. – Line 9;
- 2193914 Canada Limited;
- Enbridge Bakken Pipeline Company Inc. on behalf of Enbridge Bakken Pipeline Limited Partnership;
- Express Pipeline Ltd.;
- Niagara Gas Transmission Limited;
- Enbridge Pipelines (NW) Inc.;

- Enbridge Southern Lights GP Inc. on behalf of Enbridge Southern Lights LP; and
- Vector Pipeline Limited on behalf of Vector Pipeline Limited Partnership.

The Enbridge Entities will be making the financial information attached to this letter publicly available by posting the information to their websites by May 8, 2019. Interested parties and landowners will (if they have not already been) be advised of where to locate that information.

If you have any questions regarding this filing, please contact the writer at (780) 420-5353 or michael.hrynchyshyn@enbridge.com.

Sincerely,

/Michael J. Hrynchyshyn/

Michael J. Hrynchyshyn
Technical Director - Regulatory Services

Attachments

VECTOR PIPELINES ABANDONMENT TRUST

Financial Statements

December 31, 2018

Independent auditor's report

To the Enbridge Pipeline Abandonment Trust Executive Committee

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets of Vector Pipelines Abandonment Trust (the Trust) as at December 31, 2018 and 2017, and results of its operations and changes in its net assets for the years then ended in accordance with accounting principles generally accepted in the United States of America (US GAAP).

What we have audited
The Trust's financial statements comprise:

- the Statements of Net Assets as at December 31, 2018 and 2017;
- the Statements of Operations and Changes in Net Assets for the years then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with US GAAP, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

PricewaterhouseCoopers LLP
111 5 Avenue SW, Suite 3100, Calgary, Alberta, Canada T2P 5L3
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In preparing the financial statements, management is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Calgary, Alberta
March 13, 2019

VECTOR PIPELINES ABANDONMENT TRUST
Statements of Net Assets

December 31,	**2018**	2017
(thousands of Canadian dollars)		
Assets		
Cash	**21**	-
Contributions receivable	**21**	16
Interest receivable	**2**	1
Investments, at fair value *(cost was \$624 and \$525 as at December 31, 2018 and 2017, respectively) (Note 5)*	**613**	508
Deferred income tax assets *(Note 8)*	**1**	2
	658	527
Liabilities		
Payables and accrued liabilities *(Note 6)*	**15**	51
	15	51
Net assets	**643**	476

The accompanying notes are an integral part of these financial statements.

VECTOR PIPELINES ABANDONMENT TRUST
Statements of Operations and Changes in Net Assets

Year ended December 31,	**2018**	2017
(thousands of Canadian dollars)		
Investment Income		
Interest income	**19**	14
Change in fair value of investments		
Realized loss on investments	**(4)**	(1)
Unrealized gain (loss) on investments	**7**	(2)
	22	11
Administration Fees		
Trustee	**11**	13
Audit fees	**13**	12
	24	25
Loss before tax	**(2)**	(14)
Income tax recovery/(expense) *(Note 8)*	**(1)**	-
Loss resulting from operations	**(3)**	(14)
Contributions	**170**	177
Changes in net assets during the year	**167**	163
Net assets, beginning of year	**476**	313
Net assets, end of year	**643**	476

The accompanying notes are an integral part of these financial statements.

1. DESCRIPTION OF THE TRUST

The following description of the Vector Pipelines Abandonment Trust (the Trust) is a summary only.

General
The Trust is a Qualifying Environmental Trust established by Vector Pipeline Limited Partnership (the Partnership), also known as the Beneficiary, as per the Income Tax Act (Canada), for the Partnership to collect and set aside funds from shippers and for the Trust to invest such funds to cover estimated future pipeline abandonment costs for all National Energy Board (NEB) regulated Canadian pipelines that are operated by the Partnership. The Trust is set up in accordance with NEB's regulatory order MH-001-2013 Reasons for Decision dated May 29, 2014. The Trust is governed by its Trust Indenture (Trust Agreement) dated January 20, 2015, and it commenced operations on January 1, 2015.

The Trust assets are managed by investment managers in accordance with the Trust's Statement of Investment Policies and Procedures (SIPP).

