

# Resilience Discipline Growth



Enbridge Day 2019

**Al Monaco**  
President & Chief Executive Officer

## Highlights

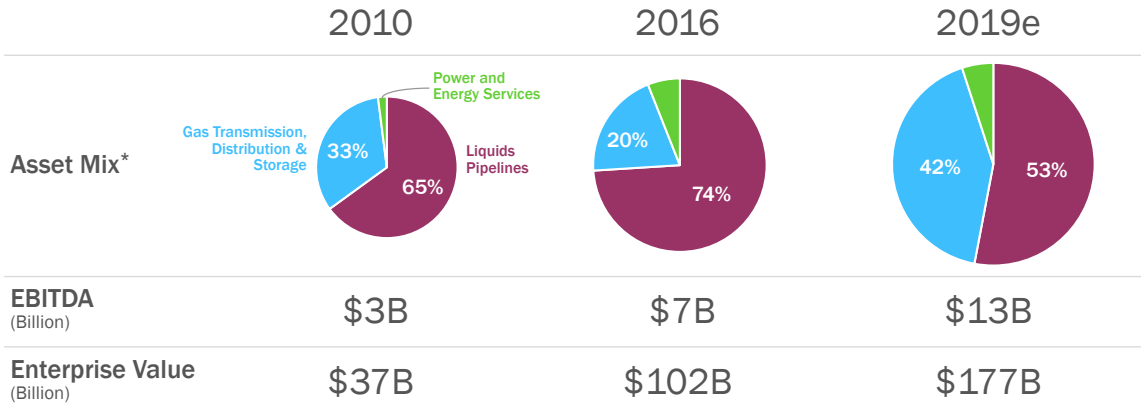
### Financial Update

2019e DCF/Share guidance	<b>\$4.30 - \$4.60</b> Exceed midpoint
2019e Debt:EBITDA	<b>4.6x</b> Range 4.5 - 5x
2020e DCF/Share guidance	<b>\$4.50 - \$4.80</b>
2020 Dividend/Share	<b>\$3.24</b> 9.8% Increase
Post-2020	
• DCF/Share CAGR	<b>5 - 7%</b>
• Debt:EBITDA	<b>4.5 - 5.0x</b>

### Business Update

- Advancing Liquids USGC strategy
- Line 3 Canada: placed into service on December 1
- Line 3 U.S.: Minnesota Department of Commerce completes EIS work
- Planning to file Mainline contracting application shortly

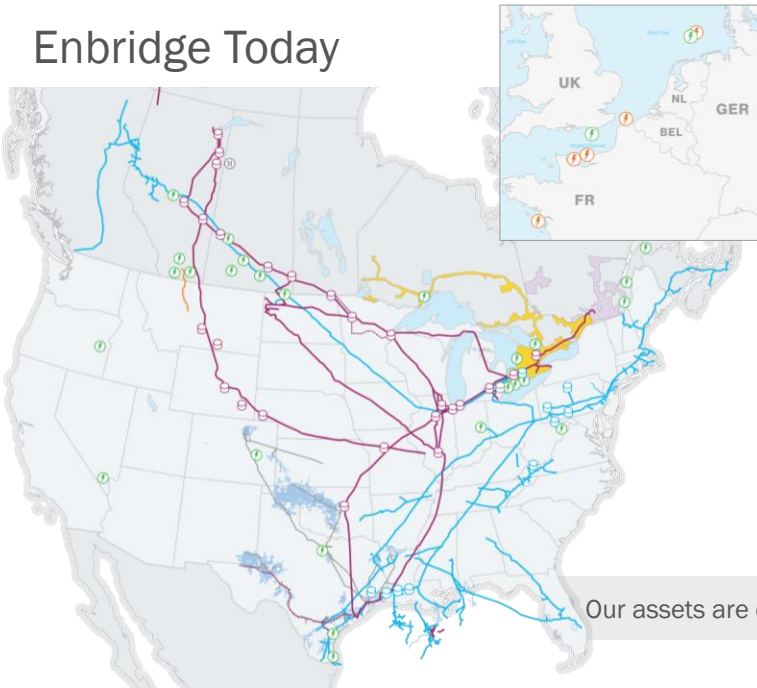
# Growing and Repositioning Our Business



