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June 10, 2019

VIA E-MAIL TO CELA@FEC.GOV

Jeff S. Jordan, Esq.  
 Assistant General Counsel  
 Complaints Examination & Legal Administration  
 Office of the General Counsel  
 Federal Election Commission  
 1050 First Street, NE  
 Washington, DC 20463

**Re: MUR 7594 / Enbridge (U.S.) Inc. Political Action Committee, Enbridge (U.S.) Inc., and Enbridge Inc.**

Dear Mr. Jordan:

On behalf of our clients Enbridge (U.S.) Inc. Political Action Committee (“Enbridge US PAC”) (FEC ID No. C000429662), Enbridge (U.S.) Inc., and Enbridge Inc.,<sup>1</sup> we write in response to the complaint dated April 8, 2019 and submitted to the Federal Election Commission (“FEC” or “the Commission”) by Alexander Austin which was designated MUR 7594 by the Commission. The respondents previously designated DLA Piper as counsel and requested and received an extension to respond until June 10, 2019.

Mr. Austin’s complaint fails to provide any facts whatsoever that would support a conclusion that a violation of the Federal Election Campaign Act of 1971 (“FECA” or “the Act”) has occurred.<sup>2</sup> Mr. Austin alleges that Enbridge Inc., a Canadian corporation, “has made hundreds of contributions *directly* to American political campaigns and dozens of American political party committees” (emphasis in original). However, not one of the hundreds of contributions detailed by Mr. Austin was actually made by Enbridge, Inc. The contributions alleged to have been made by Enbridge, Inc. were all made by the separate segregated fund of Enbridge (U.S.) Inc., a U.S. subsidiary, in full compliance with FECA and FEC regulations and precedent. Accordingly, we urge that the Commission dismiss the complaint.

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<sup>1</sup> Enbridge Energy Company, Inc. also received a letter from the Commission in connection with this matter but is not, as we have discussed with Commission staff, named in the complaint or directly involved in the matter, and should not be considered a respondent.

<sup>2</sup> Mr. Austin also makes unsubstantiated allegations of violations of the Foreign Agents Registration Act and the Foreign Corrupt Practices Act. Because those statutes are not within the jurisdiction of the Commission, we have not addressed those allegations in this response.



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1. Background

a. Enbridge Inc., Enbridge (U.S.) Inc., and Spectra Energy Corp

Enbridge Inc. is a Canadian corporation with its headquarters in Calgary, Canada, and with common shares publically traded on the Toronto and New York stock exchanges under the symbol “ENB.” Enbridge Inc. is one of North America’s largest energy infrastructure companies with strategic business platforms (owned and operated through its subsidiaries) that include an extensive network of crude oil, liquids and natural gas pipelines, regulated natural gas distribution utilities and renewable power generation assets. Enbridge Inc. would qualify as a foreign national under 2 U.S.C. § 30121(b) and as a foreign principal under 22 U.S.C. § 611(b).

Enbridge (U.S.) Inc. is a Delaware corporation and an indirect wholly owned subsidiary of Enbridge Inc. Enbridge (U.S.) Inc.’s principal place of business is located in Houston, Texas, and, through its subsidiaries, Enbridge (U.S.) Inc. has approximately 3,500 employees in the U.S., who safely maintain and operate Enbridge’s assets across 41 U.S. states. Enbridge (U.S.) Inc. is a direct, wholly-owned subsidiary of Enbridge US Holdings Inc., a Canadian corporation, which, in turn, is a direct, wholly-owned subsidiary of Enbridge Inc.

On February 27, 2017, Enbridge Inc. and Spectra Energy Corp (“Spectra Energy”) (a Delaware corporation) completed a stock-for-stock merger transaction, resulting in Spectra Energy becoming a wholly-owned subsidiary of Enbridge Inc. Spectra Energy, based in Houston, Texas, was formed in 2006 in connection with its spin-off from Duke Energy Corporation, and was publicly traded on the New York stock exchange under the symbol “SE” until its 2017 merger with Enbridge Inc. Following the merger, Enbridge (U.S.) Inc. became the direct parent company to Spectra Energy and all of its subsidiaries and assets.

b. Enbridge (U.S.) Inc. Political Action Committee

At the time of the merger of Enbridge Inc. and Spectra Energy, Spectra Energy sponsored a separate segregated fund under FECA that was known as the Spectra Energy Corp Political Action Committee (“Spectra Energy PAC”).<sup>3</sup> This PAC was originally registered with the FEC in 2006 as Duke Energy GAS PAC, with Duke Energy Corporation as the connected

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<sup>3</sup> Both Spectra and Enbridge (U.S.) Inc. have used a shortened name for the PAC that includes “DCP,” which references DCP Midstream, LLC, a joint venture originally controlled by Duke Energy Corporation than owns the general partner of DCP Midstream, LP, a Fortune 500 midstream master limited partnership headquartered in Denver, Colorado with a diversified portfolio of gathering, processing, logistics, and marketing assets.



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organization. It took the Spectra Energy name in 2007 following the spinoff of Spectra Energy from Duke Energy Corporation. Ritu Talwar, who was the Assistant Treasurer when Duke Energy GAS PAC first registered with the FEC in 2006, was named Treasurer of Spectra Energy PAC in 2011.

Following the merger of Enbridge Inc. and Spectra Energy, the political action committee amended its statement of organization to assume the name “Enbridge (U.S.) Inc. Political Action Committee” and to identify Enbridge (U.S.) Inc. as the new connected organization.<sup>4</sup> Ms. Talwar remained Treasurer of the PAC following the merger and serves in that role, as well as Custodian of Records, today. Like Enbridge (U.S.) Inc., Enbridge US PAC is based in Houston, Texas.

Enbridge US PAC is governed by certain Articles of Association (“the Articles”) adopted on March 14, 2017, following the merger of Enbridge Inc. and Spectra Energy PAC.<sup>5</sup> In substance, the Articles are nearly identical to those adopted previously when Enbridge US PAC was Spectra PAC.

