

# 2013 First Quarter Financial Results

May 8, 2013

**Al Monaco**

President & CEO

**J. Richard Bird**

Executive Vice President,  
CFO and Corporate Development



# Agenda



- Overview & Strategic Update: Al Monaco
- Financial Results: J. Richard Bird
- Question & Answer Period



This presentation includes certain forward looking information (FLI) to provide Enbridge shareholders and potential investors with information about Enbridge and management's assessment of its future plans and operations, which may not be appropriate for other purposes. FLI is typically identified by words such as "anticipate", "expect", "project", "estimate", "forecast", "plan", "intend", "target", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Although we believe that our FLI is reasonable based on the information available today and processes used to prepare it, such statements are not guarantees of future performance and you are cautioned against placing undue reliance on FLI. By its nature, FLI involves a variety of assumptions, risks, uncertainties and other factors which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied in our FLI. Material assumptions include assumptions about: the expected supply and demand for crude oil, natural gas and natural gas liquids; prices of crude oil, natural gas and natural gas liquids; expected exchange rates; inflation; interest rates; the availability and price of labour and pipeline construction materials; operational reliability; anticipated in-service dates and weather.

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This presentation will make reference to certain financial measures, such as adjusted net income, which are not recognized under GAAP. Reconciliations to the most closely related GAAP measures are included in the earnings release and also in the Management Discussion and Analysis posted to the website.

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## Overview & Strategic Update

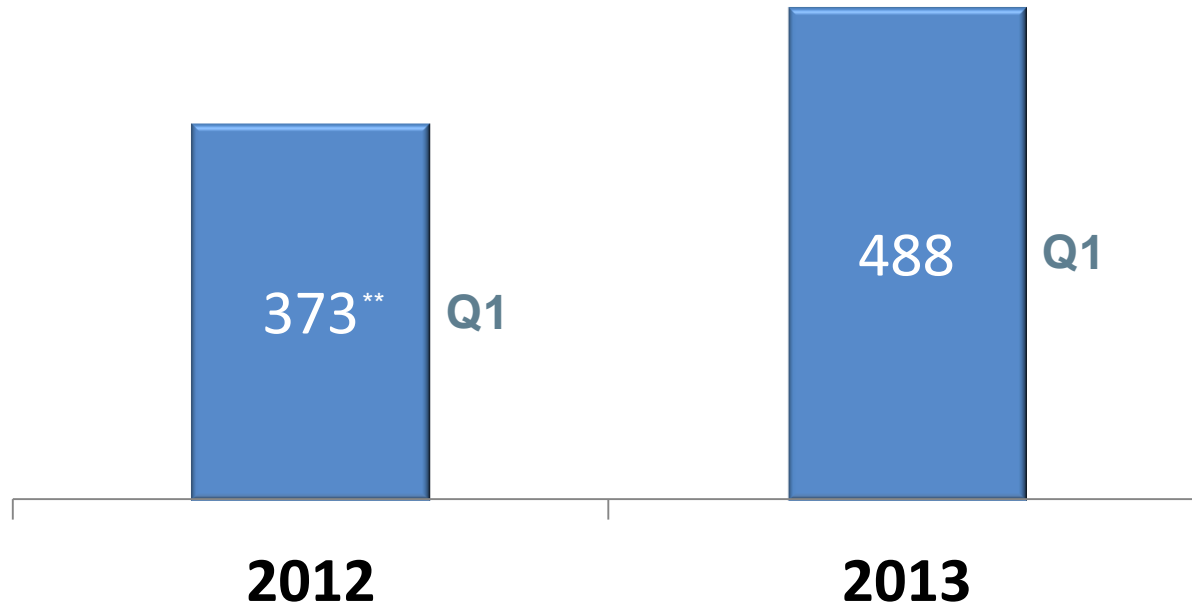
- Financial Results and Business Development Highlights
- Market Access Initiatives
- Project Execution & Safety

# Q1 2013 – Financial Results



## Adjusted Earnings\*

(\$ Millions)



