PHASE 2 DESIGN ENGINEERING REIMBURSEMENT AGREEMENT

THIS PHASE 2 DESIGN ENGINEERING REIMBURSEMENT AGREEMENT ("Agreement") is made and entered into this _____ day of ______, 2022 ("Effective Date"), by and between Enbridge Energy, Limited Partnership, licensed to do business in the State of Illinois, with offices at 1500 West Main Street, Griffith, Indiana 46319 ("Enbridge"), and the City of Naperville, an Illinois municipal corporation (the "City"). Enbridge and the City may be referred to in this Agreement as a "Party," or collectively as the "Parties."

For and in consideration of the premises and mutual covenants herein contained, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. Introductory Matters.

- a. The City and its public entity partners, the City of Aurora and Naperville Township, desire to expand the existing right-of-way ("ROW") of North Aurora Road to the west of the proposed Canadian National Railroad ("CN"). The City of Naperville is Lead Local Agency for said project. Exhibit A, attached hereto and made part hereof, depicts the proposed two new westbound lanes (Plat of Highways) for the proposed expansion of ROW. Enbridge owns, operates, and maintains a 34-inch pipeline that runs north to south, perpendicular to the roadway, within Commonwealth Edison ("ComEd") property. The existing above-ground valve and fence, on the north side of North Aurora Road, roughly aligns with the location of Enbridge's pipeline.
- b. On May 19, 2021, the City and Enbridge entered into a reimbursement agreement for Enbridge to perform a Class 4 Estimate which explored the conceptual feasibility of two options to relocate the Enbridge pipeline and removing the hand-operated main line valve MLV-406.83-6-V. The Class 4 Estimate is completed, and a preliminary pipeline relocation design has been agreed upon by the Parties.

- c. The City now desires for Enbridge to perform Phase 2 Design Engineering to support and progress towards a full engineering design of the agreed upon option selected as part of the Class 4 Estimate.
- d. To perform the Phase 2 Design Engineering, the City desires for Enbridge to perform the work detailed in <u>Exhibit B</u> attached hereto and made part hereof, (the "Enbridge Phase 2 Design Engineering Work"), and Enbridge is amenable to commencing the Enbridge Phase 2 Design Engineering Work subject to reimbursement by the City as specified in this Agreement.
- 2. <u>Performance of the Enbridge Phase 2 Design Engineering Work.</u>

Enbridge shall commence performing the Enbridge Phase 2 Design Engineering Work as described in **Exhibit B** as soon as practicable after the date hereof.

- 3. Reimbursement Obligation for Enbridge Phase 2 Design Engineering Work.
 - a. The City shall reimburse Enbridge for the Enbridge Phase 2 Design Engineering Work as set forth on <u>Exhibit B</u> at the Project Estimate set forth on <u>Exhibit C</u>. If Enbridge determines that the Project Estimate on <u>Exhibit C</u> is insufficient to perform the Phase 2 Design Engineering set forth on <u>Exhibit B</u>, Enbridge shall notify the City in writing as to what additional costs are anticipate to be necessary to complete said work. Enbridge and the City shall collaborate to agree upon any additional cost necessary to perform said work within fourteen (14) days of receipt of the notice. If agreement is not reached, the City may notify Enbridge not to proceed with the work.
 - b. Enbridge, shall provide the City with a monthly Project Status and Cost Report that will specify: (1) the hours of Enbridge Phase 2 Design Engineering Work performed to date by individual, type of work, and hourly rates; (2) other costs related to the Enbridge Phase 2 Design Engineering Work incurred to date (e.g. materials, equipment, and testing); (3) the overall percentage of Enbridge Phase 2 Design

Engineering Work completed to date; and (4) the anticipated time needed to complete the remaining Enbridge Phase 2 Design Engineering Work. Enbridge will submit an invoice to the City every other month for the Enbridge Phase 2 Design Engineering Work for costs billed to date. Finally, contingency funding shall not be used without the prior written approval of the City Engineer.

c. Invoices for Enbridge Phase 2 Design Engineering Work performed shall be sent by email to:

Matthew Calpin,
Project Engineer/ City of Naperville
calpinm@naperville.il.us

With a copy to:

Andy Hynes
Engineer Manager/ City of Naperville
ahynes@naperville.il.us

4. Non-Binding Effect for Future Obligations.

This Agreement indicates the future intentions of the Parties and any future intentions shall not be legally binding on either Party. Any future obligations hereunder shall not become legally binding until such time as the Parties have agreed to and executed a Project Reimbursement Agreement, as defined above.

