

Spectra Energy Corp

Condensed Consolidated Financial Statements

(Unaudited)

March 31, 2017

SPECTRA ENERGY CORP
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(In millions)

	Three Months Ended March 31,	
	2017	2016
Operating Revenues		
Transportation, storage and processing of natural gas	\$ 878	\$ 824
Distribution of natural gas	549	411
Sales of natural gas liquids	—	41
Transportation of crude oil	101	85
Other	25	23
Total operating revenues	<u>1,553</u>	<u>1,384</u>
Loss on Sales of Other Assets and Other, net	<u>2</u>	<u>—</u>
Operating Expenses		
Natural gas and petroleum products purchased	334	250
Operating, maintenance and other	489	341
Depreciation and amortization	201	193
Property and other taxes	116	106
Total operating expenses	<u>1,140</u>	<u>890</u>
Operating Income	<u>411</u>	<u>494</u>
Other Income and Expenses		
Earnings from equity investments	69	33
Other income and expenses, net	55	32
Total other income and expenses	<u>124</u>	<u>65</u>
Interest Expense	<u>154</u>	<u>151</u>
Earnings Before Income Taxes	<u>381</u>	<u>408</u>
Income Tax Expense	<u>108</u>	<u>98</u>
Net Income	<u>273</u>	<u>310</u>
Net Income—Noncontrolling Interests	<u>108</u>	<u>76</u>
Net Income—Controlling Interests	<u>\$ 165</u>	<u>\$ 234</u>

See Notes to Condensed Consolidated Financial Statements.

SPECTRA ENERGY CORP
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)
(In millions)

	Three Months Ended March 31,	
	2017	2016
Net Income	\$ 273	\$ 310
Other comprehensive income:		
Foreign currency translation adjustments	41	301
Pension and benefits impact (net of taxes of \$2 and \$2, respectively)	5	5
Other	1	(1)
Total other comprehensive income	47	305
Total Comprehensive Income, net of tax	320	615
Less: Comprehensive Income—Noncontrolling Interests	109	80
Comprehensive Income—Controlling Interests	\$ 211	\$ 535

See Notes to Condensed Consolidated Financial Statements.

SPECTRA ENERGY CORP
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(In millions)

	March 31, 2017	December 31, 2016
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 358	\$ 305
Receivables, net	1,077	1,003
Inventory	139	253
Fuel tracker	33	6
Other	220	205
Total current assets	1,827	1,772
Investments and Other Assets		
Investments in and loans to unconsolidated affiliates.....	2,882	2,780
Goodwill	4,189	4,181
Other	377	393
Total investments and other assets.....	7,448	7,354
Property, Plant and Equipment		
Cost	34,727	33,555
Less accumulated depreciation and amortization	7,519	7,347
Net property, plant and equipment.....	27,208	26,208
Regulatory Assets and Deferred Debits.....	1,560	1,508
Total Assets.....	\$ 38,043	\$ 36,842

See Notes to Condensed Consolidated Financial Statements.

SPECTRA ENERGY CORP
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(In millions, except per-share amounts)

	March 31, 2017	December 31, 2016
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable.....	\$ 763	\$ 828
Commercial paper	1,866	1,453
Taxes accrued	108	86
Interest accrued.....	149	185
Current maturities of long-term debt.....	552	551
Short-term borrowings—affiliate	434	—
Other	605	802
Total current liabilities.....	4,477	3,905
Long-term Debt		
Third party	13,646	13,624
Affiliate.....	111	—
Total long-term debt.....	13,757	13,624
Deferred Credits and Other Liabilities		
Deferred income taxes	5,912	5,769
Regulatory and other	1,522	1,443
Total deferred credits and other liabilities.....	7,434	7,212
Commitments and Contingencies		
Preferred Stock of Subsidiaries		
	562	562
Equity		
Preferred stock, \$0.001 par, 22 million shares authorized, no shares outstanding.....	—	—
Common stock, \$0.001 par, 1 billion shares authorized, 702 million shares outstanding at March 31, 2017 and December 31, 2016	1	1
Additional paid-in capital	5,998	5,995
Retained earnings	1,161	1,307
Accumulated other comprehensive loss	(100)	(146)
Total controlling interests.....	7,060	7,157
Noncontrolling interests	4,753	4,382
Total equity.....	11,813	11,539
Total Liabilities and Equity	\$ 38,043	\$ 36,842

See Notes to Condensed Consolidated Financial Statements.