Year-To-Date  
EPS

**\$0.49\*\***  $\xrightarrow{27\%}$  **\$0.62**

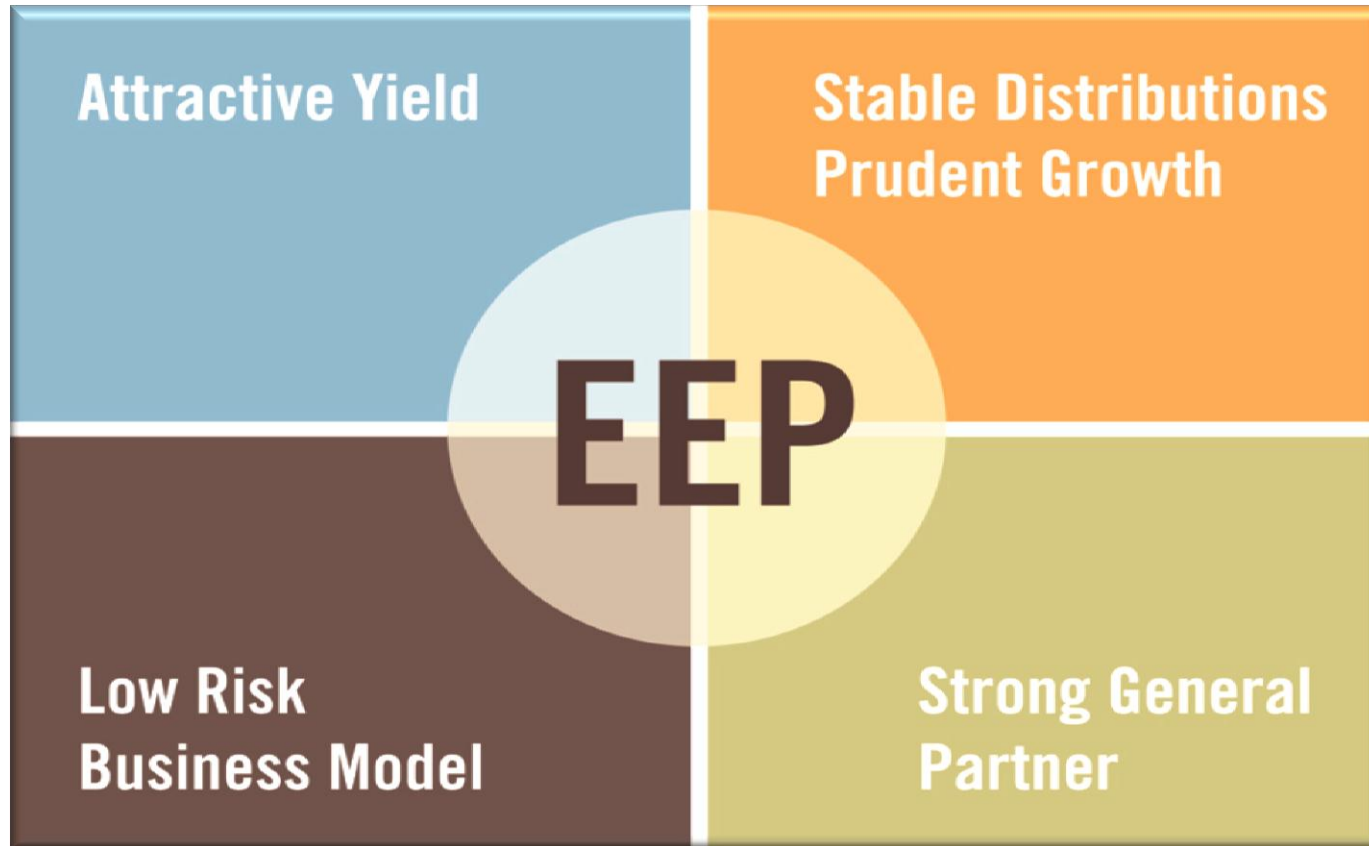
\* Adjusted earnings and adjusted EPS are non-GAAP measures. For more information on non-GAAP measures please refer to disclosure in news release.

\*\* Restated based on adoption of FAS 92.

# New Project Announcements – 2013



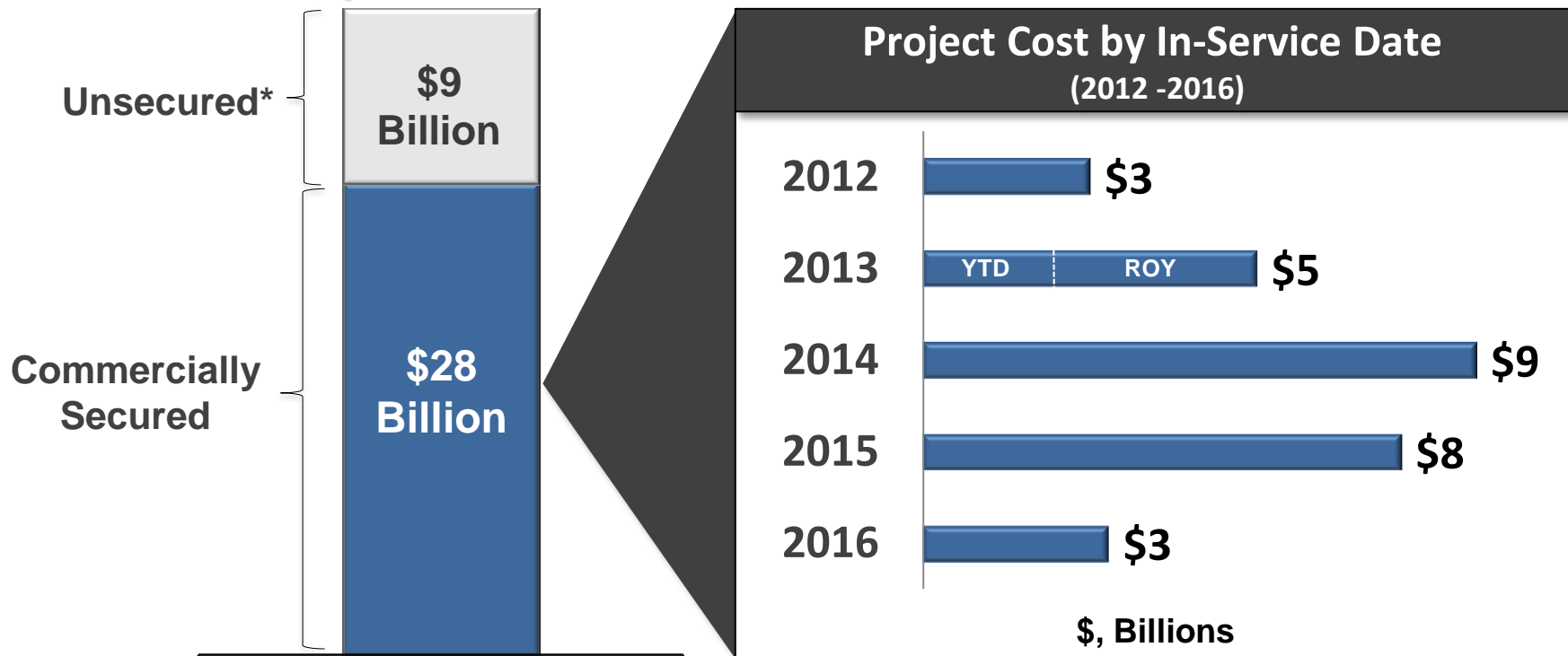
Project	Business Unit	Capital (\$ Billions)
<b>Commercially Secured</b>		
Canadian Mainline Expansion <small>(Alberta Clipper to 800 kbpd)</small>	Liquids Pipelines	\$0.4
U.S. Mainline Expansion <small>(Alberta Clipper U.S. to 800 kbpd)</small>	Liquids Pipelines	\$0.2
AOC Hangingstone Lateral	Liquids Pipelines	\$0.2
Surmont Cheecham Facilities	Liquids Pipelines	\$0.3
Blackspring Ridge Wind Project	Gas Pipelines, Processing and Energy Services	\$0.3
Beckville Processing Plant	Sponsored Investments - EEP	\$0.2



