



Bradley F. Shamla
Vice President, U.S. Operations
Liquids Pipelines

tel 952 607 3430
cell 218 269 5458
fax 713 821 9938
brad.shamla@enbridge.com

Enbridge Energy Company, Inc.
Enbridge (U.S.), Inc.
Minneapolis Office
7701 France Avenue South
Suite 600
Edina, MN 55435

May 18, 2017

Mr. J. Mark Wedel
Chair
Aitkin County
515 6th Ave SE
Aitkin, MN 56431

Re: Enbridge Energy, Limited Partnership Property Tax Appeals

Dear Chairman Wedel,

As you may be aware, for each of the past five years Enbridge Energy, Limited Partnership (Enbridge) has appealed the tax assessment issued by the Minnesota Department of Revenue (DOR). For each of those years Enbridge proposed a tax increase, but the magnitude of the increases imposed by DOR left us with no choice but to seek relief as allowed by statute. The Minnesota Tax Court has consolidated the appeals for 2012-14, and this case is scheduled to go to trial in October 2017. Trial dates have not been determined for the 2015-2016 appeals, but trials are not expected to occur before late 2018 for those appeals.

Under Minnesota law it is the obligation of the local taxing districts, and not DOR, to refund the bulk of any overpayments should the Tax Court reduce DOR's assessments. Enbridge is aware of the difficult position this creates for your county. You can be assured that Enbridge will work with you to alleviate the financial impact to the county should refunds be ordered by the Tax Court. This may involve spreading refund payments over a number of years or treating the refunds as credits against future taxes. Even if refunds are taken into account, our Line 3 Replacement Project and Line 67 Expansion Project plans, if approved, should mean that the county will not see a net decrease in tax revenues from current amounts. For example, after the first full year that the Line 3 Replacement Project is in service Enbridge will pay an estimated additional \$19.5 million dollars in property taxes in the state of Minnesota.

We hope that this information provides some clarification of how we will be willing to work with your county, should the tax court rule in favor of Enbridge following the October case. We look forward to continuing our discussions with you as we work toward resolution of this matter.

Sincerely,

ENBRIDGE ENERGY, LIMITED PARTNERSHIP

Brad Shamla
Vice President, U.S. Operations