SPECTRA ENERGY CORP
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In millions)

	Three Months Ended March 31,	
	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 273	\$ 310
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	208	196
Deferred income tax expense	94	86
Earnings from equity investments	(69)	(33)
Distributions from equity investments	27	26
Other	10	(28)
Net cash provided by operating activities	<u>543</u>	<u>557</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(1,228)	(664)
Investments in and loans to unconsolidated affiliates	(70)	(27)
Purchase of intangible, net	(54)	(48)
Purchases of held-to-maturity securities	(109)	(162)
Proceeds from sales and maturities of held-to-maturity securities	90	142
Purchases of available-for-sale securities	(88)	(161)
Proceeds from sales and maturities of available-for-sale securities	76	163
Distributions from equity investments	11	39
Other changes in restricted funds	7	2
Other	6	—
Net cash used in investing activities	<u>(1,359)</u>	<u>(716)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments for the redemption of long-term debt	(10)	(176)
Net increase in commercial paper	410	185
Note payable—affiliate	545	—
Distributions to noncontrolling interests	(83)	(54)
Contributions from noncontrolling interests	290	95
Proceeds from the issuances of Spectra Energy common stock	2	368
Proceeds from the issuances of Spectra Energy Partners, LP common units	38	80
Dividends paid on common stock	(311)	(276)
Other	(12)	—
Net cash provided by financing activities	<u>869</u>	<u>222</u>
Effect of exchange rate changes on cash	—	3
Net increase in cash and cash equivalents	53	66
Cash and cash equivalents at beginning of period	305	213
Cash and cash equivalents at end of period	<u>\$ 358</u>	<u>\$ 279</u>
Supplemental Disclosures		
Property, plant and equipment non-cash accruals	\$ 427	\$ 213

See Notes to Condensed Consolidated Financial Statements.

SPECTRA ENERGY CORP
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(Unaudited)
(In millions)

	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests	Total
December 31, 2016	\$ 1	\$ 5,995	\$ 1,307	\$ (146)	\$ 4,382	\$11,539
Net income	—	—	165	—	108	273
Other comprehensive income	—	—	—	46	1	47
Dividends on common stock	—	—	(311)	—	—	(311)
Stock-based compensation	—	(1)	—	—	—	(1)
Distributions to noncontrolling interests ..	—	—	—	—	(76)	(76)
Contributions from noncontrolling interests	—	—	—	—	290	290
Spectra Energy common stock issued	—	2	—	—	—	2
Spectra Energy Partners, LP common units issued	—	2	—	—	34	36
Other, net	—	—	—	—	14	14
March 31, 2017	<u>\$ 1</u>	<u>\$ 5,998</u>	<u>\$ 1,161</u>	<u>\$ (100)</u>	<u>\$ 4,753</u>	<u>\$11,813</u>
December 31, 2015	\$ 1	\$ 5,053	\$ 1,741	\$ (269)	\$ 3,006	\$ 9,532
Net income	—	—	234	—	76	310
Other comprehensive income	—	—	—	301	4	305
Dividends on common stock	—	—	(276)	—	—	(276)
Stock-based compensation	—	2	—	—	—	2
Distributions to noncontrolling interests ..	—	—	—	—	(56)	(56)
Contributions from noncontrolling interests	—	—	—	—	95	95
Spectra Energy common stock issued	—	368	—	—	—	368
Spectra Energy Partners, LP common units issued	—	8	—	—	68	76
Other, net	—	—	—	—	4	4
March 31, 2016	<u>\$ 1</u>	<u>\$ 5,431</u>	<u>\$ 1,699</u>	<u>\$ 32</u>	<u>\$ 3,197</u>	<u>\$10,360</u>

See Notes to Condensed Consolidated Financial Statements.

SPECTRA ENERGY CORP
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. General

The terms “we,” “our,” “us” and “Spectra Energy” as used in this report refer collectively to Spectra Energy Corp and its subsidiaries unless the context suggests otherwise. These terms are used for convenience only and are not intended as a precise description of any separate legal entity within Spectra Energy.