As at May 2013

## 2012 – 2016 Enterprise Wide Growth Capital

**\$37 B**



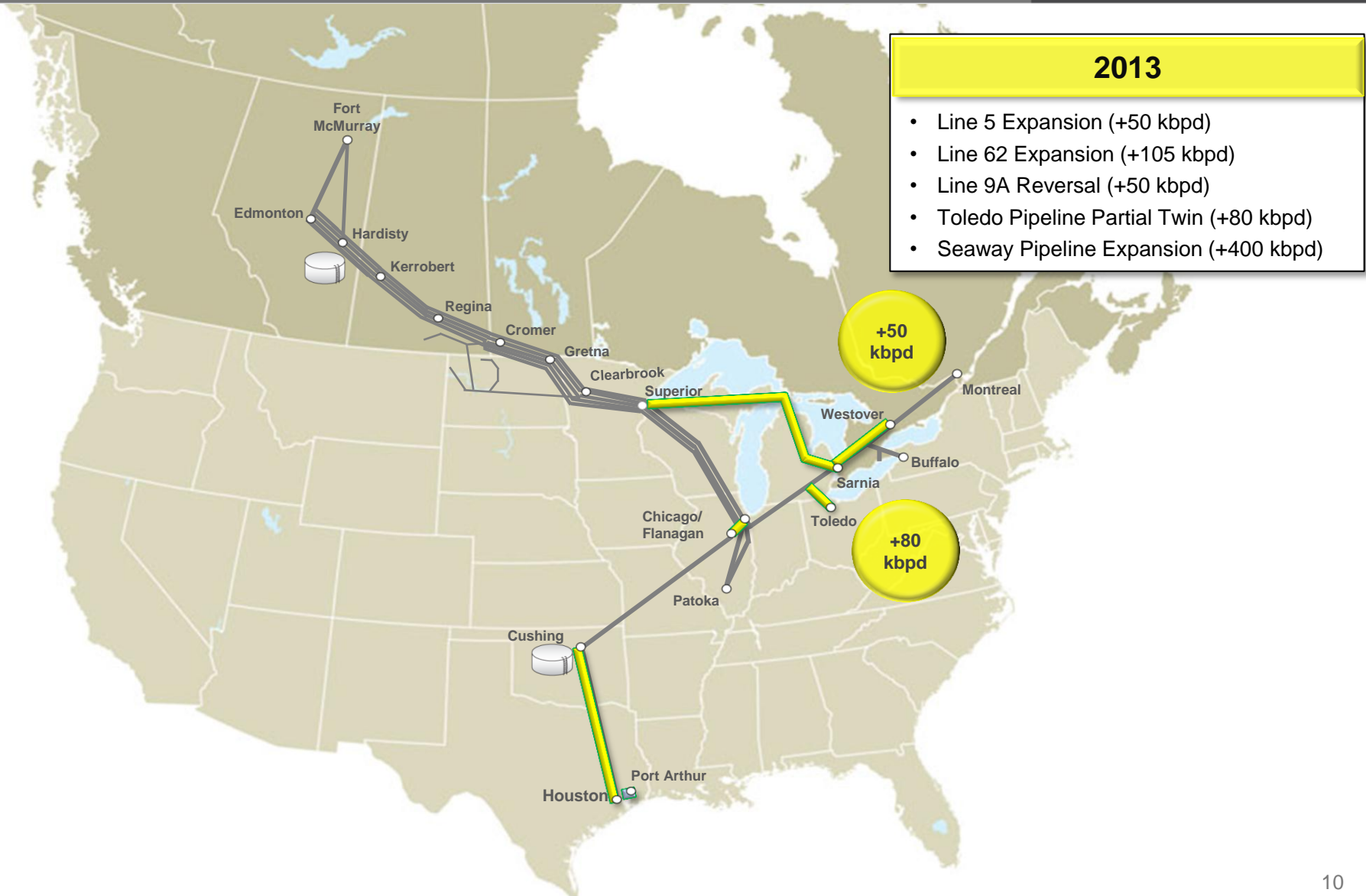
\* Unsecured growth capital is included in the funding plan