5. Confidentiality.

This Agreement, the matters discussed herein, information provided by one Party to the other in connection herewith, information gathered from the Enbridge Work and information derived from any of the foregoing, shall be confidential and shall not be disclosed by the receiving Party without the written consent of the other, except to the extent that disclosure is required by law. When disclosure is required, the Party making the disclosure shall provide notice of the intended

disclosure to the other Party and shall take all reasonable steps to limit the extent of the disclosure to the minimum required to comply with its legal obligations.

6. Indemnification.

Enbridge shall indemnify, hold harmless and defend the City, its officials, officers, employees, and agents from and against all liabilities, claims, suits, demands, proceedings, and actions, including costs and expenses of defense, arising from or related to, any loss, damage, injury, death, or damage to property resulting from, or connected to the performance of the Enbridge Work to the extent caused by Enbridge's substantial negligence or willful misconduct.

The provisions of this Section 6 of this Agreement shall survive completion of the Enbridge Work and shall continue to remain in full force and effect upon termination of this Agreement.

7. Assignment.

This Agreement shall be binding upon the Parties, their successors, and assigns.

8. Entire Agreement.

This Agreement constitutes the entire agreement, and supersedes all other prior agreements and understandings, both written and oral, among the Parties, with respect to the subject matter of this Agreement. This Agreement may not be amended except by an agreement in writing signed by authorized representatives of both Parties.

9. Severability.

If any term or provision of this Agreement shall be found to be invalid, illegal, or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of this Agreement.

10. Governing Law.

This Agreement shall be construed in accordance with the laws of the State of Illinois, without regard to such state's conflicts of law rules. Any dispute arising

out of or based upon this Agreement or related to the enforcement thereof shall be brought in a state court in DuPage County, Illinois, which shall be the exclusive venue for any such action.

11. Notices.

Unless otherwise expressly specified or permitted by the terms hereof, every request, demand, notice or other communication provided for herein will be made in writing and any such request, demand, notice or other communication shall become effective: (a) upon personal delivery thereof, including by overnight mail or courier service; (b) in the case of notice by mail, certified or registered, postage prepaid, return receipt requested, upon receipt thereof; (c) in the case of notice by facsimile, upon receipt thereof; or (d) electronic mail (with written confirmation of receipt); provided that such transmission is promptly confirmed by either the methods set forth in clauses (a) or (b) above, in each case addressed to each Party at its address set forth below or at such other address as such Party may from time to time designate by written notice.

The City of Naperville

Andy Hynes
Engineer Manager/ City of Naperville
hynesa@naperville.il.us

with a copy to:

Matthew Calpin,
Project Engineer/ City of Naperville
calpinm@naperville.il.us

With email copies to: lordp@naperville.il.us

Enbridge Energy, Limited Partnership

1500 West Main Street
Griffith, IN 46319
Attention: David Bareham, Manager - Griffith

Attention: David Bareham, Manager - Griffith Area

With a copy to:

Enbridge Energy, Limited Partnership

119 N. 25th Street East Superior, WI 5488 Attention: Lands & ROW With email copies to:

kelly.khuu@enbridge.com and legalnotices@enbridge.com

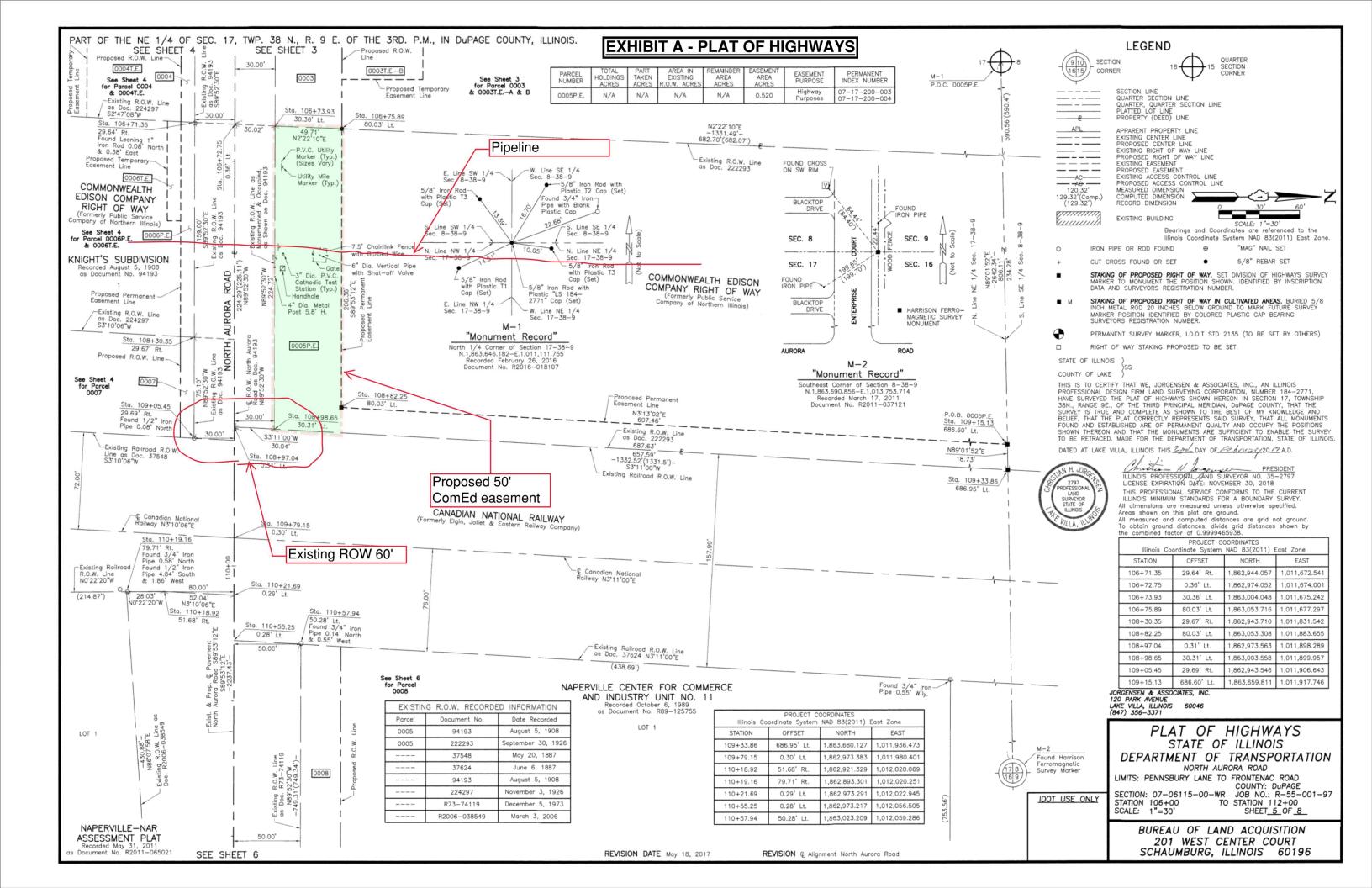
[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties hereto separately and severally have caused this Agreement to be executed in their respective names by and through their duly authorized representatives, as of the day and year first above written.

Enbridge Energy, Limited Partnership
By: Enbridge Pipelines (Lakehead) L.L.C.,
lts Managing General Partner
Ву:
Typed:
Title:
City of Naperville
Douglas A. Krieger
Douglas A. Krieger City Manager
Douglas A. Krieger
Douglas A. Krieger City Manager
Douglas A. Krieger City Manager Attest