With respect to foreign nationals, the Articles provide specifically that the members of Enbridge US PAC are all Enbridge (U.S.) Inc. shareholders, employees, and families who are eligible and do contribute to the PAC “provided such individuals are United States citizens or permanent United States residents.”<sup>6</sup>

The Articles create a governing body for Enbridge US PAC known as the Board of Trustees (“the PAC Board”). Initial members of the PAC Board following the merger of Enbridge Inc. and Spectra Energy were appointed by the senior most member of Enbridge (U.S.) Inc. External Affairs, U.S. Vacancies on the PAC Board are filled by the remaining members of the PAC Board after consultation with the senior most member of Enbridge (U.S.) Inc. External Affairs, U.S., which is the Vice President of External Affairs.<sup>7</sup>

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<sup>4</sup> The current Enbridge (U.S.) Inc. Political Action Committee Statement of Organization is attached hereto as Exhibit A.

<sup>5</sup> The Enbridge (U.S.) Inc. Political Action Committee Articles of Association are attached hereto as Exhibit B.

<sup>6</sup> Articles of Association, article V, section 1.

<sup>7</sup> Articles of Association, article VIII, section 1.



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Pursuant to the Articles, the PAC Board also adopted on March 14, 2017 a “Policy for Member Eligibility and Solicitation” (“PAC Policy”).<sup>8</sup> The PAC Policy outlines the categories of employees and others whom the PAC may solicit and specifically restricts those eligible to “individuals who are U.S. citizens or permanent U.S. residents.” It also defines “eligible persons” to include “U.S. residents and individuals admitted for permanent residence (valid holders of ‘green cards’) who are exempt employees or directors of Enbridge (U.S.) Inc. or DCP.”

In addition, the Enbridge Inc. Political Contributions Policy, which was adopted August 3, 2017 by Enbridge Inc., the Canadian ultimate parent company of Enbridge (U.S.) Inc. following the merger of Enbridge Inc. and Spectra Energy, specifically limits participation in the PAC to the company’s U.S. operations. The Enbridge Inc. Political Contributions Policy states: “In the United States, eligible employees may choose to participate in the political process by voluntarily making contributions to the Enbridge (U.S.) Inc. Political Action Committee.”<sup>9</sup>

c. Leadership of Enbridge US PAC

Pursuant to the Articles, Enbridge US PAC has the following officers: a Chairperson, a Vice-Chairperson, a Treasurer, an Assistant Treasurer, and a Secretary.<sup>10</sup> The Chairperson has authority over the “general management and supervisions of the affairs of the PAC,” under the Articles, and presides at meetings of the PAC Board.<sup>11</sup> The Treasurer is the chief financial officer of the PAC and is directed with ensuring compliance.<sup>12</sup> The Articles also call for a PAC Administrator with “responsibility for the general affairs” of the PAC.<sup>13</sup>

The Articles provide for up to 12 Trustees who make up the PAC Board. The Trustees are charged with setting “basic policies with respect to contributions and expenditures” by the

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<sup>8</sup> The Enbridge (U.S.) Inc. Political Action Committee Policy for Member Eligibility and Solicitation is attached hereto as Exhibit C.

<sup>9</sup> The Enbridge Inc. Political Contributions Policy is attached hereto as Exhibit D.

<sup>10</sup> Articles of Association, article X, section 1.

<sup>11</sup> Articles of Association, article X section 3.

<sup>12</sup> Articles of Association, article X section 4.

<sup>13</sup> Articles of Association, article XI.



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PAC and are to direct disbursements to specific candidates.<sup>14</sup> The Articles also allow for the creation of Advisory Councils, each of which supports a particular Trustee. Members of an Advisory Council assist the Trustee in soliciting for the PAC and may make recommendations to the Trustee.

All of the officers of Enbridge US PAC, including the Treasurer/Custodian of Records and the Assistant Treasurer, are U.S. citizens. All of the Trustees of Enbridge US PAC are U.S. citizens. The PAC Administrator is a U.S. citizen, and the members of the various Advisory Councils are all U.S. citizens. Finally, the Vice President of U.S. External Affairs of Enbridge (US) Inc. is a U.S. citizen.

## 2. Legal Analysis

As noted previously, Mr. Austin's complaint alleges that Enbridge Inc. "has made hundreds of contributions *directly* to America political campaigns and dozens of American political party committees" (emphasis in original). In support of this claim, Mr. Austin lists numerous contributions disclosed by Enbridge US PAC in its periodic FEC reports and/or by Enbridge (U.S.) Inc. on its semiannual LD-203 reports filed under the Lobbying Disclosure Act ("LDA").<sup>15</sup>

None of the contributions listed by Mr. Austin in his complaint were, in fact, made by Enbridge Inc., the Canadian ultimate parent company of Enbridge (U.S.) Inc. It is apparent from the publicly-available FEC reports that the contributions were not made by Enbridge, Inc., and Mr. Austin offers no support for his allegation that they were made by Enbridge Inc.

In fact, the Enbridge Inc. Political Contributions Policy referenced above explicitly prohibits corporate contributions to candidates or parties, both in Canada and the United States: "Federal laws in both Canada and the United States generally place limits on a company's ability

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<sup>14</sup> Articles of Association, article VIII, section 2.

<sup>15</sup> Mr. Austin has drawn erroneous and unsupported conclusions from other LDA reports filed by Enbridge (U.S.) Inc. He states that the PAC "reported it acts as an agent of foreign interests," citing the language used on line 19 of the quarterly lobbying reports filed by Enbridge (U.S.) Inc. Entries on line 19 of the lobbying reports reflect the fact that the LDA requires the disclosure of any foreign parent company and its interests in the lobbying activities of the registrant. 2 U.S.C. §§ 1603(b)(4), 1604(b)(2)(D). The PAC, however, is not the registrant or the entity that files the quarterly LDA reports, nor is the PAC referenced anywhere in those reports. The LDA reports therefore do not suggest, in any way, that the PAC serves as an agent of any foreign interest, as Mr. Austin alleges.