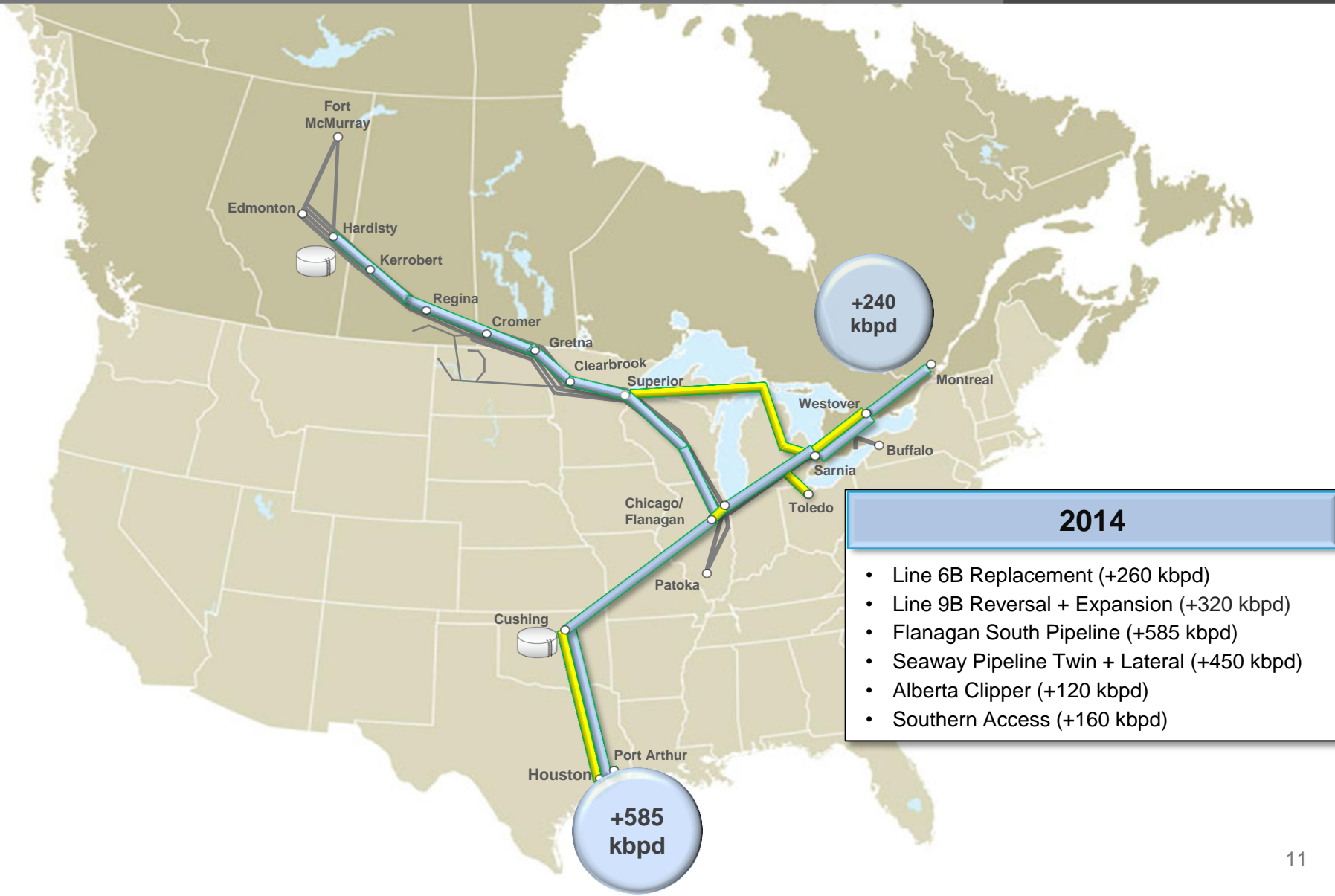
# Market Access Initiatives



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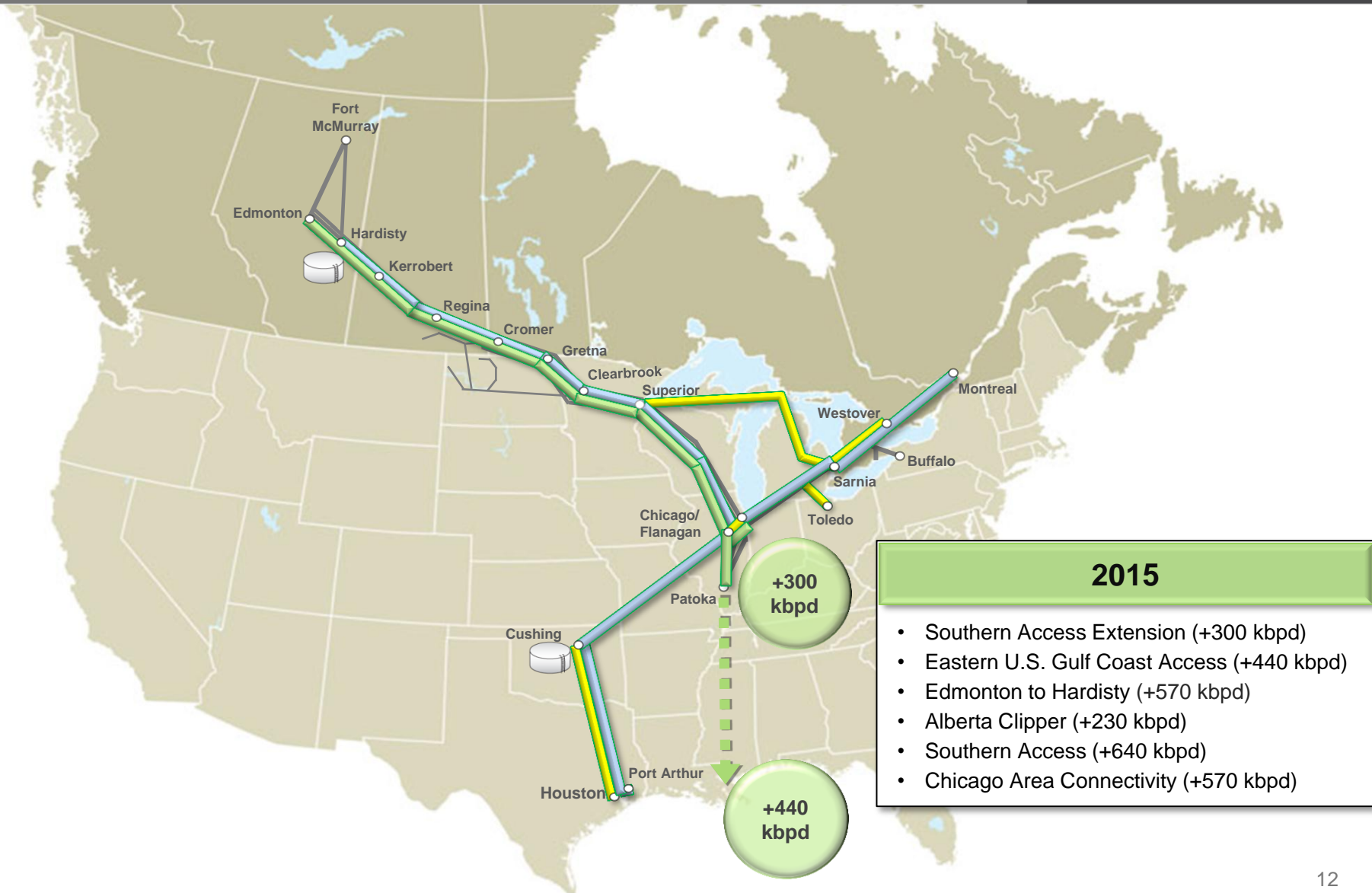