Repositioned and grown business in line with energy fundamentals and business environment

\*Represented by EBITDA

# Enbridge Today



**25%** of North America's crude oil transported

**20%** of natural gas consumed in the U.S

**3.7M** customer connections in Ontario

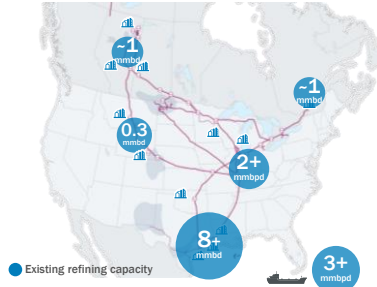
**1.8GW** of long-term contracted renewable energy

Our assets are essential to North America's energy needs

# Resilient Energy Infrastructure

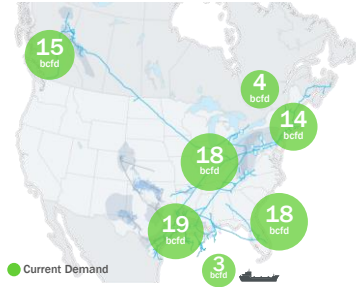


## Liquids Pipelines



- Serves markets with more than 12mmbpd of N.A. refining capacity
- Globally competitive refineries
  - Lowest cost access to best N.A. and export markets

## Gas Transmission



- Serves regional markets with >170 million people
- First and last mile connectivity
  - Competitive tariffs to N.A. and export markets

## Gas Distribution & Storage



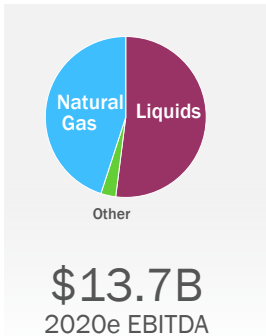
- Serves 5th largest N.A. population center
- Critical source of industrial, commercial and residential load
  - Gas costs 60% lower than competing fuels sources

Long lived, demand pull energy infrastructure

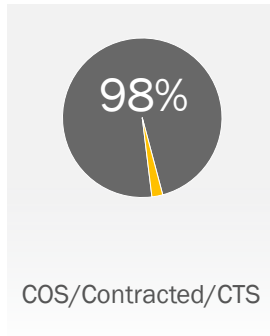
# Resilient Business Model



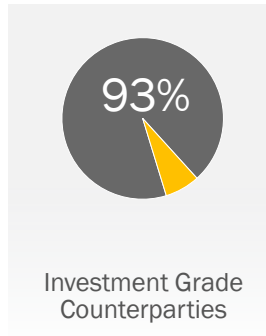
## Diversified Asset Mix



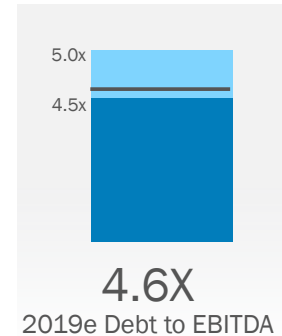
## Predictable Cash Flows



## Solid Customer Base



## Strong Financial Position



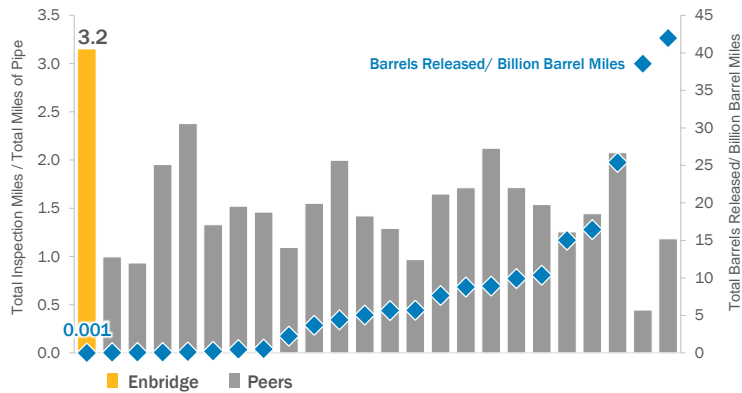
Diversified cash flows underpinned by low risk approach to business and strong financial position