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to participate in the political process. As such, Enbridge does not contribute corporate funds directly to federal political candidates, committees or parties in either jurisdiction.”

All of the contributions cited by Mr. Austin in his complaint were made by an FEC-registered separate segregated fund of a U.S. corporation, all in complete accordance with FECA, FEC regulations, and FEC guidance.

As you know, while FECA prohibits contributions by foreign nationals,<sup>16</sup> the Commission has repeatedly held that a U.S. subsidiary of a foreign corporation may establish a separate segregated fund to make contributions in the U.S.<sup>17</sup> The Commission explicitly declined to extend the foreign national prohibition to U.S. subsidiaries following the enactment of the Bipartisan Campaign Reform Act of 2002,<sup>18</sup> citing a lack of congressional intent and the “substantial policy reasons set forth in the long line of advisory opinions over more than two decades that have affirmed the participation of such subsidiaries in elections in the United States, either directly in states where state law permits, or through separate segregated funds with regard to Federal elections, so long as there is no involvement of foreign nationals in decisions regarding such participation.”<sup>19</sup>

The conditions under which U.S. subsidiaries may sponsor a political action committee are set forth both in FEC regulations and the Commission’s many advisory opinions on the topic. First, the foreign parent may not finance the political activities of the U.S. subsidiary, including the administrative costs of a political action committee sponsored by the U.S. subsidiary. Such funds must originate with the U.S. subsidiary. Second, no foreign national (whether the foreign parent company itself or any individual who is himself or herself a foreign national) may

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<sup>16</sup> 52 U.S.C. § 30121(a).

<sup>17</sup> See FEC Advisory Opinions 2009-14 (Mercedes-Benz USA/Sterling), 2006-15 (TransCanada), 2000-17 (Extendicare Health Services, Inc.), 1999-28 (Bacardi-Martini, USA, Inc.), 1995-15 (Alison Engine Company Political Action Committee), 1992-16 (Nansay Hawaii, Inc.), 1992-07 (H&R Block, Inc.), 1990-08 (The CIT Group Holdings, Inc.), 1989-29 (GEM of Hawaii, Inc.), 1982-34 (Sonat Inc. Political Action Committee), 1981-36 (Japan Business Association of Southern California), 1980-100 (Revere Sugar Corp.), and 1978-21 (Budd Citizenship Committee). In these opinions, the Commission applied the conditions with respect to the sponsorship of a separate segregated fund by the U.S. subsidiary, to the making of corporate contributions by the U.S. subsidiary, where allowed by law, and to other U.S. political activities by the U.S. subsidiary.

<sup>18</sup> Pub. L. No. 107-115, 116 Stat. 81 (2002).

<sup>19</sup> FEC Advisory Opinion 2006-15 (TransCanada), quoting Contribution Limitations and Prohibitions, Final Rules, 67 Fed. Reg. 69928, at 69943–69944 (Nov. 19, 2002) (internal quotation marks omitted).



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participate in the operation or administration of the U.S. subsidiary's political action committee or in any decisions made by such political action committee with respect to U.S. contributions or expenditures.<sup>20</sup>

In the case of Enbridge US PAC, both conditions are clearly satisfied. Enbridge (U.S.) Inc., the U.S. subsidiary, fully finances the administration of Enbridge US PAC. Enbridge (U.S.) Inc. personnel who manage the PAC, as well as direct PAC expenses, fall within the External Affairs, U.S. budget, overseen by the Vice President of U.S. External Affairs.

Furthermore, the individuals involved in managing Enbridge US PAC are all U.S. citizens employed by or affiliated with Enbridge (U.S.) Inc., the Houston-based U.S. subsidiary. No foreign national – not Enbridge Inc. nor any foreign individual – plays any role in directing or overseeing the activities of Enbridge US PAC.

As an initial matter, Enbridge Inc. took no action to create Enbridge US PAC, because it predated the merger of Enbridge Inc. and Spectra Energy by a decade. In fact, the PAC has essentially continued to operate very much as it did prior to such merger. It operates under virtually identical Articles of Association and policies and under principally the same leadership.

All of the officers of Enbridge US PAC have served in their positions since before the merger of Enbridge Inc. and Spectra Energy. The Treasurer has served in that capacity or as Assistant Treasurer since the PAC was created as Duke Energy GAS PAC in 2006. Since the merger of Enbridge Inc. and Spectra Energy, no new Trustees have been named to the PAC Board. No individuals been added to the Advisory Councils nor have the Advisory Councils been active since the merger. Moreover, the PAC has not yet conducted any solicitation following the merger; to this day, the contributors to the PAC are all former Spectra Energy employees.

### 3. Conclusion

As outlined herein, we do not believe that Mr. Austin's complaint alleges a violation of the Act. The contributions he cites in his complaint were made by a separate segregated fund sponsored by a Delaware-incorporated, Texas-based corporation managed by U.S. citizens that solicits contributions from among 3,500 U.S. employees of Enbridge (U.S.) Inc. and its subsidiaries and affiliates. Enbridge US PAC has followed all relevant regulations and rules in

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<sup>20</sup> 11 C.F.R. § 100.20(i).



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its operation. It is no different from the more than 200 federal political action committees of other, similarly-situated U.S. subsidiaries of foreign ultimate parent companies, representing millions of U.S. employees.<sup>21</sup>

We urge that the Commission find no reason to believe that a violation has occurred and close the file on this matter. Should you have any additional questions, please do not hesitate to contact us.

Respectfully submitted,

**DLA Piper LLP (US)**

A handwritten signature in blue ink, appearing to read 'W. H. Minor', written over the printed name.

William H. Minor  
Partner

Counsel to Enbridge (U.S.) Inc. Political Action  
Committee, Enbridge (U.S.) Inc., and Enbridge Inc.