# Market Access Initiatives

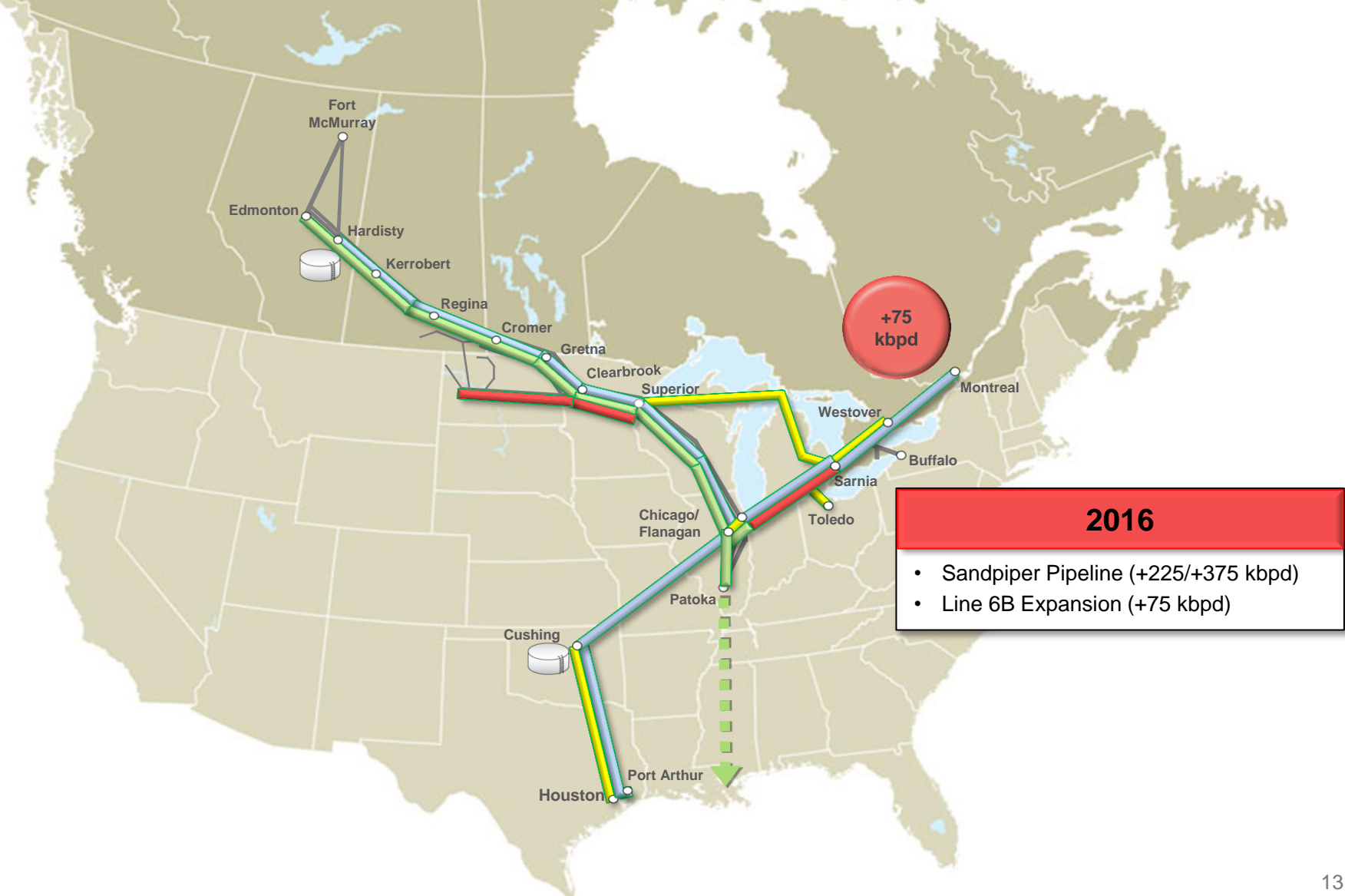


2014
<ul style="list-style-type: none"><li>• Line 6B Replacement (+260 kbps)</li><li>• Line 9B Reversal + Expansion (+320 kbps)</li><li>• Flanagan South Pipeline (+585 kbps)</li><li>• Seaway Pipeline Twin + Lateral (+450 kbps)</li><li>• Alberta Clipper (+120 kbps)</li><li>• Southern Access (+160 kbps)</li></ul>

