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# Market Access - The Strategic Imperative Continues

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1. The global energy context
2. North American crude oil fundamentals
3. Market access imperative
4. Executing infrastructure investment programs

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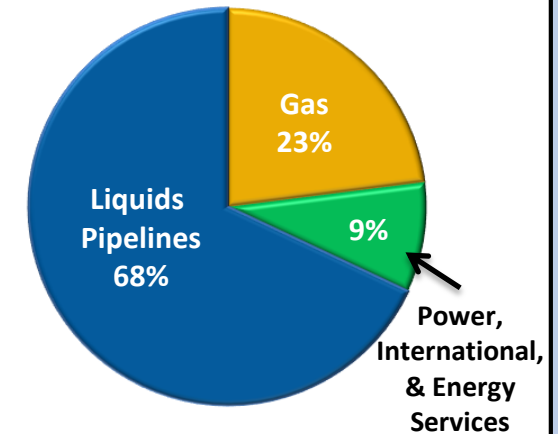
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This presentation will make reference to certain financial measures, such as adjusted net income, which are not recognized under GAAP. Reconciliations to the most closely related GAAP measures are included in the earnings release and also in the Management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

# Enbridge Footprint



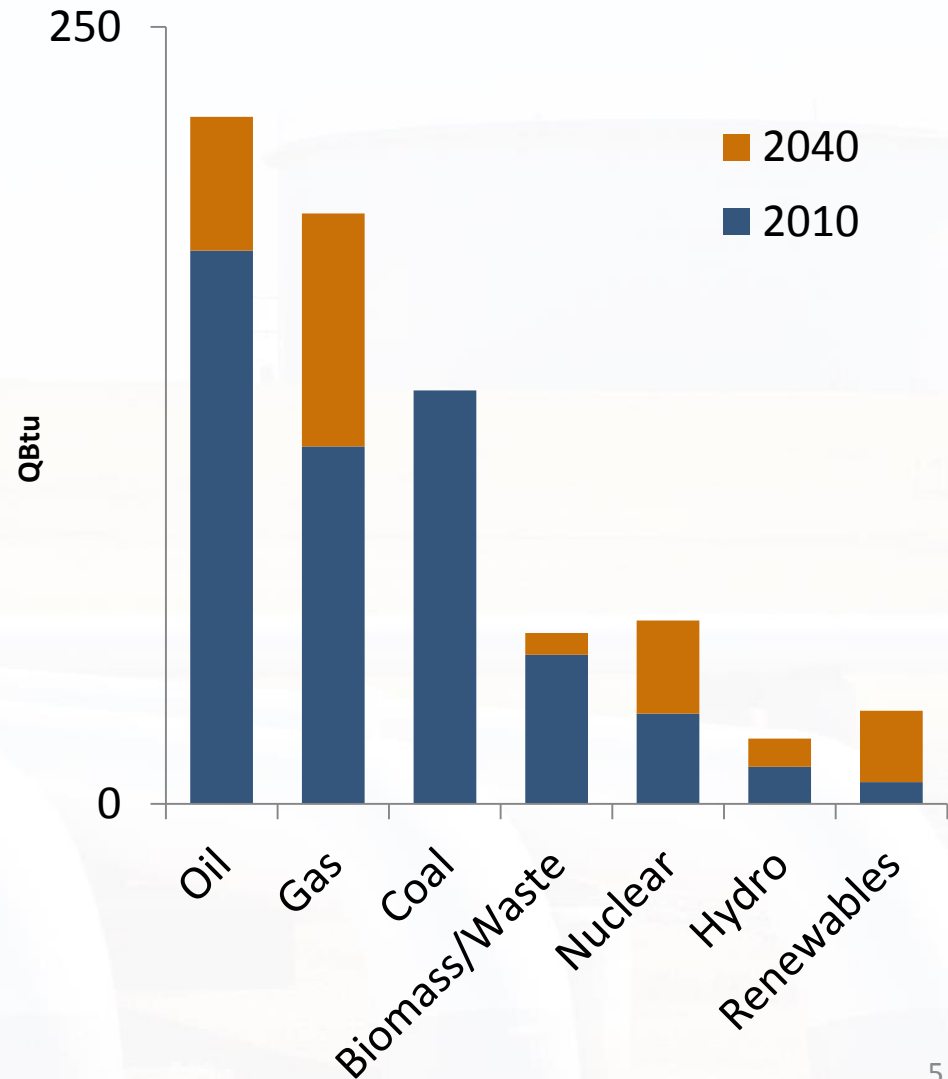
## 2013 Adjusted Earnings



- Liquids Systems and Joint Ventures
- Natural Gas Systems and Joint Ventures
- Power Transmission
- Gas Distribution
- Solar Assets
- Wind Assets
- Geothermal Assets
- Fuel Cell
- Waste Heat Recovery