Attachments

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<sup>21</sup> <https://www.opensecrets.org/pacs/foreign.php>.

# Exhibit A

# FEC FORM 1

# STATEMENT OF ORGANIZATION

Office Use Only

1. NAME OF COMMITTEE (in full)  (Check if name is changed) Example: If typing, type over the lines. 12FE4M5

Enbridge (U.S.) Inc. Political Action Committee (Enbridge-DCP PAC)

ADDRESS (number and street) 5400 Westheimer Court

(Check if address is changed)

Houston TX 77056  
CITY STATE ZIP CODE

### COMMITTEE'S E-MAIL ADDRESS

(Check if address is changed) pacservices@ddcadvocacy.com

Optional Second E-Mail Address

### COMMITTEE'S WEB PAGE ADDRESS (URL)

(Check if address is changed)

2. DATE 02 / 27 / 2017

3. FEC IDENTIFICATION NUMBER C C00429662

4. IS THIS STATEMENT  NEW (N) OR  AMENDED (A)

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer Talwar, Ritu, K, ,

Signature of Treasurer Talwar, Ritu, K, , [Electronically Filed] Date 03 / 06 / 2017

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g. ANY CHANGE IN INFORMATION SHOULD BE REPORTED WITHIN 10 DAYS.

5. TYPE OF COMMITTEE

**Candidate Committee:**

- (a)  This committee is a principal campaign committee. (Complete the candidate information below.)
- (b)  This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

Name of Candidate \_\_\_\_\_

Candidate Party Affiliation:  \_\_\_\_\_

Office Sought:  House  Senate  President

State:  \_\_\_\_\_

District:  \_\_\_\_\_

- (c)  This committee supports/opposes only one candidate, and is NOT an authorized committee.

Name of Candidate \_\_\_\_\_

**Party Committee:**

- (d)  This committee is a  (National, State or subordinate) committee of the  (Democratic, Republican, etc.) Party.

**Political Action Committee (PAC):**

- (e)  This committee is a separate segregated fund. (Identify connected organization on line 6.) Its connected organization is a:
  - Corporation  Corporation w/o Capital Stock  Labor Organization
  - Membership Organization  Trade Association  Cooperative
  - In addition, this committee is a Lobbyist/Registrant PAC.
- (f)  This committee supports/opposes more than one Federal candidate, and is NOT a separate segregated fund or party committee. (i.e., nonconnected committee)
  - In addition, this committee is a Lobbyist/Registrant PAC.
  - In addition, this committee is a Leadership PAC. (Identify sponsor on line 6.)

**Joint Fundraising Representative:**

- (g)  This committee collects contributions, pays fundraising expenses and disburses net proceeds for two or more political committees/organizations, at least one of which is an authorized committee of a federal candidate.
- (h)  This committee collects contributions, pays fundraising expenses and disburses net proceeds for two or more political committees/organizations, none of which is an authorized committee of a federal candidate.

Committees Participating in Joint Fundraiser

1. \_\_\_\_\_ FEC ID number  C \_\_\_\_\_
2. \_\_\_\_\_ FEC ID number  C \_\_\_\_\_
3. \_\_\_\_\_ FEC ID number  C \_\_\_\_\_
4. \_\_\_\_\_ FEC ID number  C \_\_\_\_\_

Write or Type Committee Name

# Enbridge (U.S.) Inc. Political Action Committee (Enbridge-DCP PAC)

**6. Name of Any Connected Organization, Affiliated Committee, Joint Fundraising Representative, or Leadership PAC Sponsor**

Enbridge (U.S.) Inc.

Mailing Address 5400 Westheimer Court  
 Houston TX 77056  
 CITY STATE ZIP CODE

Relationship:  Connected Organization  Affiliated Committee  Joint Fundraising Representative  Leadership PAC Sponsor

**7. Custodian of Records:** Identify by name, address (phone number -- optional) and position of the person in possession of committee books and records.

Full Name Talwar, Ritu, K, ,  
 Mailing Address 5400 Westheimer Court  
 Houston TX 77056  
 CITY STATE ZIP CODE  
 Title or Position  
 Treasurer Telephone number 713 989 1784

**8. Treasurer:** List the name and address (phone number -- optional) of the treasurer of the committee; and the name and address of any designated agent (e.g., assistant treasurer).

Full Name of Treasurer Talwar, Ritu, K, ,  
 Mailing Address 5400 Westheimer Court  
 Houston TX 77056-5353  
 CITY STATE ZIP CODE  
 Title or Position  
 Treasurer Telephone number 713 989 1784

Full Name of Designated Agent

Nguyen, Rita, , ,

Mailing Address

5400 Westerheimer Court

Houston

TX

77056

CITY

STATE

ZIP CODE

Title or Position

Assistant Treasurer

Telephone number

713

989

8446

9. Banks or Other Depositories: List all banks or other depositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds.

Name of Bank, Depository, etc.

Comerica Bank

Mailing Address

P.O Box 75000

Detroit

MI

48275

CITY

STATE

ZIP CODE

Name of Bank, Depository, etc.

Mailing Address

CITY

STATE

ZIP CODE

# Exhibit B

**ARTICLES OF ASSOCIATION**  
**OF**  
**ENBRIDGE (U.S.) INC. POLITICAL ACTION COMMITTEE**

Preliminary Statement

WHEREAS, the SPECTRA ENERGY CORP was formed on January 2, 2007;

WHEREAS, the Board of Trustees of the Employees' Federal PAC met on February 23, 2007 and approved the ARTICLES OF ASSOCIATION, as amended effective December 1, 2008 and December 20, 2011;

WHEREAS, SPECTRA ENERGY CORP combined with Enbridge Inc. on February 27, 2017;

“WHEREAS, the Board of Trustees of the Spectra Energy Corp PAC met on March 14, 2017 and approved the amended ARTICLES OF ASSOCIATION.