The Canadian Imperial Bank of Commerce is the trustee and administrator of the Trust.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation
These financial statements are prepared in conformity with United States generally accepted accounting principles (US GAAP). The Trust is considered an investment company under US GAAP and follows the accounting and reporting guidance applicable to investment companies in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 946, Financial Services – Investment Companies (ASC 946).

Investment Transactions and Related Investment Income
Investment transactions are accounted for on a trade date basis. Realized gains and losses and movements in unrealized gains and losses are recognized in the Statements of Operations and Changes in Net Assets and determined on an average cost basis. Movements in fair value are recorded in the Statements of Operations and Changes in Net Assets at each valuation date.

Interest income is recorded on the accrual basis.

Realized Gains or Loss on Sale of Investments
The realized gain or loss on sale of investments is the difference between the net proceeds received and the average cost of the investment sold.

Financial Instruments Measured at Fair Value
The Trust's cash and investments are classified as financial instruments that are measured at fair value. Fair value is defined as the price that would be received to sell an asset or paid to settle a liability in a transaction between market participants at the measurement date. Transactions that have not been settled are reflected in the Statements of Net Assets as receivables or payables and accrued liabilities. Changes in fair value are recognized in the Trust's Statements of Operations and Changes in Net Assets.

Contributions Receivable
Contributions receivable are recorded to the extent that either services, on which abandonment charges are applied, have been rendered by the Partnership or amounts are otherwise due and receivable from the Partnership pursuant to the Trust agreement.

Receivables and Payables
All of the Trust's receivables and payables and accrued liabilities are measured at cost and approximate their fair value due to the short period to maturity.

Withdrawal Payments
Distributions or payments from the Trust to a Beneficiary for the reclamation obligation are restricted to the NEB's written approval.

Use of Estimates
The preparation of financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Taxation
The liability method of accounting for income tax is followed. Deferred income tax assets and liabilities are recorded based on temporary differences between the tax bases of the assets and liabilities and their carrying value for accounting purposes. Deferred income tax assets and liabilities are measured using the tax rate that is expected to apply when the temporary differences reverse. Any interest and or penalties incurred related to income tax is reflected in income tax. The Trust meets the requirements of a Qualifying Environmental Trust as defined in the Income Tax Act (Canada).

3. CHANGES IN ACCOUNTING POLICIES

ACCOUNTING POLICY CHANGES
Recognition and Measurement of Financial Assets and Liabilities
Effective January 1, 2018, we adopted ASU 2016-01 on a prospective basis. The new standard addresses certain aspects of recognition, measurement, presentation and disclosure of financial assets and liabilities. Investments in equity securities, excluding equity method and consolidated investments, are no longer classified as trading or available-for-sale (AFS) securities. All investments in equity securities with readily determinable fair values are classified as investments at fair value through net income. Investments in equity securities without readily determinable fair values are measured using the fair value measurement alternative and are recorded at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for an identical or similar investment of the same issuer. Investments in equity securities measured using the fair value measurement alternative are reviewed for indicators of impairment each reporting period. Fair value of financial assets and liabilities is measured using the exit price notion. The adoption of this accounting update did not have a material impact on our financial statements.

4. ADMINISTRATION FEES

The Administrator is entitled to fees based on a percentage of the Trust's capital value or on a fixed basis depending on the type of service provided. The Administrator is also entitled to reimbursement of all out-of-pocket expenses incurred on behalf of the Trust.

5. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Trust's investments are governed by the SIPP which provides investment policies and a framework for risk management. Trust assets are invested with a diversified asset mix and are largely held in fixed income securities, which provide liquidity and valuation transparency.

The Trust's net assets are subject to the following risks:

Interest Rate Risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is managed by investing in a long-term

diversified asset mix that takes into consideration the economic and capital market outlook and expected volatility of returns. The fixed income securities in the Trust are directly exposed to interest rate risk.

Credit Risk
Credit risk arises from the possibility that a counterparty will be unable to pay its contractual obligations. The SIPP prohibits the Trust from investing in securities other than debt issued by the Government of Canada and a minimum of 95% of the Trust's investments must be held in Government of Canada Bonds.

Fair Value of Financial Instruments
The Trust categorizes its financial instruments measured at fair value into one of three different levels depending on the observability of the inputs employed in the measurement.