On February 27, 2017 Enbridge Inc. (Enbridge) and Spectra Energy completed a stock-for-stock merger transaction (the Merger) pursuant to which Spectra Energy merged with and into a direct, wholly owned subsidiary of Enbridge, with Spectra Energy continuing as the surviving corporation and a wholly owned subsidiary of Enbridge, and each outstanding share of common stock of Spectra Energy was automatically converted into, and became exchangeable for, 0.984 of Enbridge common share. All interests held by Spectra Energy prior to the closing of the Merger are now held collectively by Enbridge and its subsidiaries through Enbridge’s ownership of Spectra Energy.

Nature of Operations. Spectra Energy Corp, through its subsidiaries and equity affiliates, owns and operates a large and diversified portfolio of complementary natural gas-related energy assets, and owns and operates a crude oil pipeline system that connects Canadian and United States (U.S.) producers to refineries in the U.S. Rocky Mountain and Midwest regions. We currently operate in three key areas of the natural gas industry: gathering and processing, transmission and storage, and distribution. We provide transmission and storage of natural gas to customers in various regions of the northeastern and southeastern U.S., the Maritime Provinces in Canada, the Pacific Northwest in the U.S. and Canada, and in the province of Ontario, Canada. We also provide natural gas sales and distribution services to retail customers in Ontario, and natural gas gathering and processing services to customers in western Canada. We also own a 50% interest in DCP Midstream, LLC, based in Denver, Colorado, one of the leading natural gas gatherers in the U.S. and one of the largest U.S. producers and marketers of natural gas liquids.

Basis of Presentation. The accompanying Condensed Consolidated Financial Statements include our accounts and the accounts of our majority-owned subsidiaries, after eliminating intercompany transactions and balances. These interim financial statements should be read in conjunction with the consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2016, and reflect all normal recurring adjustments that are, in our opinion, necessary to fairly present our results of operations and financial position. Amounts reported in the Condensed Consolidated Statements of Operations are not necessarily indicative of amounts expected for the respective annual periods due to the effects of seasonal temperature variations on energy consumption, primarily in our gas distribution operations, as well as changing commodity prices on certain of our processing operations and other factors.

Use of Estimates. To conform with generally accepted accounting principles (GAAP) in the U.S., we make estimates and assumptions that affect the amounts reported in the Condensed Consolidated Financial Statements and Notes to Condensed Consolidated Financial Statements. Although these estimates are based on our best available knowledge at the time, actual results could differ.

2. Condensed Consolidating Financial Information

Spectra Energy Corp has agreed to fully and unconditionally guarantee the payment of principal and interest under all series of notes outstanding under the Senior Indenture of Spectra Capital, a 100%-owned, consolidated subsidiary. In accordance with Securities and Exchange Commission rules, the following condensed consolidating financial information is presented. The information shown for Spectra Energy Corp and Spectra Capital is presented utilizing the equity method of accounting for investments in subsidiaries, as required. The non-guarantor subsidiaries column represents all consolidated subsidiaries of Spectra Capital. This information should be read in conjunction with our accompanying Condensed Consolidated Financial Statements and notes thereto.

Spectra Energy Corp Condensed Consolidating Statements of Operations (Unaudited) (In millions)

	Spectra Energy Corp	Spectra Capital	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Three Months Ended March 31, 2017					
Total operating revenues.....	\$ —	\$ —	\$ 1,554	\$ (1)	\$ 1,553
Total operating expenses.....	6	—	1,135	(1)	1,140
Loss on sales of other assets and other, net.....	—	—	2	—	2
Operating income (loss).....	(6)	—	417	—	411
Earnings from equity investments	—	—	69	—	69
Equity in earnings of consolidated subsidiaries.....	139	335	—	(474)	—
Other income and expenses, net.....	(1)	—	56	—	55
Interest expense.....	—	54	100	—	154
Earnings before income taxes	132	281	442	(474)	381
Income tax expense (benefit).....	(33)	142	(1)	—	108
Net income	165	139	443	(474)	273
Net income—noncontrolling interests	—	—	108	—	108
Net income—controlling interests	<u>\$ 165</u>	<u>\$ 139</u>	<u>\$ 335</u>	<u>\$ (474)</u>	<u>\$ 165</u>
Three Months Ended March 31, 2016					
Total operating revenues.....	\$ —	\$ —	\$ 1,385	\$ (1)	\$ 1,384
Total operating expenses.....	3	1	887	(1)	890
Operating income (loss).....	(3)	(1)	498	—	494
Earnings from equity investments	—	—	33	—	33
Equity in earnings of consolidated subsidiaries.....	227	392	—	(619)	—
Other income and expenses, net.....	—	—	32	—	32
Interest expense.....	—	62	89	—	151
Earnings before income taxes	224	329	474	(619)	408
Income tax expense (benefit).....	(10)	102	6	—	98
Net income	234	227	468	(619)	310
Net income—noncontrolling interests	—	—	76	—	76
Net income—controlling interests	<u>\$ 234</u>	<u>\$ 227</u>	<u>\$ 392</u>	<u>\$ (619)</u>	<u>\$ 234</u>