NOW THEREFORE, the ARTICLES OF ASSOCIATION are as follows:

**ARTICLE I**

**NAME**

The name of this association shall be **ENBRIDGE (U.S.) INC.** Political Action Committee (hereinafter referred to as the Enbridge-DCP PAC.)

**ARTICLE II**

**PRINCIPAL OFFICE AND ADDRESS**

The principal office and address of the Enbridge-DCP PAC shall be located at 5400 Westheimer Court, Houston, TX 77056.

**ARTICLE III**

**ORGANIZATION**

The Enbridge-DCP PAC shall be a voluntary, nonprofit, unincorporated political association and shall be independent of any political party, committee, candidate ballot question or referendum committee, or other political organization, except that Enbridge (U.S.) Inc., to the extent

permitted by applicable law, shall defray all the costs and expenses incurred in the establishment and administration of, and in the solicitation of contributions to, the Enbridge-DCP PAC.

## **ARTICLE IV**

### **PURPOSES AND POWERS**

SECTION 1. The purpose of the Enbridge-DCP PAC shall be to provide the opportunity for individuals to contribute to the support of worthy candidates for state and federal office who stand for and foster sound and responsible government, the principles of free enterprise, and legislation to permit business enterprises to function in a responsible manner.

SECTION 2. To achieve these purposes, the Enbridge-DCP PAC is empowered to accept voluntary contributions from any lawful contributor; however, the Enbridge-DCP PAC is authorized to solicit contributions only from Enbridge (U.S.) Inc.'s eligible stockholders and their families, and executives and administrative employees, and their families as such terms are defined in the federal and state election laws. Such solicitation shall be subject to the limitations of Article VI. The Enbridge-DCP PAC is empowered to expend funds to influence the selection, nomination, or election of candidates for elective office who are believed to be in general agreement with the purposes of the Enbridge-DCP PAC, and for such other purposes consistent with Section 1 of this Article IV as may be authorized from time to time by the Board of Trustees of the Enbridge-DCP PAC.

SECTION 3. All solicitations, contributions and expenditures by the Enbridge-DCP PAC shall be made in accordance with applicable laws and regulations, and with the provisions of these Articles.

SECTION 4. The Enbridge-DCP PAC, its officers, advisory councils, committees, subcommittees, and administrative staff shall possess and may exercise all powers and privileges set forth in these Articles or incidental thereto, together with all powers and privileges necessary or convenient to the conduct, promotion, or attainment of the purposes of the Enbridge-DCP PAC and these Articles.

## **ARTICLE V**

### **PARTICIPATION**

SECTION 1. The members of the Enbridge-DCP PAC shall consist of all the Enbridge (U.S.) Inc.'s shareholders, employees, and their families who are eligible to contribute and who have contributed to the Enbridge-DCP PAC during the current or the preceding calendar year, provided such individuals are United States citizens or permanent United States residents.

SECTION 2. A member may withdraw at any time by written notice to the Enbridge-DCP PAC Administrator, but no refund of any contributions shall be made. A member may be severed from membership by the Board of Trustees, for any reason or for no reason at all, when it is

determined to be in the best interest of the Enbridge-DCP PAC. Written notice of severance shall be given to the member, and he or she shall have no appeal from the action.

## ARTICLE VI CONTRIBUTIONS

SECTION 1. All contributions to the Enbridge-DCP PAC shall be voluntary, and no contribution to the Enbridge-DCP PAC shall be solicited or secured by job discrimination or financial reprisal, or threat thereof, or as a condition of employment with Enbridge (U.S.) Inc. or any of its subsidiaries or by coercion in any form.

SECTION 2. Basic policies with respect to the expenditure or distribution of all contributions to the Enbridge-DCP PAC shall be within the sole discretion of the Board of Trustees of the Enbridge-DCP PAC SECTION 3. No contributions shall be accepted and no expenditure shall be made, by or on behalf of the Enbridge-DCP PAC, at a time when there is a vacancy in either the office of Chairperson or Treasurer.

SECTION 4. Policies with respect to the availability of payroll deduction and its procedures and regarding expenditures or distribution of contributions shall be within the sole discretion of the Board of Trustees of the Enbridge-DCP PAC as permitted by law and in accordance with these Articles.

SECTION 5. Contributions shall be in the form of a check or authorized payroll deduction. No cash contributions shall be accepted.

## ARTICLE VII SEPARATE SEGREGATED FUND

All contributions to the Enbridge-DCP PAC shall be deposited and maintained by the Enbridge-DCP PAC in a separate segregated fund in one or more designated depositories in accordance with applicable law, and all contributions by the Enbridge-DCP PAC in support of any candidate or political committee shall be made by check or similar instrument from such segregated fund and from no other source. All expenses of the Enbridge-DCP PAC which Enbridge (U.S.) Inc. does not defray, or may not defray pursuant to applicable law, shall be made from the separate segregated fund. All checks and other demands for the payment of money shall be signed on behalf of the Enbridge-DCP PAC by such person as the Board of Trustees may from time to time designate.

## ARTICLE VIII

### TRUSTEES

SECTION 1. The governing body of the Enbridge-DCP PAC shall be a Board of Trustees, composed of up to twelve (12) members. The senior most member of Enbridge (U.S.) Inc. External Affairs, U.S., shall appoint the initial members of the Board of Trustees. All Trustees, including a Trustee selected to fill a vacancy during any unexpired term, shall be nominated from the Enbridge-DCP PAC membership. Vacancies on the Board of Trustees shall be filled by the remaining members of the Board of Trustees after consultation with the senior most member of Enbridge (U.S.) Inc. External Affairs, U.S., or at least one of the senior most member of Enbridge (U.S.) Inc. External Affairs, U.S.' direct reports. The replacement Trustee shall serve for the remaining term of Trustee leaving office. Trustees shall serve three-year terms ("Trustee Term") with one-third of the terms expiring each year unless earlier removed. The Trustee Term of the Chairperson or Vice-Chairperson will automatically extend for a period of time necessary to fulfill his/her full two-year term as Chairperson or Vice-Chairperson. The Enbridge-DCP PAC may have standing committees, which shall be appointed by the Chairperson from among the Trustees.