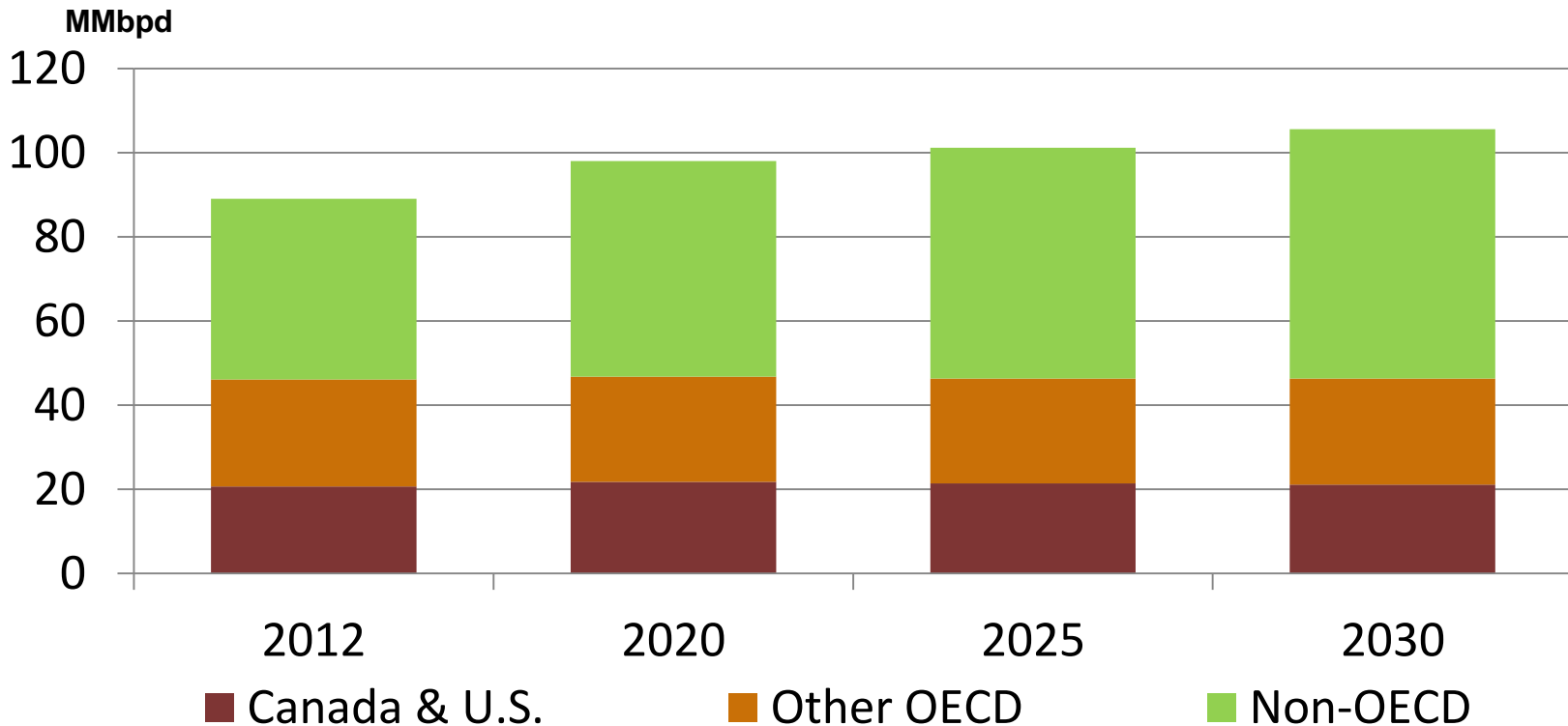
- Energy demand growing
- Energy growth decoupled from GDP
- Shifting supply mix
- All sources of supply required to meet global demand

## Global energy supply mix



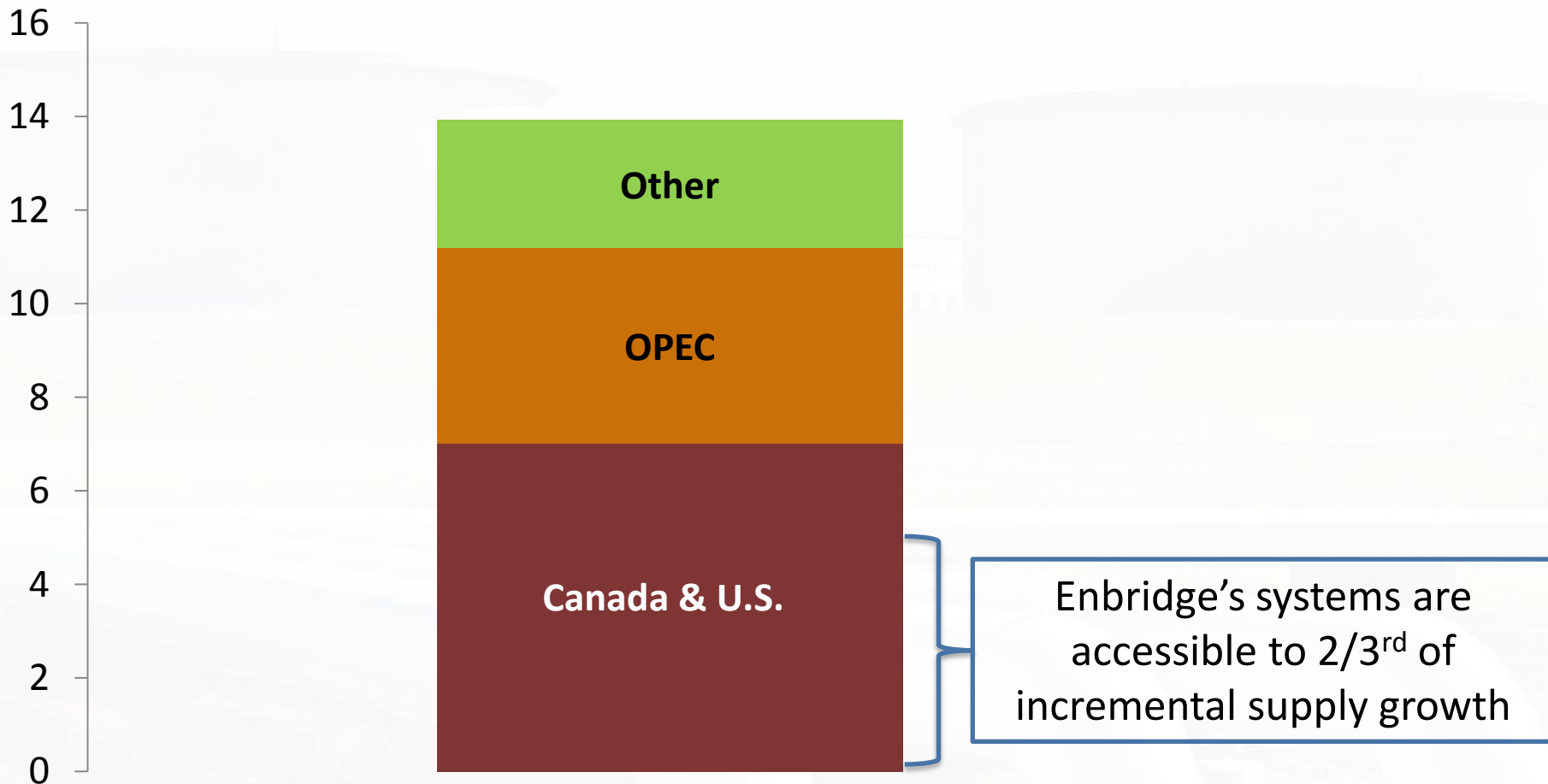
# Global Crude Oil Demand Outlook

- Oil consumption grows by 17 MMbpd (2030)
- Growth driven by non-OECD countries
  - China +6 MMbpd
- OECD demand growth flat