# Safety & Reliability



## Industry-leading Liquids Pipelines Safety Performance

(2014-2018; Total inspection miles / Total miles of pipe VS Barrels released/Billion barrel miles)



- Lifecycle approach to asset management
- Investing in the system
- Technology and data management

The safety and reliability of the system is our #1 priority

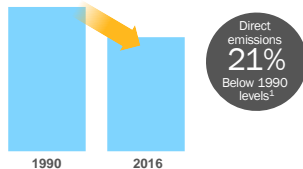
Source: PHMSA, Enbridge

# ESG



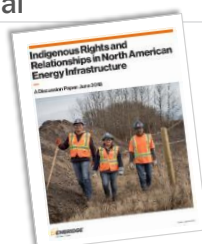
## Environmental

### GHG Emissions Reductions



- **Set and met** GHG emissions reduction targets; developing new targets
- **Removed equivalent of 9.3 million cars** through DSM programs
- **Issued 2019 Climate Report²**

## Social



- **Lifecycle approach** to Indigenous engagement
- **\$450M in Indigenous economic opportunities** on Line 3 Canada
- Focused on workforce **diversity and inclusion**

## Governance

### Board Diversity



- **Separate Chair and CEO**; average Board tenure **7 yrs.**
- Executive compensation **aligned with shareholder** returns and company performance
- Performance metrics includes environmental and social factors

Committed to strong and sustainable practices that promote the long-term interests of stakeholders

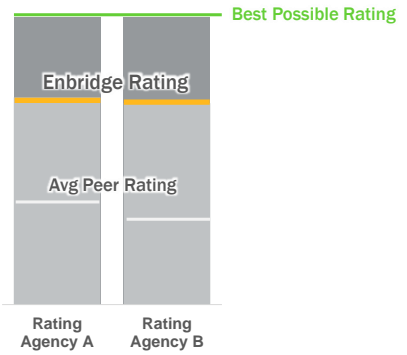
(1) Canadian operations. (2) Aligned to TCFD

# Leading the Industry on ESG Measures



	ENBRIDGE	Peer A	Peer B	Peer C	Peer D	Peer E
TCFD aligned disclosure report <sup>1</sup>	✓	✗	✓	✗	✓	✓
Publicly report GHG emissions (Scope 1 and 2)	✓	✓	✓	✗	✓	✓
Board oversight of climate-related risks and opportunities	✓	✗	✓	✗	✗	✓
Indigenous Peoples Policy	✓	✗	✓	✗	✗	✓
Gender diversity on Board of Directors	✓	✗	✓	✗	✓	✓
CEO & executive compensation tied to ESG	✓	✗	✓	✗	✓	✗
Executive compensation includes TSR performance metric	✓	✗	✓	✗	✓	✗

## Third Party ESG Ratings<sup>2</sup>



Industry-leading practices relative to midstream peers

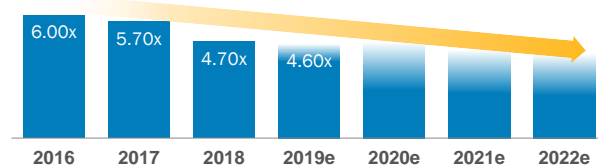
Peers comprised of N.A. large cap Midstream companies  
 1. Resilient Energy Infrastructure: Addressing Climate-Related Risks and Opportunities Report  
 2. Reflects third-party assessment and rating of ESG disclosure and performance measures of Enbridge and Peers A through E