SECTION 2. The Trustees are empowered to set basic policies with respect to contributions and expenditures to be made by the Enbridge-DCP PAC and to direct disbursements to any specific candidates. The Trustees shall determine the procedures for collection and distribution of funds to the candidates and political action committees that the Enbridge-DCP PAC shall support and the amount of all expenditures and disbursements by the Enbridge-DCP PAC.

SECTION 3. Meetings of the Board of Trustees shall be held bi-monthly at a place (including by telephonic or videoconference) and time designated by the Chairperson. A quorum must be present to conduct a meeting. A quorum is defined as the presence of the majority of the Board of Trustees at the call to order of the meeting. No Trustee may have more than three (3) unexcused absences during the preceding twelve month period (excluding actions taken under Section 5 of this Article). Continued unexcused absences by a Trustee under this Section may be cause for removal by the senior most member of Enbridge (U.S.) Inc. External Affairs, U.S.

SECTION 4. The Board of Trustees approval process will take the form of a vote. Each member of the Board of Trustees has one vote. The Chairperson shall conduct the voting process. An affirmative vote of at least a majority of the members of the Board of Trustees present is necessary for approval. In the event of a tie vote, the vote of the Chairperson, or Vice Chairperson in the Chairperson's absence, shall be determinative. Meeting of the Board of Trustees may be held through communications equipment if all persons participating can communicate with each other.

SECTION 5. Any action required or permitted to be taken at any meeting of the Board of Trustees may be taken without a meeting if two-thirds of all members of the Board of Trustees consent thereto in writing or by electronic transmission, and the writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board of Trustees.

## ARTICLE IX

### ADVISORY COUNCILS

SECTION 1. Each Trustee may be supported by an Advisory Council. Prospective Advisory Council members shall be recommended by the respective Trustee and presented to the Board of Trustees for approval. All Council Members including a Council Member selected to fill a vacancy during an unexpired term shall be nominated from the Enbridge-DCP PAC membership. The term for an Advisory Council member shall be three years with one-third of the terms expiring each year.

SECTION 2. Advisory Councils shall support the Enbridge-DCP PAC and assist its respective Trustee by providing communication between the Enbridge-DCP PAC members and the Board of Trustees, by attending Advisory Council meetings, by assisting in solicitation of the Enbridge-DCP PAC eligibles, and by making recommendations, which may or may not be accepted by the Enbridge-DCP PAC Trustee(s).

SECTION 3. Each Advisory Council shall meet and conduct business on a regular basis, at such time and by such means as determined by its respective Trustee.

## ARTICLE X

### OFFICERS

SECTION 1. The officers of the Enbridge-DCP PAC shall be a Chairperson, a Vice-Chairperson, a Treasurer, one or more Assistant Treasurers and a Secretary. (The offices of Chairperson and Vice-Chairperson may include one or more Co-Chairperson. If Co-Chairpersons or Co-Vice Chairpersons are appointed, all appointees shall share equally in the duties and responsibilities of that office.)

SECTION 2. The Chairperson and Vice-Chairperson shall be members of the Board of Trustees and shall be appointed by the senior most member of Enbridge (U.S.) Inc. External Affairs, U.S.. The Treasurer, Assistant Treasurer and Secretary shall be appointed by the Chairperson and approved by the majority of the Board of Trustees, but need not be a member thereof ("the Enbridge-DCP PAC Officers"). The immediate past-Chairperson shall be an ex-officio member of the Board of Trustees. The Enbridge-DCP PAC Officers shall be appointed for a two-year term. Should a vacancy occur among Enbridge-DCP PAC Officers during their term, such vacancy may be filled by the Chairperson and approved by a majority vote of the Board of Trustees for the remainder of their term.

SECTION 3. The Chairperson shall have the general management and supervision of the affairs of the Enbridge-DCP PAC. The Chairperson shall preside at all meetings of the Board of Trustees and, in his/her absence, the Vice-Chairperson shall preside. The Chairperson shall not represent an Advisory Council and shall only vote in the event of a tie.

SECTION 4. The Treasurer shall be the chief financial officer of the Enbridge-DCP PAC, shall keep the financial and other records of the Enbridge-DCP PAC, shall ensure compliance with all applicable legal requirements, and shall perform such other duties as may be assigned to him/her by the Chairperson or the Board of Trustees.

SECTION 5. The Assistant Treasurer shall, during the absence or incapacity of the Treasurer, assume and perform all functions and duties which the Treasurer might lawfully do if present and not under any incapacity. Both the Treasurer and Assistant Treasurer shall be designated agents of the Enbridge-DCP PAC for the purposes of signing all Federal Election Commission reports and other the Enbridge-DCP PAC documents.

SECTION 6. The Secretary shall perform such duties as may be required by law or by the Articles, or which may be assigned from time to time by the Chairperson and the Board of Trustees.

## **ARTICLE XI**

### **Spectra-DCP PAC ADMINISTRATOR**

There shall be an Enbridge-DCP PAC Administrator who shall have responsibility for the administration of the general affairs of the Enbridge-DCP PAC and shall act as directed by the Chairperson and the Board of Trustees.

## **ARTICLE XII**

### **REMOVAL**

A Trustee, the Chairperson, Vice-Chairperson, or Treasurer may be removed from office by the senior most member of Enbridge (U.S.) Inc. External Affairs, U.S. An Advisory Council member, Assistant Treasurer or Secretary may be removed from office by a two-thirds vote of the entire Board of Trustees.

## **ARTICLE XIII**

### **AMENDMENTS**

The Articles may be amended from time to time by a two-thirds vote of the entire Board of Trustees; provided, however, that Sections 1 through 3 of Article VI shall not be subject to amendment or repeal so long as the Enbridge-DCP PAC remains in existence. The Treasurer shall give notice to the Enbridge-DCP PAC Counsel of any amendment to the Articles, and the substance and effective date of such amendment.