# Market Access Initiatives



# Market Access Initiatives



# Market Access Initiatives



## Opening New Markets for up to 1.7 Million Barrels Per Day



### 2013

- Line 5 Expansion (+50 kbpd)
- Line 62 Expansion (+105 kbpd)
- Line 9A Reversal (+50 kbpd)
- Toledo Pipeline Partial Twin (+80 kbpd)
- Seaway Pipeline Expansion (+400 kbpd)

### 2014

- Line 6B Replacement (+260 kbpd)
- Line 9B Reversal + Expansion (+320 kbpd)
- Flanagan South Pipeline (+585 kbpd)
- Seaway Pipeline Twin + Lateral (+450 kbpd)
- Alberta Clipper (+120 kbpd)
- Southern Access (+160 kbpd)

### 2015

- Southern Access Extension (+300 kbpd)
- Eastern U.S. Gulf Coast Access (+440 kbpd)
- Edmonton to Hardisty (+570 kbpd)
- Alberta Clipper (+230 kbpd)
- Southern Access (+640 kbpd)
- Chicago Area Connectivity (+570 kbpd)

### 2016

- Sandpiper Pipeline (+225/+375 kbpd)
- Line 6B Expansion (+75 kbpd)

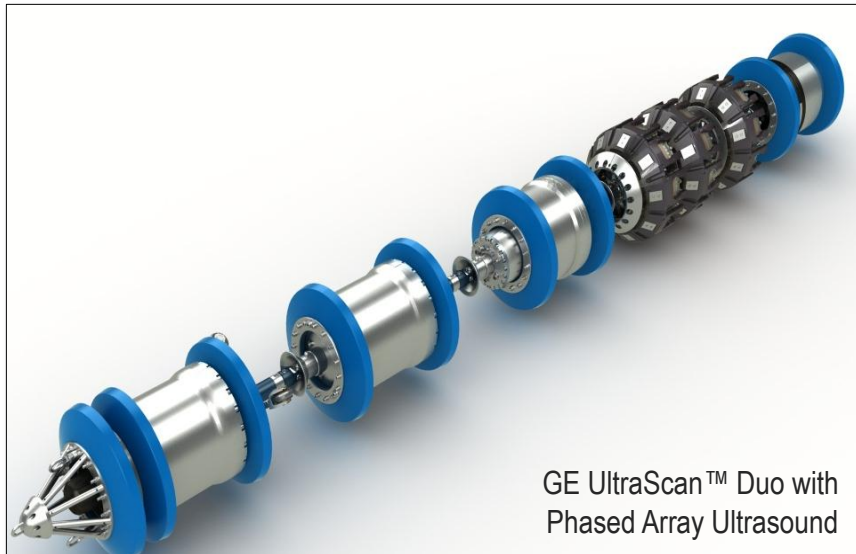
# Major Projects Status Update



As at May 2013

Projects	Expected Cost (\$ billion)	In-service Date	Cost Indicator	Schedule Indicator
<b>In-service 2013 - COMPLETED:</b>				
Massif du Sud Wind Project	\$0.2	Jan 2013	On Budget	On Time
Bakken Expansion Program	\$0.5	Mar 2013	Below Budget	On Time
Berthold Rail Project	\$0.1	PH1 2012; PH2 Mar 2013	Below Budget	On Time
Athabasca Pipeline Capacity Expansion	\$0.2	PH1 Mar 2013	Below Budget	On Time
Eastern Access Toledo Expansion (Line 79)	\$0.2	May 2013	Below Budget	On Time
<b>In-service 2013 &amp; 2014 (in whole or in part) - IN PROGRESS:</b>				
Montana-Alberta Tie-Line (MATL)	\$0.4	PH1 Q2 2013	Over Budget	Delayed
Suncor Bitumen Blend	\$0.2	Q2 2013	On Budget	On Time
Ajax Cryogenic Processing Plant	\$0.2	Q3 2013	On Budget	On Time
Texas Express NGL Pipeline	\$0.4	Q3 2013	On Budget	On Time
Lac Alfred Wind Project	\$0.3	PH2 late 2013	On Budget	On Time
Eastern Access - Phase 1 US	\$1.7	Q2 2013- Q4 2013	On Budget	Delayed
Line 6B 75-Mile Replacement Program	\$0.3	Q2 2013 - Q4 2013 (Phases)	Over Budget	Delayed
Eddystone Rail Project	\$0.1	Q4 2013	On Budget	On Time
Norealis Pipeline	\$0.5	Q4 2013	On Budget	On Time
Eastern Access - Line 9 Reversal and Expansion	\$0.4	Q3 2013 - 2014	On Budget	Delayed
Seaway - Reversal, Expansion, Twinning and Extension	\$1.2	Q1 2014	On Budget	Ahead of Schedule
Athabasca Pipeline Capacity Expansion	\$0.2	PH2 Q1 2014	Below Budget	On Time
Eastern Access - Phase 2 US	\$0.5	early 2014	On Budget	On Time
Athabasca Pipeline Twinning	\$1.2	mid 2014	On Budget	Ahead of Schedule
Big Foot Oil Pipeline	\$0.2	mid 2014	Below Budget	On Time
Blackspring Ridge Wind Project	\$0.3	mid 2014	On Budget	On Time
Canadian Mainline Expansion - Phase I	\$0.2	mid 2014	On Budget	On Time
Flanagan South Pipeline Project	\$2.8	mid 2014	On Budget	On Time
Lakehead System Mainline Expansion - Phase I	\$0.4	mid 2014	On Budget	On Time
Walker Ridge Gas Gathering System	\$0.4	late 2014	Below Budget	On Time
Canadian Mainline System Terminal Flexibility & Connectivity	\$0.6	2013-2015 (Phases)	On Budget	On Time