# Progress on Key Priorities

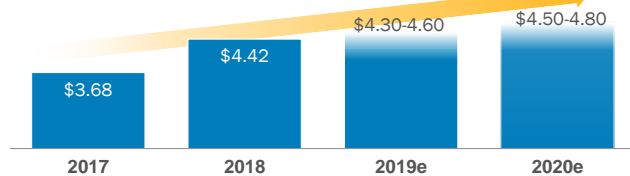


- ✓ Strong operating and financial performance
- ✓ Spectra integration complete
- ✓ Project execution strong
- ✓ Accelerated leverage reduction
- ✓ Self-funded growth
- ✓ Simplified corporate structure

## Accelerated Deleveraging

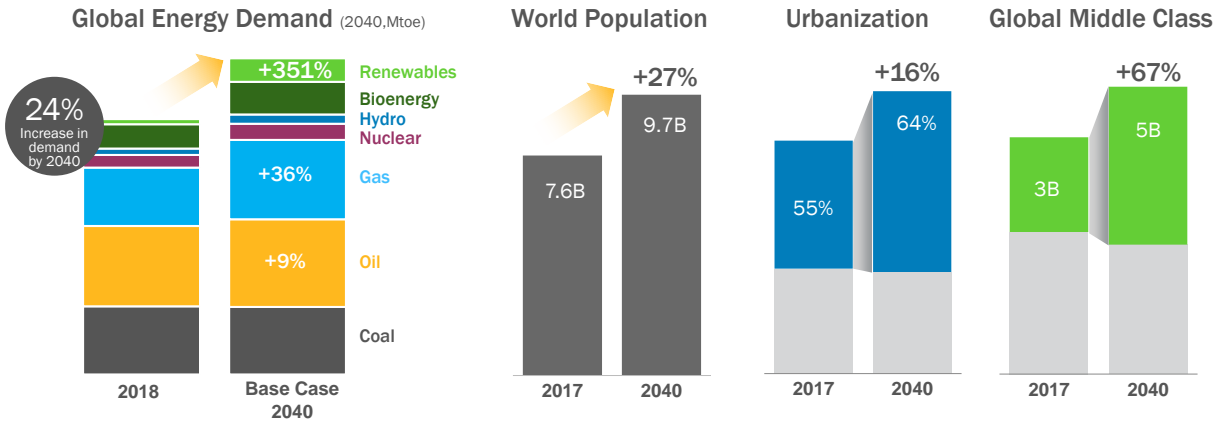


## DCF Per Share Growth



Business performance driving record financial results, while deleveraging and simplifying the business

# Growing Global Demand for Energy



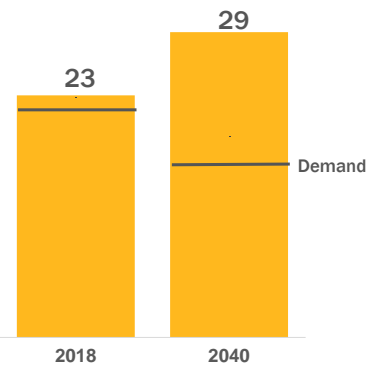
Energy consumption rising – all sources of energy are needed

Source: IEA 2019 WEO Stated Policies Scenario

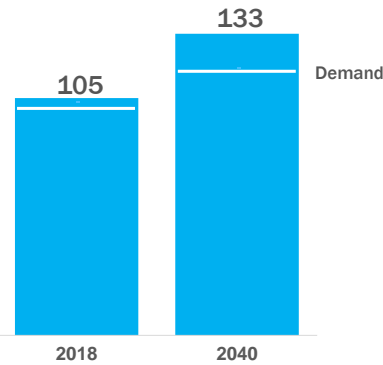
# North American Energy Supply Fundamentals