**ARTICLE XIV**

**DISSOLUTION**

The Enbridge-DCP PAC may be dissolved at any time by two-thirds vote of the entire Board of Trustees. In the event of such dissolution, all property and assets belonging to the Enbridge-DCP PAC shall be promptly distributed as determined by the Board of Trustees for purposes generally consistent with the purpose set forth in ARTICLE IV of the Articles, or shall otherwise be disposed of in accordance with applicable law.

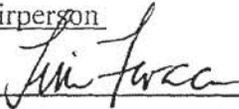
**ARTICLE XV**

**RECORDS**

Records and accounts of all contributions and expenditures and copies of all reports of the Enbridge-DCP PAC must be preserved by the Treasurer for three years or such longer time as may be required by applicable law.

ADOPTED as of this 14 Day of March, 2017.

Chairperson

  
\_\_\_\_\_

Vice-Chairperson

  
\_\_\_\_\_

# Exhibit C

## Policy for Member Eligibility and Solicitation

### Background

Pursuant to the Articles of Association of Enbridge (U.S.) Inc. Political Action Committee adopted and executed on March 14, 2017, the Enbridge-DCP PAC (“PAC”) is authorized to solicit contributions from Enbridge (U.S.) Inc.’s eligible stockholders and their families, executives and administrative employees, as well as their families (“restricted class”) as defined by federal and state election laws. As contained in the Federal Election Commission Campaign Guide, Corporations and Labor Organizations (Jan. 2007), executive and administrative personnel include employees who are paid on a salary (rather than hourly) basis and who have policymaking, managerial, professional or supervisory responsibilities as outlined by the regulations implementing the Fair Labor Standards Act. The restricted class generally includes individuals who are U.S. citizens or permanent U.S. residents and:

- Devote the majority of their work week to executive or administrative duties involved in running the corporation’s business (e.g., plant, division and section managers, officers and executives); or
- Follow the recognized professions, such as lawyers, physicians, nurses and engineers.

The following groups could also qualify as solicitable personnel:

- Consultants and commissioned employees, if they have policymaking, managerial or supervisory responsibilities and the organization deducts federal income tax from their paychecks under the Internal Revenue Code.
- Members of the board of directors who are not shareholders or employees but who receive regular compensation.
- Executive and administrative personnel of franchisees, licensees and agents.
- Executive and administrative personnel of a partnership or LLC controlled by, or controlling, a corporation or its dominant shareholders.

The following groups are not included (unless included as stockholders):

- Professional employees represented by a labor union.
- Outside lawyers, consultants and other personnel who are not employees of the corporation.
- Members of the board of directors who are not also executive and administrative personnel and who receive no compensation.

- Salaried foremen and others who supervise hourly employees.
- Former or retired personnel.

Enbridge-DCP PAC will ensure compliance with federal and state election laws by establishing a policy governing member eligibility and solicitation. This policy will be reviewed as necessary by the Enbridge-DCP PAC Board of Trustees (“Trustees”) or its designee(s) and modified as necessary. The Trustees will consult with Enbridge-DCP PAC legal counsel, as well as appropriate Enbridge (U.S.) Inc. and DCP corporate human resources representatives during each review to ensure compliance with regulatory requirements.

#### Member Eligibility

Eligibility for membership in Enbridge-DCP PAC will be consistent with the descriptions set forth above and as further discussed in federal and state election laws, regulations implementing the Fair Labor Standards Act and the Federal Election Commission Campaign Guide (updated periodically).

Upon review of Enbridge-DCP PAC and DCP job classifications, job functions, salary grades and any other information necessary to evaluate the role of potential members’ positions, Trustees will use their best efforts to define Enbridge-DCP PAC’s Eligible Persons (Exhibit A).

Based on this definition, Enbridge (U.S.) Inc. and DCP Human Resource departments will be responsible for identifying Eligible Persons within their respective electronic HR / Payroll systems. Enbridge (U.S.) Inc. and DCP Human Resource departments will help ensure consistency of this policy and the definitions of the PAC’s Eligible Persons with the definitions contained in the Fair Labor Standards Act.

#### Solicitation of Eligible Persons

The PAC may solicit contributions from those defined as Eligible Persons (Exhibit A). All solicitations will be conducted in compliance with federal and state election laws and regulations and the Federal Election Commission Campaign Guide (updated periodically). All solicitations must be voluntary with no fear or threat of physical force, job discrimination or financial reprisal or a condition of employment.

# Policy for Member Eligibility and Solicitation

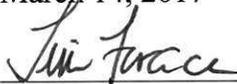
## Exhibit “A” – Eligible Persons

Effective Date: March 14, 2017

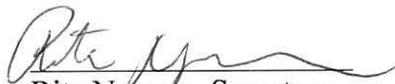
Enbridge (U.S.) Inc. Political Action Committee defines eligible persons as:

- U.S. residents and individuals admitted for permanent residence (valid holders of “green cards”) who are exempt employees or directors of Enbridge (U.S.) Inc. or DCP;
- The Board of Directors compensated by Enbridge (U.S.) Inc. or holding public stock (“shareholders”) of the corporation;
- Exempt salaried employees having executive, administrative, managerial, supervisory, professional and technical functions. This will exclude first line supervisors having direct supervision of only non-exempt employees;
- Employee shareholders performing such functions which may not explicitly qualify as described above but who are paid on a salary (rather than hourly) basis and have policymaking, managerial, professional or technical responsibilities.