Spectra Energy Corp
Condensed Consolidating Statements of Comprehensive Income
(Unaudited)
(In millions)

	<u>Spectra Energy Corp</u>	<u>Spectra Capital</u>	<u>Non-Guarantor Subsidiaries</u>	<u>Eliminations</u>	<u>Consolidated</u>
Three Months Ended March 31, 2017					
Net income	\$ 165	\$ 139	\$ 443	\$ (474)	\$ 273
Other comprehensive income	1	—	46	—	47
Total comprehensive income, net of tax	<u>166</u>	<u>139</u>	<u>489</u>	<u>(474)</u>	<u>320</u>
Less: comprehensive income—noncontrolling interests	—	—	109	—	109
Comprehensive income—controlling interests.....	<u>\$ 166</u>	<u>\$ 139</u>	<u>\$ 380</u>	<u>\$ (474)</u>	<u>\$ 211</u>
Three Months Ended March 31, 2016					
Net income	\$ 234	\$ 227	\$ 468	\$ (619)	\$ 310
Other comprehensive income	1	—	304	—	305
Total comprehensive income, net of tax	<u>235</u>	<u>227</u>	<u>772</u>	<u>(619)</u>	<u>615</u>
Less: comprehensive income—noncontrolling interests	—	—	80	—	80
Comprehensive income—controlling interests.....	<u>\$ 235</u>	<u>\$ 227</u>	<u>\$ 692</u>	<u>\$ (619)</u>	<u>\$ 535</u>

Spectra Energy Corp
Condensed Consolidating Balance Sheet
March 31, 2017
(Unaudited)
(In millions)

	Spectra Energy Corp	Spectra Capital	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash and cash equivalents.....	\$ —	\$ 3	\$ 355	\$ —	\$ 358
Receivables—affiliates	50	—	—	(35)	15
Notes receivable—current—consolidated subsidiaries.....	—	—	20	(20)	—
Receivables—other	1	2	1,059	—	1,062
Other current assets	10	—	382	—	392
Total current assets.....	61	5	1,816	(55)	1,827
Investments in and loans to unconsolidated affiliates.....	—	—	2,882	—	2,882
Investments in consolidated subsidiaries	8,684	15,895	—	(24,579)	—
Advances receivable—consolidated subsidiaries	—	978	—	(978)	—
Notes receivable—consolidated subsidiaries.....	—	—	2	(2)	—
Goodwill.....	—	—	4,189	—	4,189
Other assets	86	11	280	—	377
Net property, plant and equipment.....	—	—	27,208	—	27,208
Regulatory assets and deferred debits	2	3	1,555	—	1,560
Total Assets.....	<u>\$ 8,833</u>	<u>\$ 16,892</u>	<u>\$ 37,932</u>	<u>\$ (25,614)</u>	<u>\$ 38,043</u>
Accounts payable	\$ 2	\$ 1	\$ 748	\$ —	\$ 751
Accounts payable—affiliates	12	8	27	(35)	12
Commercial paper	—	488	1,378	—	1,866
Short-term borrowings—affiliates	—	456	—	(22)	434
Taxes accrued.....	—	—	108	—	108
Current maturities of long-term debt	—	—	552	—	552
Other current liabilities	119	46	589	—	754
Total current liabilities.....	133	999	3,402	(57)	4,477
Long-term debt.....	—	2,880	10,766	—	13,646
Long-term debt—affiliates.....	—	—	111	—	111
Advances payable—consolidated subsidiaries	901	—	77	(978)	—
Deferred credits and other liabilities	739	4,329	2,366	—	7,434
Preferred stock of subsidiaries	—	—	562	—	562
Equity					
Controlling interests.....	7,060	8,684	15,895	(24,579)	7,060
Noncontrolling interests.....	—	—	4,753	—	4,753
Total equity	<u>7,060</u>	<u>8,684</u>	<u>20,648</u>	<u>(24,579)</u>	<u>11,813</u>
Total Liabilities and Equity.....	<u>\$ 8,833</u>	<u>\$ 16,892</u>	<u>\$ 37,932</u>	<u>\$ (25,614)</u>	<u>\$ 38,043</u>