A fair value hierarchy of inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Trust. Unobservable inputs reflect the Trust's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1
Level 1 includes assets and liabilities measured at fair value based on unadjusted quoted prices for identical assets and liabilities in active markets that are accessible at the measurement date. An active market for an asset or liability is considered to be a market where transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis. The Trust's Level 1 instruments consist of cash.

Level 2
Level 2 includes assets and liabilities whose valuations are determined using directly or indirectly observable inputs other than quoted prices included within Level 1. Financial instruments in this category are valued using models or other industry standard valuation techniques derived from observable market data. Such valuation techniques include inputs such as quoted forward prices, volatility factors and broker quotes that can be observed or corroborated in the market. The Trust's Level 2 instruments consist of Government of Canada bonds.

Level 3
Level 3 includes assets and liabilities valued based on inputs which are less observable, unavailable or where the observable data does not support a significant portion of the instruments' fair value. Generally, Level 3 valuations are longer dated transactions, occur in less active markets, occur at locations where pricing information is not available or have no binding broker quote to support Level 2 classification. The Trust does not have any instruments valued using Level 3 inputs.

The Trust uses the most observable inputs available to estimate the fair value of its financial instruments. When possible the estimated fair value is based on quoted market prices and, if not available, estimates from third party brokers. The following table summarizes the Trust's financial instruments at fair value.

Year ended December 31,	**2018**	2017
(thousands of Canadian dollars)		
Level 1		
Cash	**21**	-
	21	-
Level 2		
Fixed income securities:		
Canadian government bonds		
SER H722 2.000% (Maturity 01-Dec-2051)	**19**	11
SER D358 2.750% (Maturity 01-Dec-2048)	**83**	65
SER C939 2.750% (Maturity 01-Dec-2064)	**27**	21
SER ZS68 3.500% (Maturity 01-Dec-2045)	**95**	75
SER YQ12 4.000% (Maturity 01-Jun-2041)	**109**	96
SER XW98 5.000% (Maturity 01-Jun-2037)	**92**	78
SER WL43 5.750% (Maturity 01-Jun-2029)	**95**	86
SER XG49 5.750% (Maturity 01-Jun-2033)	**93**	76
	613	508
	634	508

6. PAYABLES AND ACCRUED LIABILITIES

December 31,	**2018**	2017
(thousands of Canadian dollars)		
Audit fees payable[1]	**11**	43
Trustee fees payable	**4**	8
	15	51

1 Audit Fees for 2018 are payable to the sponsor's parent, Enbridge Inc., which incurred these audit fees on behalf of the Trust. The prior year's audit fees payable reflects audit fees for 2017, 2016 and 2015 which were payable to the sponsor's parent, Enbridge Inc., which incurred these audit fees on behalf of the Trust.

7. FINANCIAL HIGHLIGHTS

Year ended December 31,	**2018**	2017
Total return	**(0.5)%**	(4.5%)
Ratio of expenses to average net assets	**4.3%**	6.3%
Ratio of net investment income/(loss) to average net assets	**(0.9)%**	(2.8%)

8. INCOME TAX

Income Tax Rate Reconciliation

Year ended December 31, *(thousands of Canadian dollars)*	**2018**	2017
(Loss) before income tax	**(2)**	(14)
Canadian federal statutory income tax rate	**15%**	15%
Expected federal tax at statutory rate	**-**	(2)
Increase/(decrease) resulting from:		
Provincial income tax	**-**	-
Flow through of non-capital loss to beneficiary	**1**	2
Book-to-file adjustment	**-**	-
Non-taxable items[1]	**-**	-
Income tax expense on loss resulting from operations	**1**	-
Effective income tax rate	**50.0%**	0.0%

1 The provincial tax component of these items is included in the "Provincial income tax" above.

Components of Pretax Loss Resulting from Operations and Income Tax

For 2018 and 2017, the Trust's loss resulting from operations before income tax are exclusively from Canadian operations. The Trust is subject to taxation in Canada only.