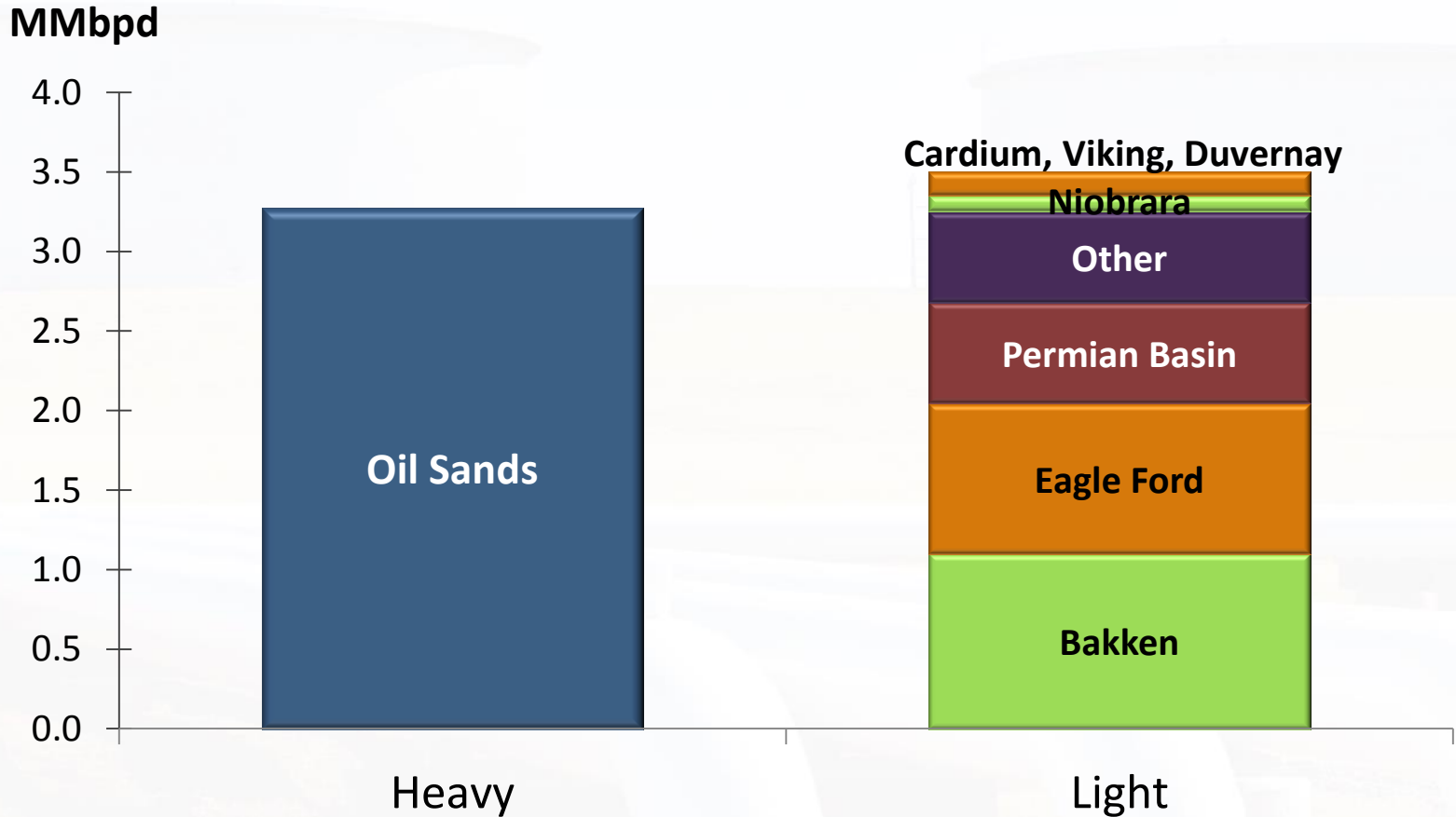




## + 14 MMbpd by 2025

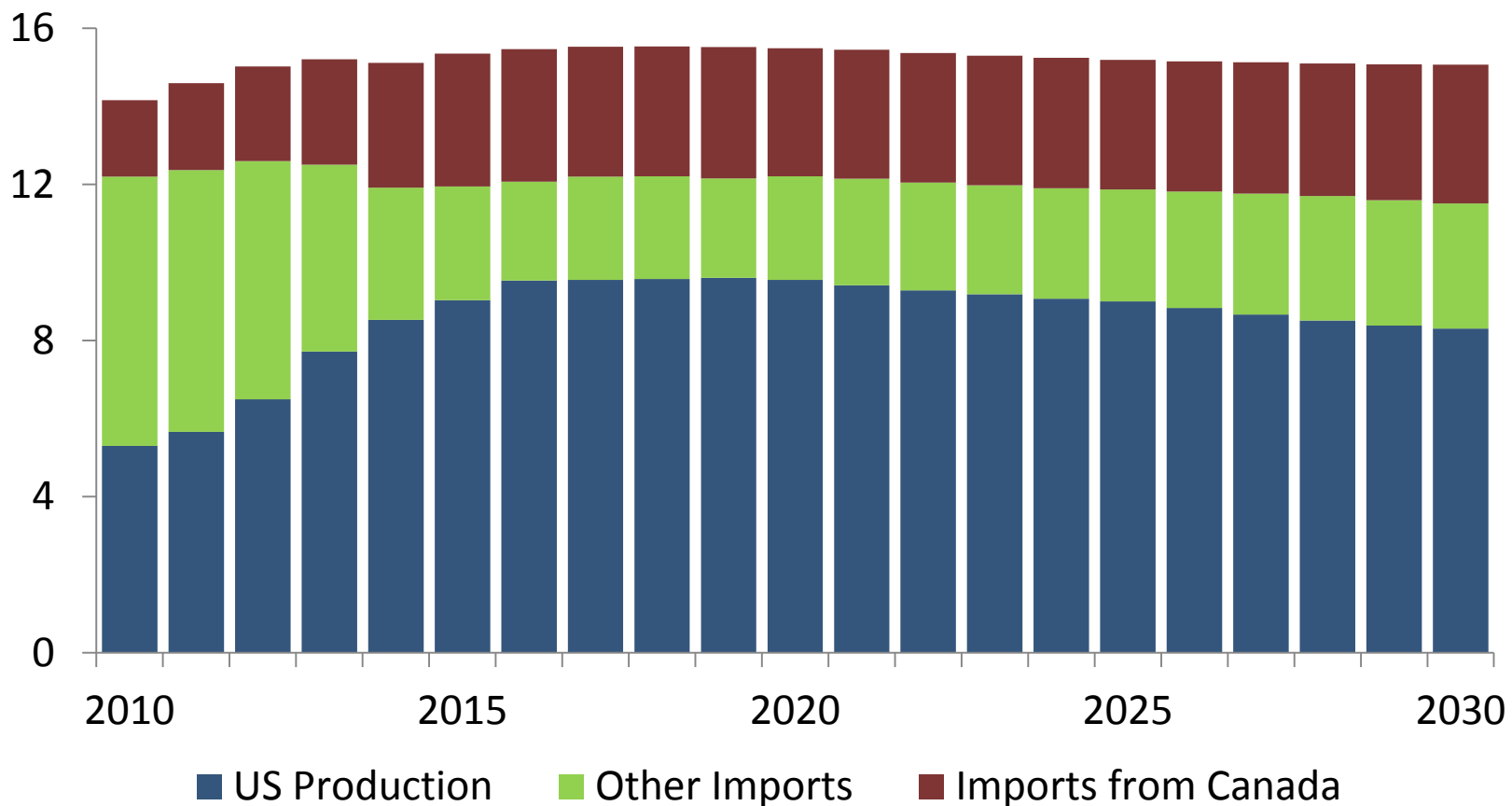


## + 7 MMbpd by 2025