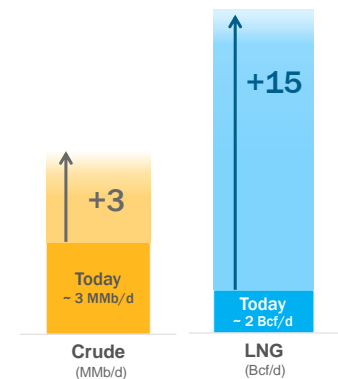
N.A. Liquids supply<sup>1</sup> (MMb/d)



N.A. Natural gas supply (Bcf/d)



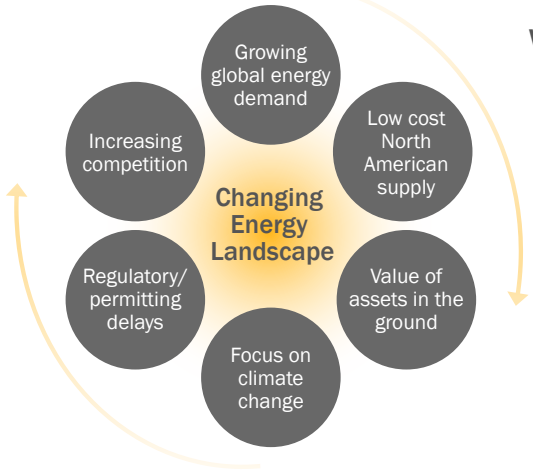
U.S. & Canada exports (by 2040)



Globally competitive N.A. crude oil and natural gas supplies support growing exports

<sup>1</sup> Includes Mexico  
Liquids and natural gas supply forecasts: IEA 2019 WEO - Stated Policies Scenario  
Export forecasts: Enbridge internal view

# Midstream Energy Context



## We have adapted to the changing energy landscape

### How we approach growth:

- Optimize and expand existing assets
- Diversify opportunity set
- Focus on export infrastructure
- Developed unique execution skill set

### How we approach capital allocation:

- Enhance returns on core businesses
- Highly executable, geographically diverse projects
- Minimize at-risk development capital
- Self-funding equity

Our approach to the business capitalizes on the energy fundamentals and adapts to a changing landscape

# Strategic Priorities



## Primary Emphasis Through 2022

### Optimize the Base Business

- Toll escalators & contract ramps
- System optimizations
- Overhead/supply chain efficiencies

### Execute Secured Capital Program

#### \$11B of Secured Growth

- |                          |   |
|--------------------------|---|
| <b>Liquids Pipelines</b> | <ul style="list-style-type: none"> <li>• Line 3 U.S.</li> <li>• Southern Access Expansion</li> </ul>  |
| <b>Gas Transmission</b>  | <ul style="list-style-type: none"> <li>• T-South expansion</li> <li>• T-North expansion</li> <li>• Atlantic Bridge</li> <li>• USGC LNG connections</li> </ul> |
| <b>Gas Distribution</b>  | <ul style="list-style-type: none"> <li>• Customer growth</li> <li>• Dawn Parkway expansions</li> <li>• System expansions</li> </ul>                           |
| <b>Power</b>             | <ul style="list-style-type: none"> <li>• St Nazaire</li> <li>• East-West Tie Line</li> </ul>  |

### Grow Organically

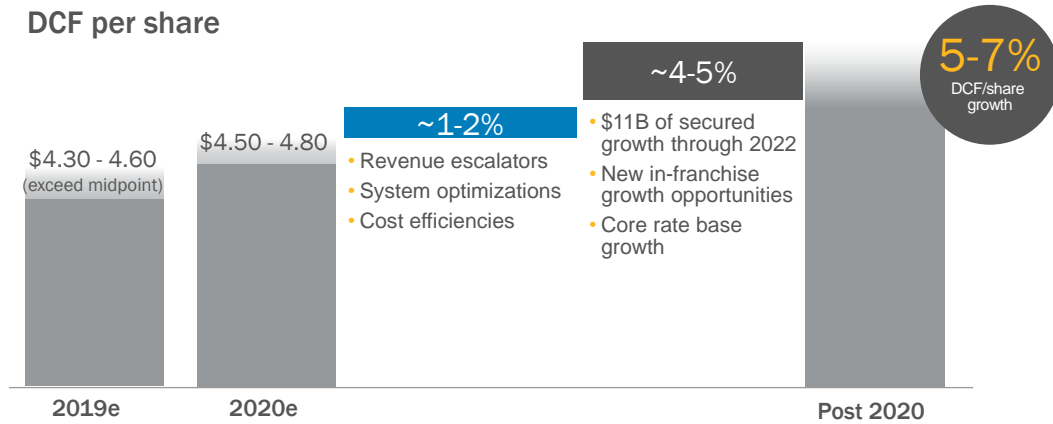
- Extend & expand pipelines
- USGC liquids exports & logistics
- Core rate base growth
- LNG export pipelines
- Utility customer growth & expand to new communities
- European Offshore wind