EXHIBIT A

Plat of Highways





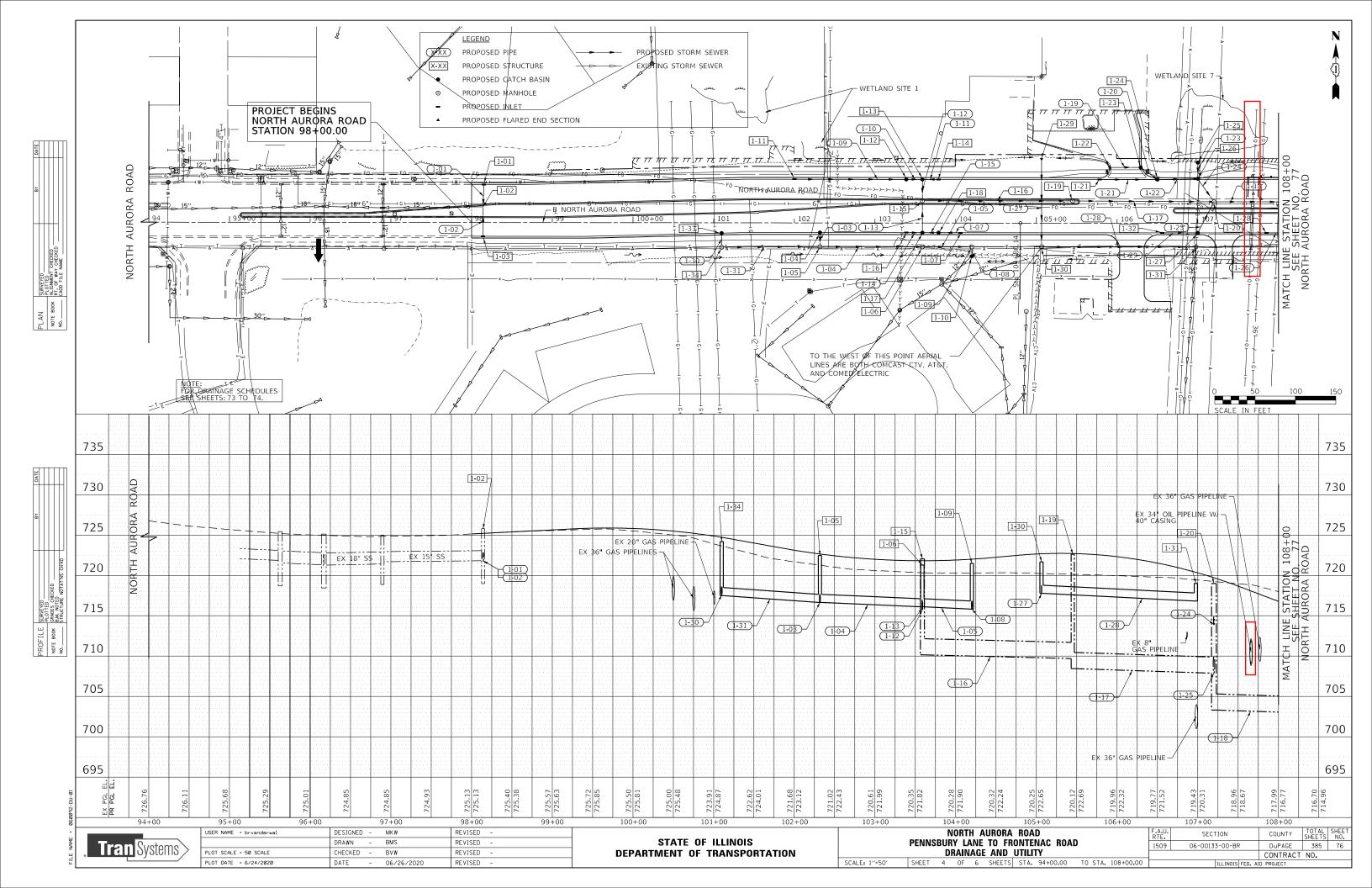


EXHIBIT B

Enbridge Work

EXHIBIT B

Enbridge Work

1. Development Scope

- A. The Parties have agreed on the option to relocate (offset and lowering) the Line 6A pipeline using a trenchless technology (short bore) and to fully remove all de-activated assets.
- B. Provide an ~60% Issued for Review (IFR) design package that will support initial procurement, permit framing, regulatory activities, and design advancement towards but not including IFB and IFC packages.

1. Clarifications

- A. The ~60% IFR design scope will include the following activities:
 - a. Analyzing installation and operation loads and stresses for pipeline.
 - b. Designing tie-ins to connect the installed pipeline with the existing Line 6A.
 - c. Creating general sheets and civil details.
 - d. Evaluating and providing details on the cathodic protection needed for the ground bed relocations.
 - e. Creating a bill-of-materials for the replaced pipe, bends, and stopple.
 - f. Updating datasheets for the components on the bill-of-materials.
 - g. Providing a draft design basis memo (DBM) documenting the design analysis and assumptions.
 - h. Performing a boundary survey for the purposes of creating a draft land use drawing.
 - i. Providing preliminary oil drain-up plan.
- B. The ~60% IFR design scope will support the initial permit framing for Construction and Environmental clearances that includes communication with the impacted public and private entities. Progress of this initial package is tied to the allocated funds in this interim agreement. Completion of the permit package will require additional funds and higher level of design.

2. Cost Items

- A. Project Development: Project Development Lead
- B. Project Management: Project Controls Team, Construction Manager, Project Execution Manager
- C. Engineering: Engineering Lead, Technical Advisors, Third Party Consultant to provide the ~60% engineering package
- D. Primary Support Groups: Operations, Pipeline Maintenance, Environmental (e.g. permits), Lands & Right of Way (ROW), Legal, Regulatory & Compliance, Public Affairs and Communication Services (PACS), Supply Chain Management (SCM)

Exhibit C

Enbridge Phase 2 Design Engineering Work Estimate

Exhibit C

Project Estimate

Class IV Estimate	15-May-2022 Advance to ~60 IFR Design	
Construction	\$	15,540
Enbridge Construction Management & Inspection	\$	5,641
Project Management & Support	\$	139,568
Engineering	\$	50,000
Base Cost Estimate	\$	210,749
Contingency (13.2%)		
Total Estimated CAPEX (excl. AFUDC)	\$	210,749