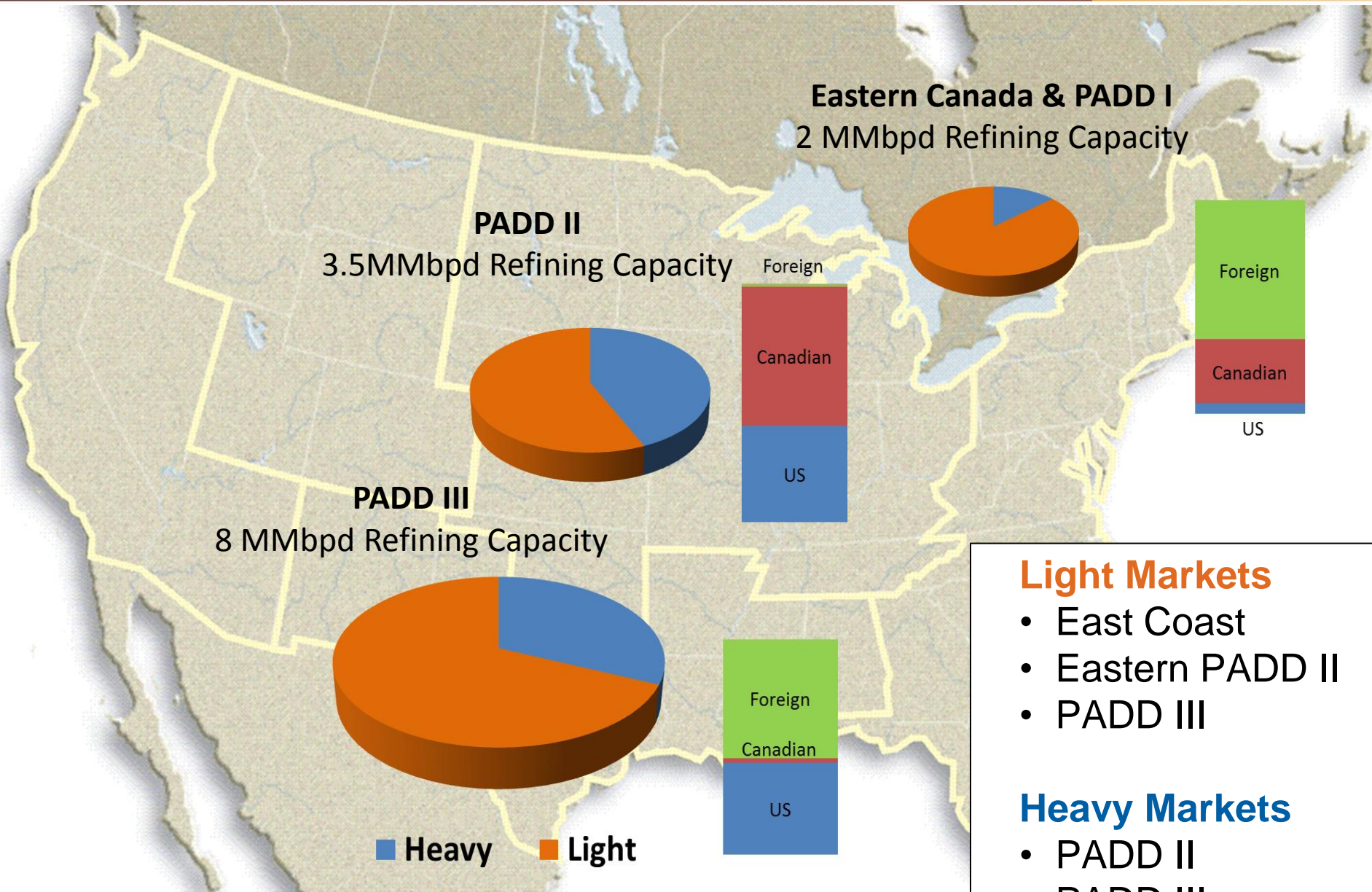




## U.S. production displaces waterborne imports



# North American Refinery Markets