# Safety & Operational Reliability



GE UltraScan™ Duo with Phased Array Ultrasound





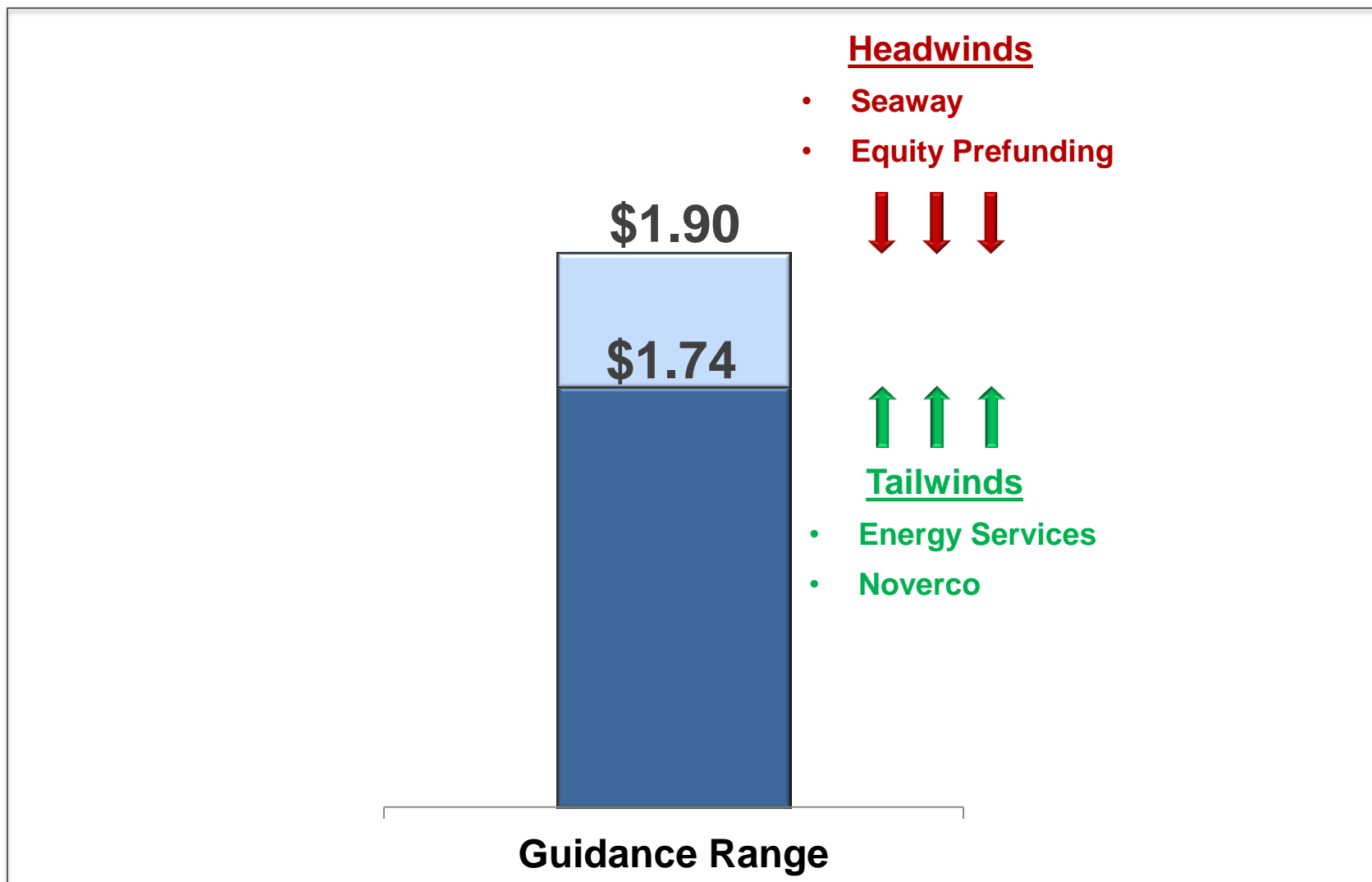
# Segmented Earnings\* Variance



<b>SEGMENT</b>	<b>Q1 2013 vs. Q1 2012</b> (\$ Millions)
Liquids Pipelines	+69
Gas Distribution	+11
Gas Pipelines, Processing and Energy Services	+18
Sponsored Investments	—
Corporate	+17
<b>TOTAL</b>	<b>+115</b>

\* Adjusted earnings are non-GAAP measures. For more information on non-GAAP measures please refer to disclosure in news release.