Near-term focus primarily on optimizing the base and executing secured capital

# Growth Outlook

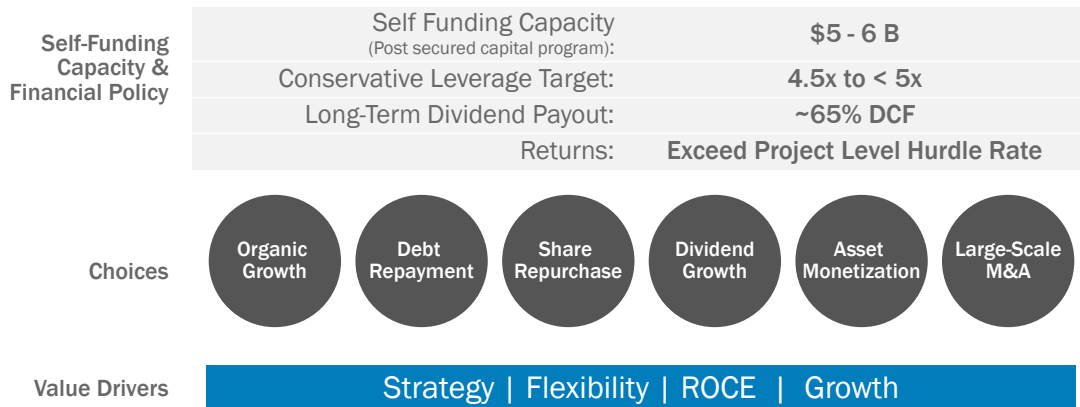


## DCF per share



Growth of 5-7% DCF per share supported by Strategic Plan priorities

# Disciplined Capital Allocation



A disciplined and systematic approach to capital allocation



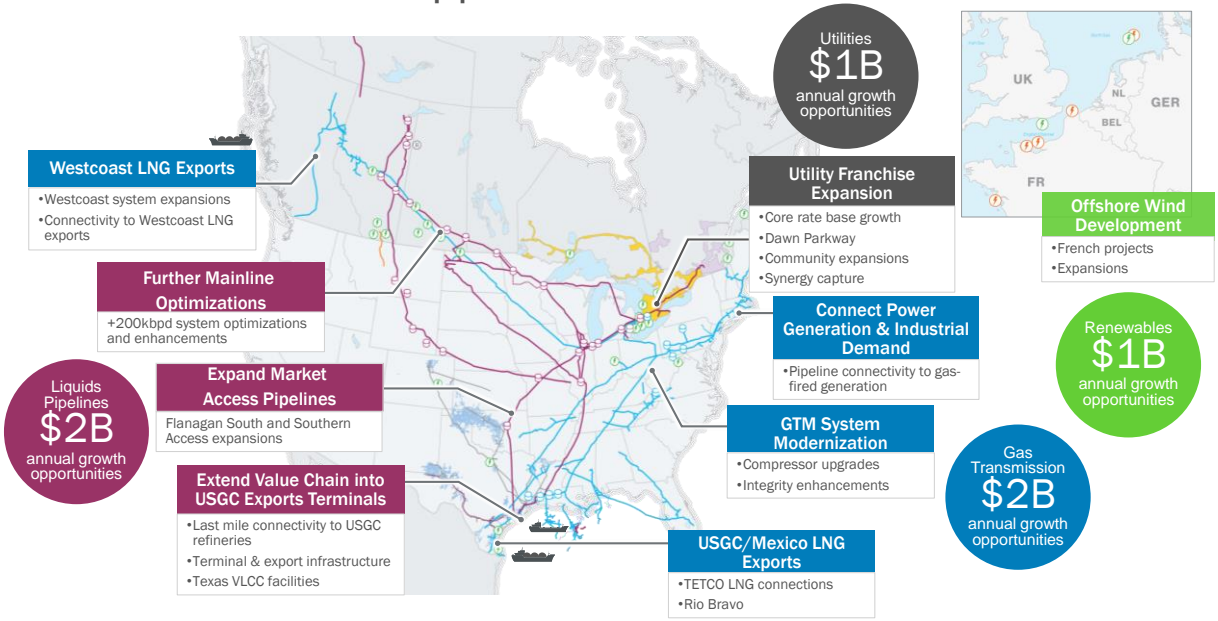
# Near-term Capital Allocation Priorities