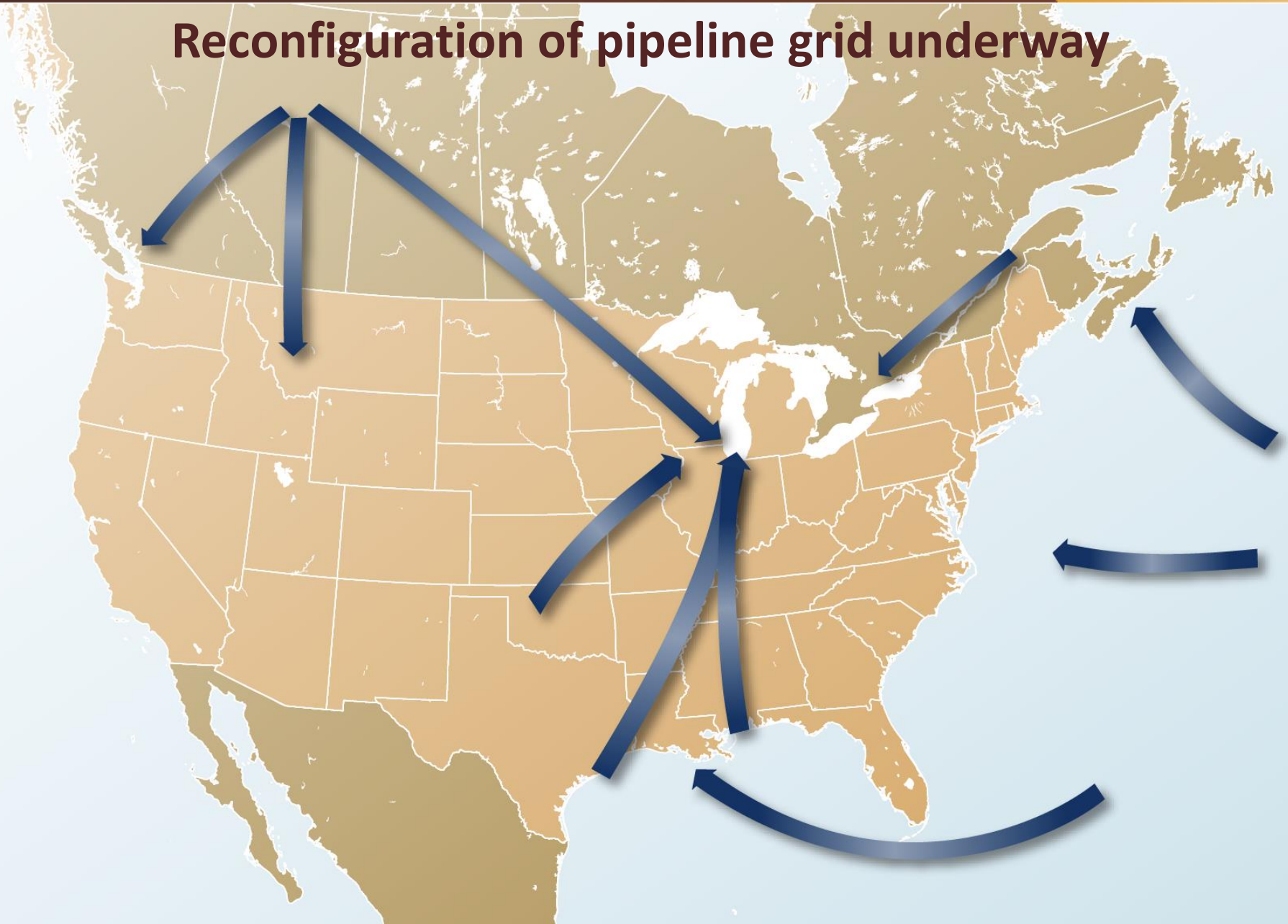
- Light Markets**
- East Coast
  - Eastern PADD II
  - PADD III
- Heavy Markets**
- PADD II
  - PADD III