Spectra Energy Corp
Condensed Consolidating Balance Sheet
December 31, 2016
(Unaudited)
(In millions)

	Spectra Energy Corp	Spectra Capital	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash and cash equivalents.....	\$ —	\$ 10	\$ 295	\$ —	\$ 305
Receivables—consolidated subsidiaries	2	—	2	(4)	—
Notes receivable—current—consolidated subsidiaries.....	—	—	388	(388)	—
Receivables—other	1	1	1,001	—	1,003
Other current assets	16	2	446	—	464
Total current assets.....	19	13	2,132	(392)	1,772
Investments in and loans to unconsolidated affiliates.....	—	—	2,780	—	2,780
Investments in consolidated subsidiaries	8,403	18,579	—	(26,982)	—
Advances receivable—consolidated subsidiaries	—	720	—	(720)	—
Notes receivable—consolidated subsidiaries.....	—	—	2,800	(2,800)	—
Goodwill.....	—	—	4,181	—	4,181
Other assets	86	18	289	—	393
Net property, plant and equipment.....	—	—	26,208	—	26,208
Regulatory assets and deferred debits	3	10	1,495	—	1,508
Total Assets.....	<u>\$ 8,511</u>	<u>\$ 19,340</u>	<u>\$ 39,885</u>	<u>\$ (30,894)</u>	<u>\$ 36,842</u>
Accounts payable	\$ 3	\$ 2	\$ 823	\$ —	\$ 828
Accounts payable—consolidated subsidiaries	—	4	—	(4)	—
Commercial paper	—	631	822	—	1,453
Short-term borrowings—consolidated subsidiaries	—	388	—	(388)	—
Taxes accrued.....	2	—	84	—	86
Current maturities of long-term debt	—	—	551	—	551
Other current liabilities	92	51	844	—	987
Total current liabilities.....	97	1,076	3,124	(392)	3,905
Long-term debt.....	—	2,886	10,738	—	13,624
Advances payable—consolidated subsidiaries	499	—	221	(720)	—
Notes payable—consolidated subsidiaries.....	—	2,800	—	(2,800)	—
Deferred credits and other liabilities.....	758	4,175	2,279	—	7,212
Preferred stock of subsidiaries	—	—	562	—	562
Equity					
Controlling interests.....	7,157	8,403	18,579	(26,982)	7,157
Noncontrolling interests.....	—	—	4,382	—	4,382
Total equity	7,157	8,403	22,961	(26,982)	11,539
Total Liabilities and Equity.....	<u>\$ 8,511</u>	<u>\$ 19,340</u>	<u>\$ 39,885</u>	<u>\$ (30,894)</u>	<u>\$ 36,842</u>

Spectra Energy Corp
Condensed Consolidating Statement of Cash Flows
Three Months Ended March 31, 2017
(Unaudited)
(In millions)