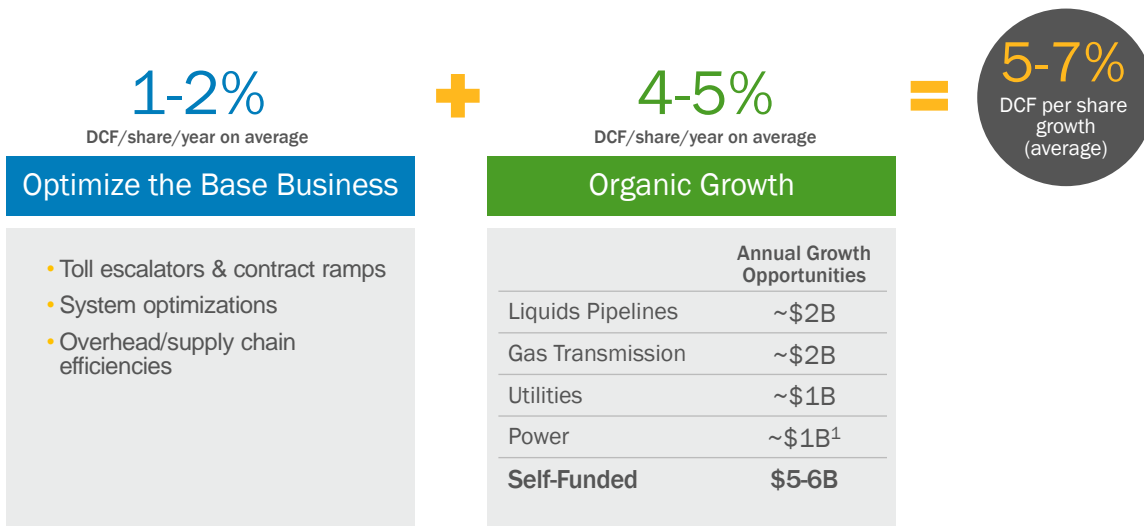
- 1 Preserve Financial Strength**  
 Target 4.5x to <5.0x DEBT to EBITDA and maintain BBB+ credit rating
- 2 Return Capital to Shareholders**  
 Sustainable dividend growth (2020 dividends of \$6.5B)
- 3 Organically Grow the Business**  
 Execute secured growth and pursue in-franchise, capital efficient growth on a self-funded basis

Optimize deployment and return of capital to maximize long-term shareholder value