Source: StatsCan, EIA, Enbridge Internal Forecasts

# Challenge # 1 – Historic Crude Flow Pattern

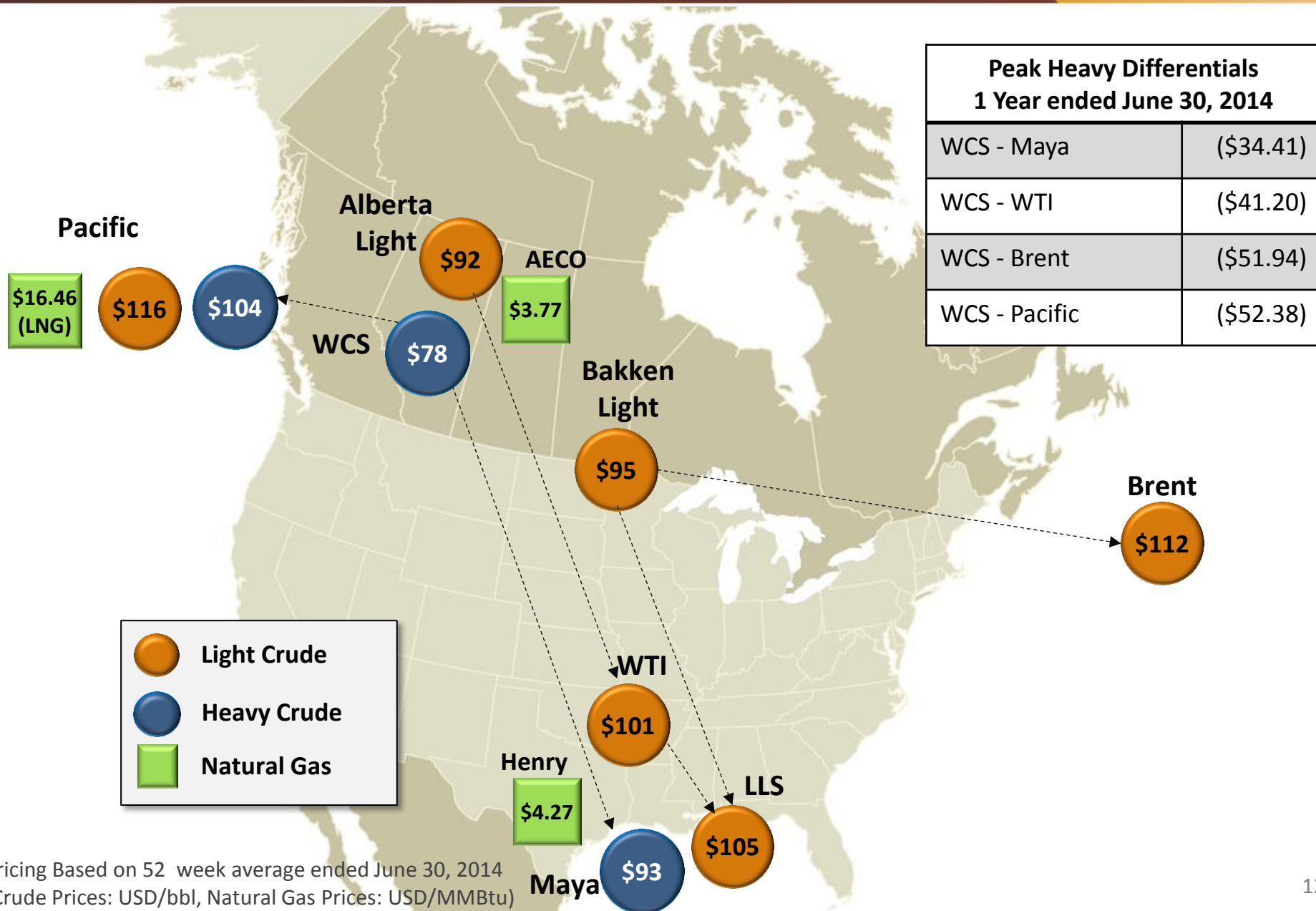


**Reconfiguration of pipeline grid underway**