# Full Year EPS\* Outlook Versus Guidance



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# Enterprise Wide Funding and Liquidity Actions



<b>FUNDING SOURCES</b>	<b>2013 Year-To-Date</b> (\$ Billions)
ENB Common Equity Offering	\$0.6
ENB Preferred Shares	\$0.4
EEP I-Shares Offering	\$0.3
ENF Common Share Offering	\$0.1
Credit Facility Additions	\$1.0
<b>TOTAL</b>	<b>\$2.4</b>

# \$1.2 Billion Investment in EEP Preferred Units



- 7.5% yield with 5 year resets
  - Distributions deferred for first two years
- Redeemable at any time from the proceeds of an equity offering
- Convertible to Class A common equity units after three years at a 4% discount to current price

# Incremental 2012 – 2016 Funding Requirement Relative to Year End Position

- Excluding Sponsored Investments



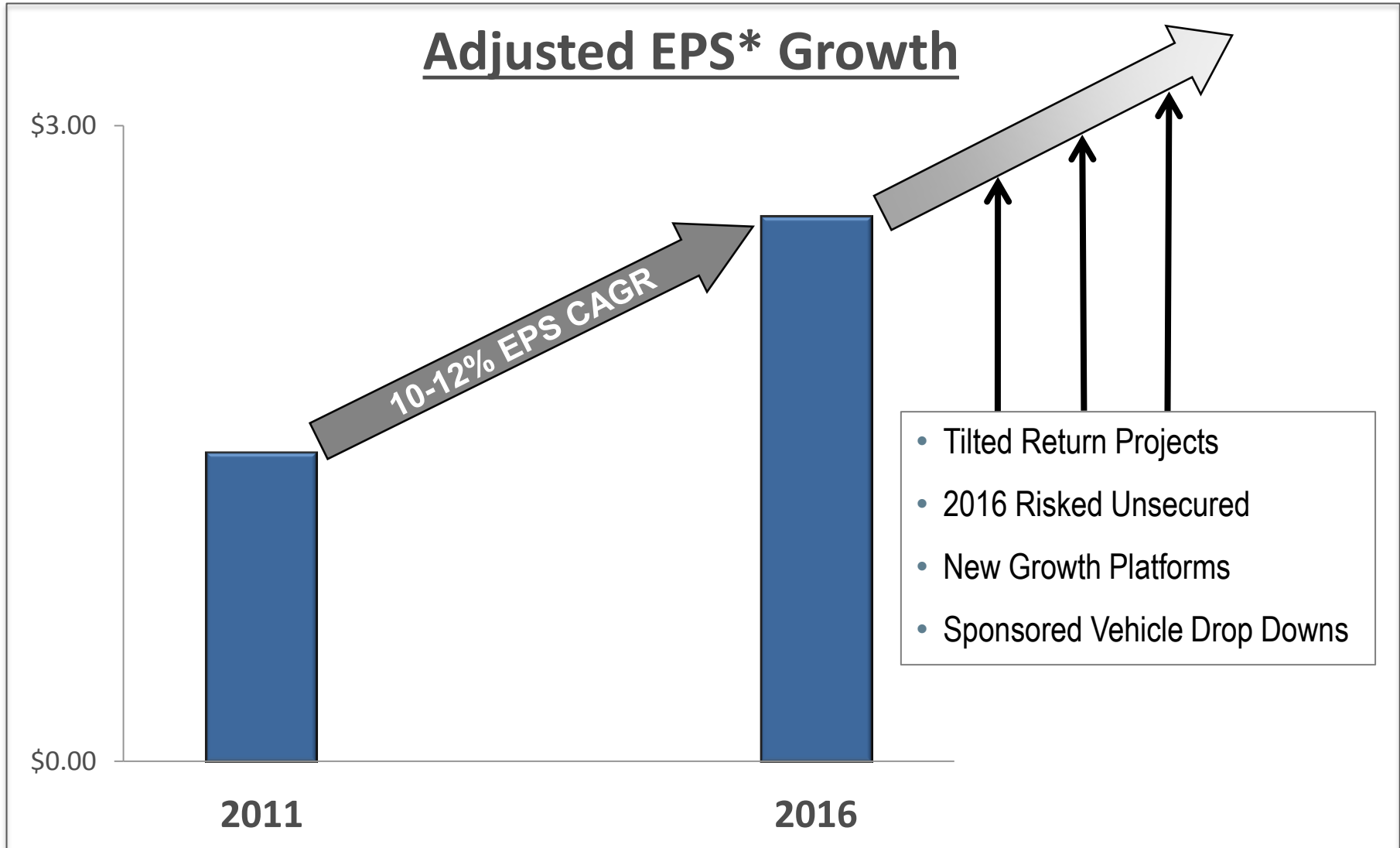
(\$ Billions, as at May 2013)

Current Investment Plan	35.0
Prior Investment Plan	32.1
<b>Incremental Capital</b>	<b>2.9</b>

<b>Debt</b>	
Total Incremental	1.7
Temporary Funding	(1.2)
2013 Preferred Share Issuances	(0.2)
Net Incremental	0.3
Prior Funding Plan	15.7
<b>Long Term Debt Requirement</b>	<b>16.0</b>

<b>Equity</b>	
Total Incremental	1.2
2013 Common Share Issuance	(0.6)
2013 Preferred Share Issuance	(0.2)
Net Incremental	0.4
Prior Funding Plan	1.4
<b>Equity Requirement</b>	<b>1.8</b>

# Long Term EPS Growth Outlook



\* Adjusted earnings and adjusted EPS are non-GAAP measures. For more information on non-GAAP measures please refer to disclosure in news release.

- Strong quarter but maintaining full year guidance
- Total enterprise wide capital program now \$37 billion
- Project execution remains a critical focus

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## Q&A