# Post-2020 Growth Opportunities



# Longer Term DCF/Share Outlook



<sup>1</sup> Anticipate project-level debt funding of Power projects

# Key Questions

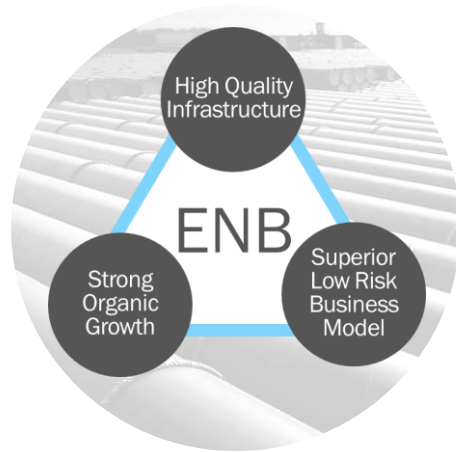


- **Will you consider increasing the risk profile to achieve your growth outlook?** - No, focused on pipeline/utility model
- **Would you stretch the balance sheet to achieve your growth target?** - No, current 3-year plan anticipates we will be within our 4.5 to <5.0x Debt:EBITDA target range
- **Would you further shift your asset mix?** - We have a good balance between crude oil and natural gas
- **Would you consider large scale M&A?** - Not at this time, we're focused on organic growth of our systems
- **Are you considering buy-back of your shares?** - We are growing shareholder returns through dividend, but may consider buy backs post Line 3
- **Are you considering increasing your international presence?** - No plans beyond select European Offshore wind investments

# Enbridge's Value Proposition



- Our business is **resilient** over the long-term
- Our low risk business model provides **stability**
- We will grow in a **disciplined** manner
- We are **delivering** on our commitments



Critical infrastructure, lowest risk profile and attractive growth potential

# Leadership Team and Succession Planning



Al Monaco  
President & CEO



Colin Gruending  
EVP & CFO



Cynthia Hansen  
EVP & President, GDS



Guy Jarvis  
EVP LP (Retiring)



Byron Neiles  
EVP Corp Services



Bob Rooney  
EVP & CLO



Laura Sayavedra  
SVP, Projects, S&R, ERP



John Whelen  
EVP & CDO



Bill Yardley  
EVP & President, GTM



Vern Yu  
EVP LP (In-Coming)



Matthew Akman  
SVP Strategy & Power



David Bryson  
SVP & CCO, GTM



Allen Capps  
SVP Corp Development



Michelle George  
VP Engineering, EGI



Michele Harradence  
SVP & COO, GTM

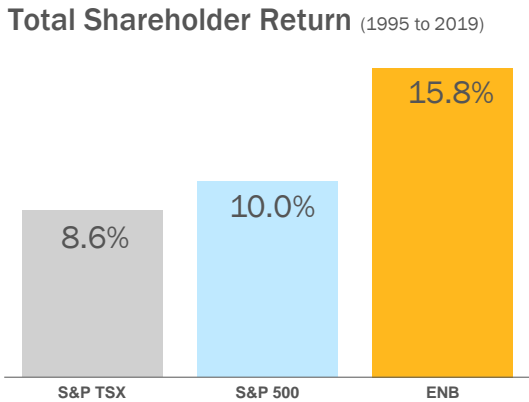
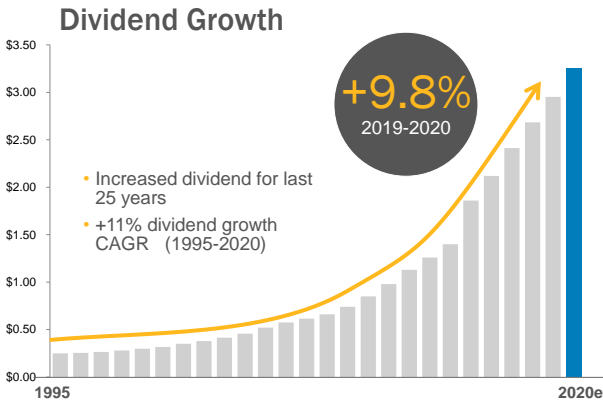


Marc Weil  
SVP & CHRO

- Supported by highly skilled & motivated employees
- Developing our people through planned rotations and succession planning

Strong & experienced leadership team in place

# Shareholder Value Created



Long history of dividend growth and strong total shareholder returns

# Q&A