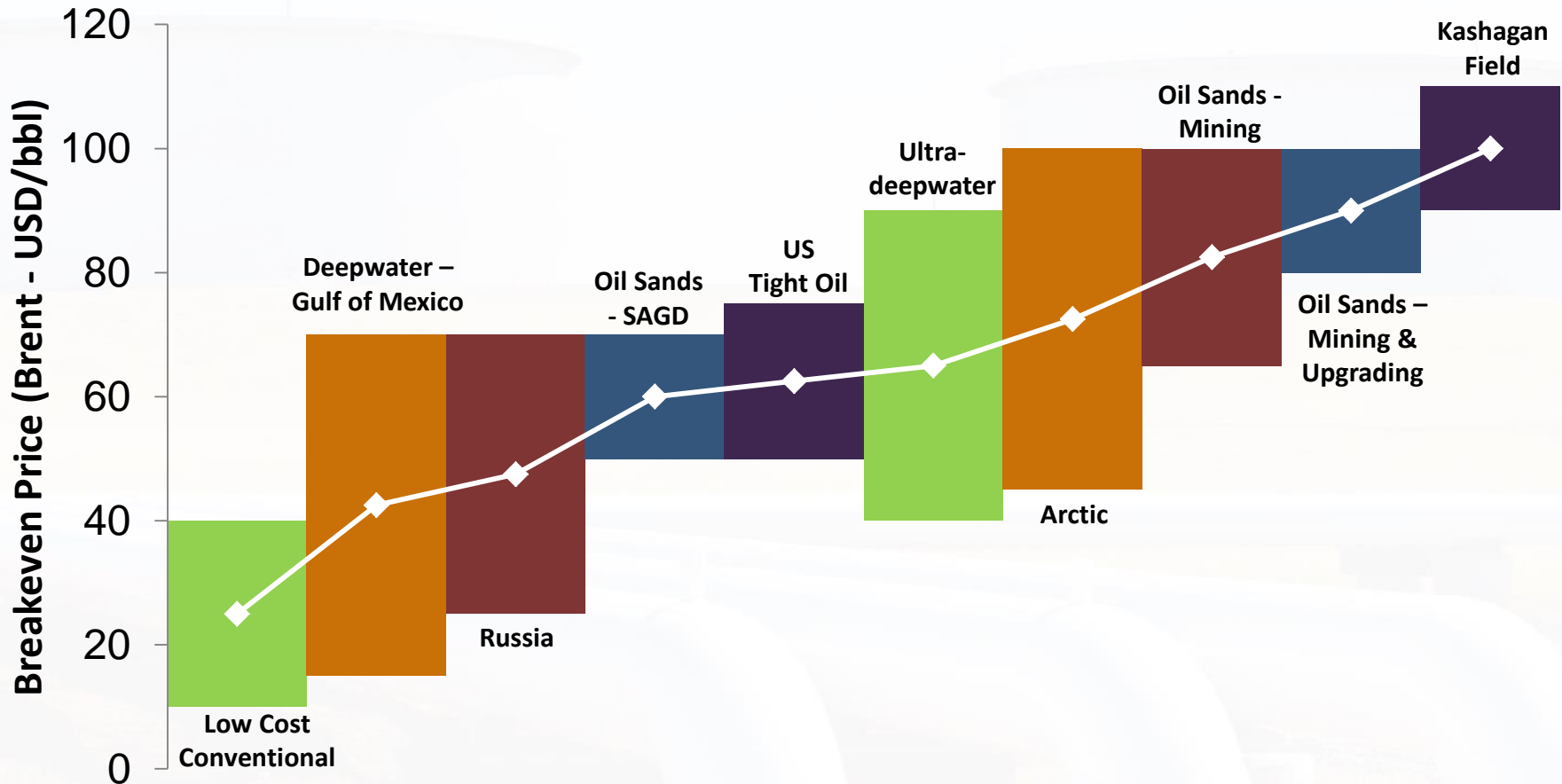


# North American Regional Pricing Disparities

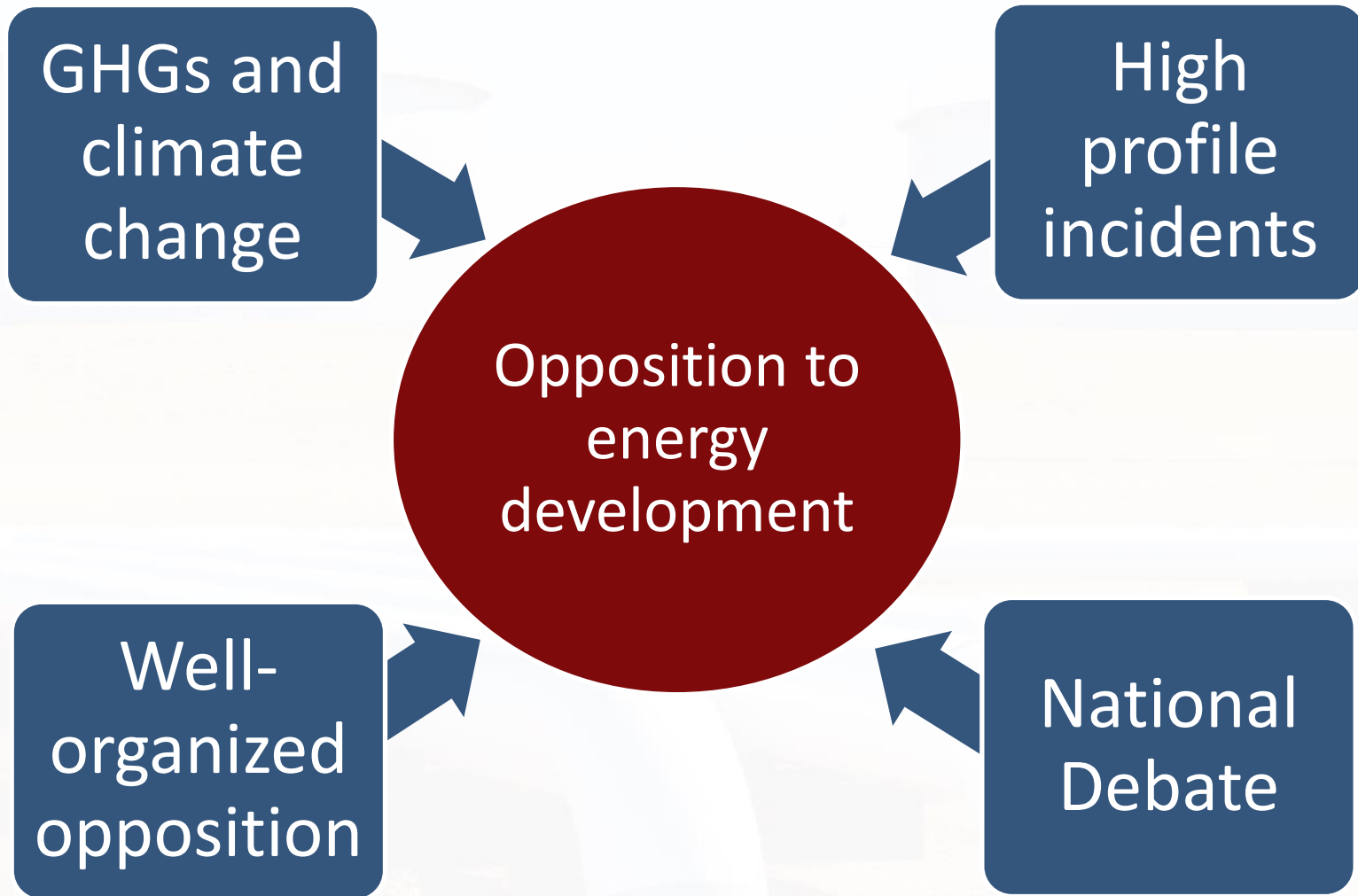


# Challenge #2 – The Cost of Adding NA Production

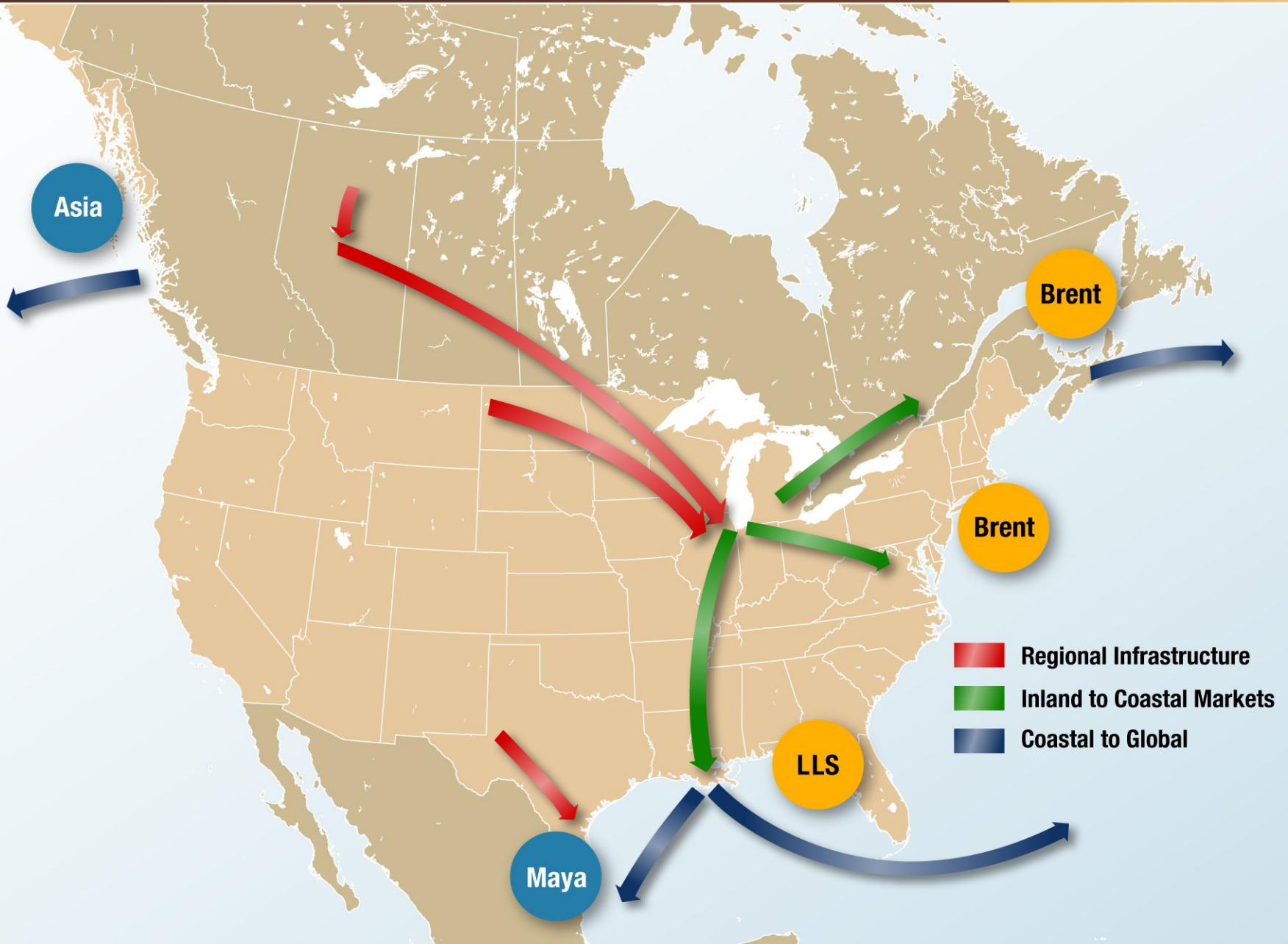