Year ended December 31, *(thousands of Canadian dollars)*	**2018**	2017
Deferred income tax expense	**1**	-
Income tax expense on loss resulting from operations	**1**	-

Components of Deferred Income Tax

Deferred tax assets and liabilities are recognized for the future tax consequences of differences between carrying amounts of assets and liabilities and their respective tax bases. Major components of deferred tax assets and liabilities are as follows:

December 31, *(thousands of Canadian dollars)*	**2018**	2017
Deferred income tax assets:		
Investments	**1**	2
Total deferred income tax assets	**1**	2

The material jurisdictions in which the Trust is subject to potential examinations within Canada are Federal and Alberta. The Trust is open to examination by Canadian tax authorities for the 2015 to 2018 tax years.

Unrecognized Tax Benefits

The Trust has no unrecognized tax benefits related to uncertain tax positions at December 31, 2018 and 2017 and no accrued interest or penalties thereon.

Appendix XV – As amended March 2018

Reporting Form – Companies using Trusts for Set-aside mechanism

Table I.1 Update on Abandonment Funding for Pipeline Trust			
Regulatory Instrument Holder (entity which holds certificate/order)	Vector Pipeline Limited on behalf of Vector Pipeline Limited Partnership		
Filed by (company name) if different from regulatory instrument holder	Vector Pipeline Limited		
Pipeline System Name (for each, fill in separate form)	Vector Pipeline		
For Group 2 companies, associated order numbers or certificates	GH-5-98 (Original Reasons for Decision in March 1999) MO-082-2014 (Set-aside & collection mechanism Order No.)		
Update on Abandonment Funds			
Year open date	1/1/2018	Planned	Actual
Year open balance	thousands	$513	$476
Directed by Board to set aside	thousands	$165	$165*
Collected from Shippers	thousands	$165	$170
Contributed by Pipeline Owners	thousands	$165	$170
Other	thousands	$0	$0
Earnings within Trust	thousands	$21	$22
Taxes paid on earnings within Trust	thousands	$5	$1
Disbursements (and Board orders authorizing the disbursements)	thousands	$1	$24**
Year Close Balance	thousands	$693	$643
Year close date	12/31/2018		
Any other relevant information	Attach (e.g., include explanation where actual varies materially from planned)		
Compliance Confirmation			
Is the Investment Policy (or Statement of Investment Policy and Practices) filed with the Board still current and in use?		Yes	
Did all investment decisions and actions in the year complied with this Investment Policy?		Yes	
Are there any changes in cost estimates or other components that could prompt material changes in the funding plan?		Yes	Vector Pipeline Limited is assessing the potential impact to the funding plan of the revised Vector Pipeline abandonment cost estimate approved by the NEB on December 19, 2018 in combination with the funding plan's other parameters and trust performance to date.
Is the pipeline still in operation?		Yes	

E – Contact(s) for Financial Regulatory Matters		
Name(s)	Michael Hrynchyshyn[1]	Amy Bruhn[2]
Email(s)	michael.hrynchyshyn@enbridge.com	Amy.Bruhn@vector-pipeline.com

Telephone	780-420-5353	734-462-0237

F – Confirmation of Form Content by Officer of the Company Holding Regulatory Instrument	
Name of Officer of the Company	Peter Cianci President, Vector Pipeline Limited
Date	April 22, 2019

[1] – For abandonment funding and abandonment trust matters.

[2] – For other financial regulatory matters.

Table I.1 Update on Abandonment Funding for Pipeline Trust	
Regulatory Instrument Holder (entity which holds certificate/order)	Vector Pipeline Limited on behalf of Vector Pipeline Limited Partnership
Filed by (company name) if different from regulatory instrument holder	Vector Pipeline Limited
Pipeline System Name (for each, fill in separate form)	Vector Pipeline
For Group 2 companies, associated order numbers or certificates	GH-5-98 (Original Reasons for Decision in March 1999) MO-082-2014 (Set-aside & collection mechanism Order No.)

* - Excludes 1.56% of ACS Charge revenues retained by Vector for payment of corporate taxes by its partners.

** - Disbursements are comprised solely of trustee administrative fees including audit fees pursuant to MH-001-2013.

Material Variance Explanations:

Disbursements were higher than the planned case as audit fees and Trustee expenses exceed the planned expense ratio of 0.1% of the trust assets.