Approved by Enbridge-DCP PAC Board of Trustees  
March 14, 2017



Tina Faraca, Chair



Rita Nguyen, Secretary

# Exhibit D

# Enbridge Inc. Political Contributions Policy

# Enbridge Inc. Political Contributions Policy

Applicability: **Applies to Enterprise**  
 Originator: **Public Affairs and Communications**  
 Approval:  
 Effective Date: **August 3, 2017**

## Our Political Engagement Philosophy

Enbridge believes it is important that all stakeholders engage constructively in the political process and we participate at the federal, state, provincial and local levels to help inform the development of public policies which may affect our industry, our company, our employees and our stakeholders. Enbridge is committed to the highest standard of ethical conduct in our involvement in the political process, adhering to all applicable laws in Canada and the United States and Our Statement on Business Conduct.

## Personal Political Participation

Enbridge supports individual employee participation in the political process in our communities, including involvement with political parties, candidates or on public policy issues. Individual employee participation in the political process must comply with the Statement on Business Conduct and all applicable laws. Enbridge provides information on its political activities and shares its viewpoint on issues affecting the company with employees, customers and the general public. We respect anyone's right to disagree with the official company positions regarding political preferences.

## Enbridge (U.S.) Inc. Political Action Committee (Enbridge-DCP PAC)

In the United States, eligible employees may choose to participate in the political process by voluntarily making contributions to the Enbridge (U.S.) Inc. Political Action Committee (Enbridge-DCP PAC), a political action committee that is not affiliated with any political party,

candidate or organization. The PAC was established by Enbridge (U.S.) Inc. and DCP Midstream LLC, a joint venture between Enbridge Inc. and Phillips 66. Enbridge-DCP PAC is directed by a board of employees of both Enbridge (U.S.) Inc. and DCP Midstream, which makes all decisions regarding the PAC's political contributions. Enbridge-DCP PAC contributions go directly to support candidates for Congressional office and for state office, where Federal PAC contributions are permitted by state law. Contributions to certain national party organizations may also be made as appropriate. All PAC contributions are disclosed consistent with Federal and state laws and regulations, and available on the website of the **Federal Election Commission** and on the websites of election boards in the certain states where the PAC makes contributions.

## Corporate Contributions

Federal laws in both Canada and the United States generally place limits on a company's ability to participate in the political process. As such, Enbridge does not contribute corporate funds directly to federal political candidates, committees or parties in either jurisdiction. However, on a limited basis, we may use corporate funds in the United States to make contributions to 527 organizations (an organization with a 527 designation from the Internal Revenue Service confers eligibility for tax exemption).

States and provinces where Enbridge does business have different regulations governing political contributions in state, provincial and local elections. Enbridge participates in the political process in accordance with all state, provincial and local laws, and any and all corporate contributions shall comply with all applicable laws and regulations.

Our political contribution decisions are guided by what is in the best interest of the company, our employees and our shareholders. All proposed contributions that Enbridge makes must be reviewed and approved by the Business Unit executive responsible for Public Affairs and Communications, Business Unit President, the Chief Executive Officer or Board of Directors. Enbridge's senior leader responsible for External Affairs in Canada and/or the United States reviews all contributions and ensures accountability to this policy. A record of all approved contributions will be maintained by Public Affairs and Communications. Enbridge's total annual corporate political contributions in Canada and the United States can be found in our annual Corporate Social Responsibility Report.

## Lobbying

Enbridge actively participates in the political process to help inform the development of public policies important to our business objectives, our employees, our industry, and other key stakeholders. Enbridge employs and engages registered lobbyists in Canada and the United States to support its legislative and regulatory activities. These lobbyists are carefully selected, expected to act with the highest integrity and engaged only with the approval of our senior business unit government affairs officer or Enbridge's senior leader responsible for External Affairs in Canada and/or the United States.

## Public Disclosure

Enbridge and its lobbyists are required to file lobbying reports with the Government of Canada, the U.S. Congress, state and provincial agencies on a regular basis disclosing information about lobbying activities. The reports include information on the issues lobbied, the agencies contacted and the expenditures made, and are available for public review in the United States on the websites of the **U.S. House of Representatives** ([house.gov](http://house.gov)) and the **U.S. Senate** ([senate.gov](http://senate.gov)), and in Canada on the websites of Office of the Commissioner of Lobbying of Canada, as noted below. In many cases, state and provincial reports are made available for review on the applicable state or provincial agency website.

- In the U.S., Enbridge maintains and files Lobbying Disclosure Act Registration and Reports (Form LD-2) with the U.S. Congress. These reports detail the particular bills and issues on which individual lobbyists had activity, as well as the total lobbying expenses incurred during each calendar quarter. Lobbying reports may be found at: [www.senate.gov/legislative/Public\\_Disclosure/LDA\\_reports.htm](http://www.senate.gov/legislative/Public_Disclosure/LDA_reports.htm)

- In the U.S., Enbridge and its registered federal lobbyists must also file semi-annual reports detailing, among other things, Enbridge-DCP PAC disbursements and personal and/or direct contributions to federal candidates. These forms (LD-203) are viewable by using the following link: [www.senate.gov/legislative/Public\\_Disclosure/LDA\\_reports.htm](http://www.senate.gov/legislative/Public_Disclosure/LDA_reports.htm)
- In Canada, with respect to the federal government Enbridge's registered consultants and in-house lobbyists must file monthly reports detailing communications with designated public office holders. These forms are publically available at: [ocl-cal.gc.ca/eic/site/012.nsf/eng/home](http://ocl-cal.gc.ca/eic/site/012.nsf/eng/home)

## Trade Associations

Enbridge also has a voice on federal, provincial, state and local issues through our participation in trade associations. Enbridge is committed to supporting the development of responsible public policy in the pipeline and midstream industry and we work with various trade associations on a variety of public policy issues that may impact our businesses. We may not align with or support every policy decision each of these associations makes, however we do advocate our position. Our Corporate Social Responsibility Report lists the trade organizations where we contributed US\$50,000 or more in membership dues.

## Governance

The Corporate Social Responsibility Committee of the Board of Directors provides oversight on Enbridge's political contributions including approval of the Political Contributions Policy. Management provides The Committee with updates on political contributions which are also publicly disclosed annually in Enbridge's Corporate Social Responsibility Report.