	Spectra Energy Corp	Spectra Capital	Non-Guarantor Subsidiaries	Eliminations	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income.....	\$ 165	\$ 139	\$ 443	\$ (474)	\$ 273
Adjustments to reconcile net income to net cash provided by (used in) operating activities:					
Depreciation and amortization	—	—	208	—	208
Earnings from equity investments	—	—	(69)	—	(69)
Equity in earnings of consolidated subsidiaries	(139)	(335)	—	474	—
Distributions from equity investments	—	—	27	—	27
Other	1	266	(163)	—	104
Net cash provided by operating activities.....	<u>27</u>	<u>70</u>	<u>446</u>	<u>—</u>	<u>543</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Capital expenditures	—	—	(1,228)	—	(1,228)
Investments in and loans to unconsolidated affiliates	—	—	(70)	—	(70)
Purchase of intangible, net.....	—	—	(54)	—	(54)
Purchases of held-to-maturity securities.....	—	—	(109)	—	(109)
Proceeds from sales and maturities of held-to-maturity securities.....	—	—	90	—	90
Purchases of available-for-sale securities.....	—	—	(88)	—	(88)
Proceeds from sales and maturities of available-for-sale securities.....	—	—	76	—	76
Distributions from equity investments.....	—	—	11	—	11
Advances to affiliates	(120)	(6)	—	126	—
Other changes in restricted funds	—	—	7	—	7
Other	—	—	6	—	6
Net cash used in investing activities.....	<u>(120)</u>	<u>(6)</u>	<u>(1,359)</u>	<u>126</u>	<u>(1,359)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Payments for the redemption of long-term debt.....	—	—	(10)	—	(10)
Net increase (decrease) in commercial paper	—	(143)	553	—	410
Note payable—affiliate.....	—	434	111	—	545
Distributions to noncontrolling interests	—	—	(83)	—	(83)
Contributions from noncontrolling interests.....	—	—	290	—	290
Proceeds from the issuances of Spectra Energy common stock	2	—	—	—	2
Proceeds from the issuances of SEP common units	—	—	38	—	38
Dividends paid on common stock.....	(311)	—	—	—	(311)
Distributions and advances from (to) affiliates.....	402	(362)	86	(126)	—
Other	—	—	(12)	—	(12)
Net cash provided by (used in) financing activities....	<u>93</u>	<u>(71)</u>	<u>973</u>	<u>(126)</u>	<u>869</u>
Effect of exchange rate changes on cash	—	—	—	—	—
Net increase in cash and cash equivalents	—	(7)	60	—	53
Cash and cash equivalents at beginning of period	—	10	295	—	305
Cash and cash equivalents at end of period	<u>\$ —</u>	<u>\$ 3</u>	<u>\$ 355</u>	<u>\$ —</u>	<u>\$ 358</u>

Spectra Energy Corp
Condensed Consolidating Statement of Cash Flows
Three Months Ended March 31, 2016
(Unaudited)
(In millions)

	Spectra Energy Corp	Spectra Capital	Non-Guarantor Subsidiaries	Eliminations	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income.....	\$ 234	\$ 227	\$ 468	\$ (619)	\$ 310
Adjustments to reconcile net income to net cash provided by (used in) operating activities:					
Depreciation and amortization	—	—	196	—	196
Earnings from equity investments	—	—	(33)	—	(33)
Equity in earnings of consolidated subsidiaries	(227)	(392)	—	619	—
Distributions from equity investments	—	—	26	—	26
Other	(40)	141	(43)	—	58
Net cash provided by (used in) operating activities....	(33)	(24)	614	—	557
CASH FLOWS FROM INVESTING ACTIVITIES					
Capital expenditures	—	—	(664)	—	(664)
Investments in and loans to unconsolidated affiliates	—	—	(27)	—	(27)
Purchase of intangible, net.....	—	—	(48)	—	(48)
Purchases of held-to-maturity securities.....	—	—	(162)	—	(162)
Proceeds from sales and maturities of held-to-maturity securities.....	—	—	142	—	142
Purchases of available-for-sale securities.....	—	—	(161)	—	(161)
Proceeds from sales and maturities of available-for-sale securities.....	—	—	163	—	163
Distributions from equity investments.....	—	—	39	—	39
Advances from (to) affiliates	(56)	251	—	(195)	—
Other changes in restricted funds	—	—	2	—	2
Net cash provided by (used in) investing activities	(56)	251	(716)	(195)	(716)
CASH FLOWS FROM FINANCING ACTIVITIES					
Payments for the redemption of long-term debt	—	—	(176)	—	(176)
Net increase (decrease) in commercial paper	—	(213)	398	—	185
Distributions to noncontrolling interests	—	—	(54)	—	(54)
Contributions from noncontrolling interests.....	—	—	95	—	95
Proceeds from the issuances of Spectra Energy common stock.....	368	—	—	—	368
Proceeds from the issuances of SEP common units	—	—	80	—	80
Dividends paid on common stock.....	(276)	—	—	—	(276)
Distributions and advances to affiliates.....	(5)	(13)	(177)	195	—
Other	2	—	(2)	—	—
Net cash provided by (used in) financing activities....	89	(226)	164	195	222
Effect of exchange rate changes on cash	—	—	3	—	3
Net increase in cash and cash equivalents	—	1	65	—	66
Cash and cash equivalents at beginning of period	—	1	212	—	213
Cash and cash equivalents at end of period	\$ —	\$ 2	\$ 277	\$ —	\$ 279

3. Subsequent Events

We have evaluated significant events and transactions that occurred from April 1, 2017 through May 10, 2017, the date the Condensed Consolidated Financial Statements were issued.