## Global price signals required to induce investment



Stakeholders require more of energy companies

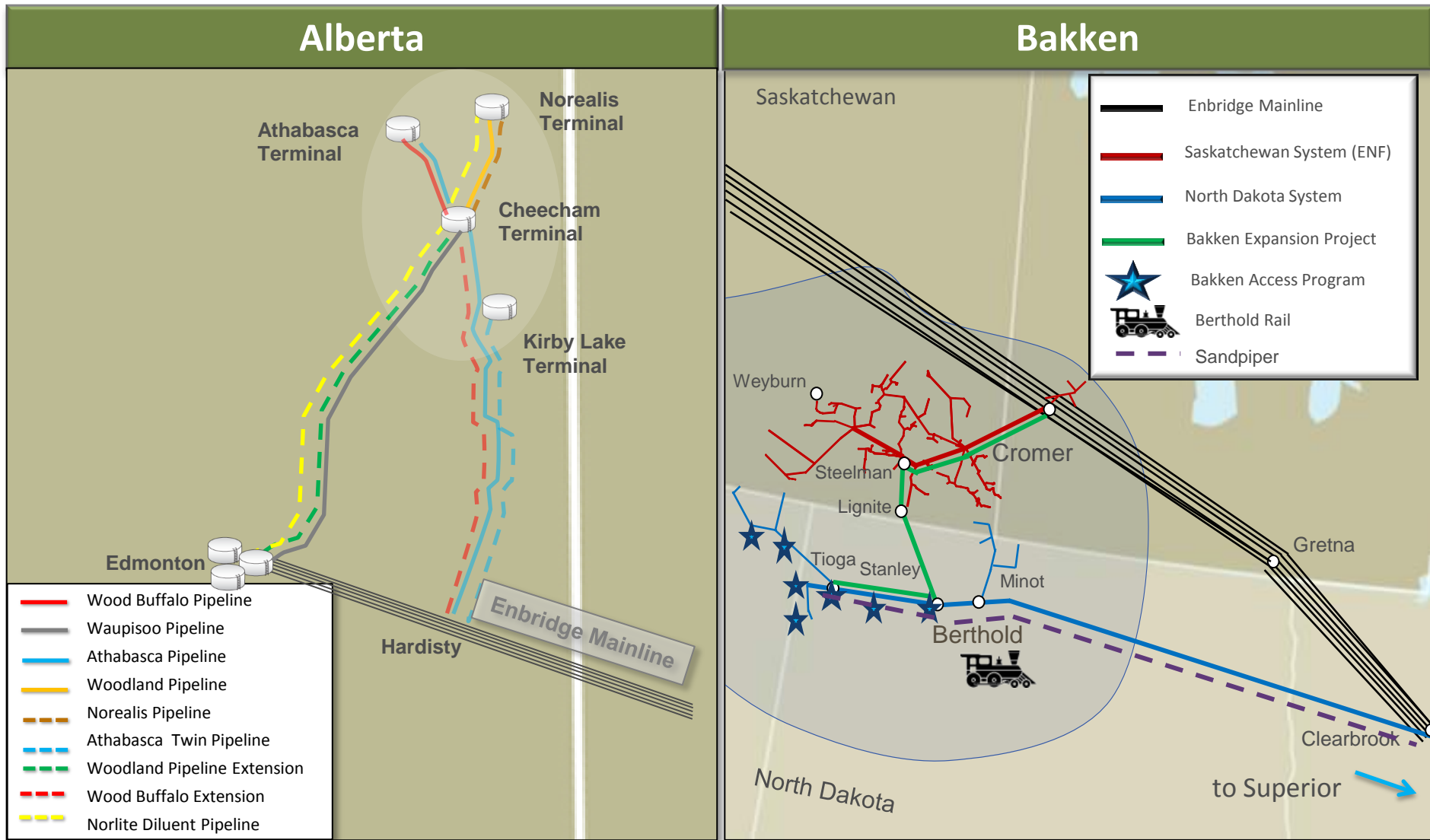


# Market Access Priorities





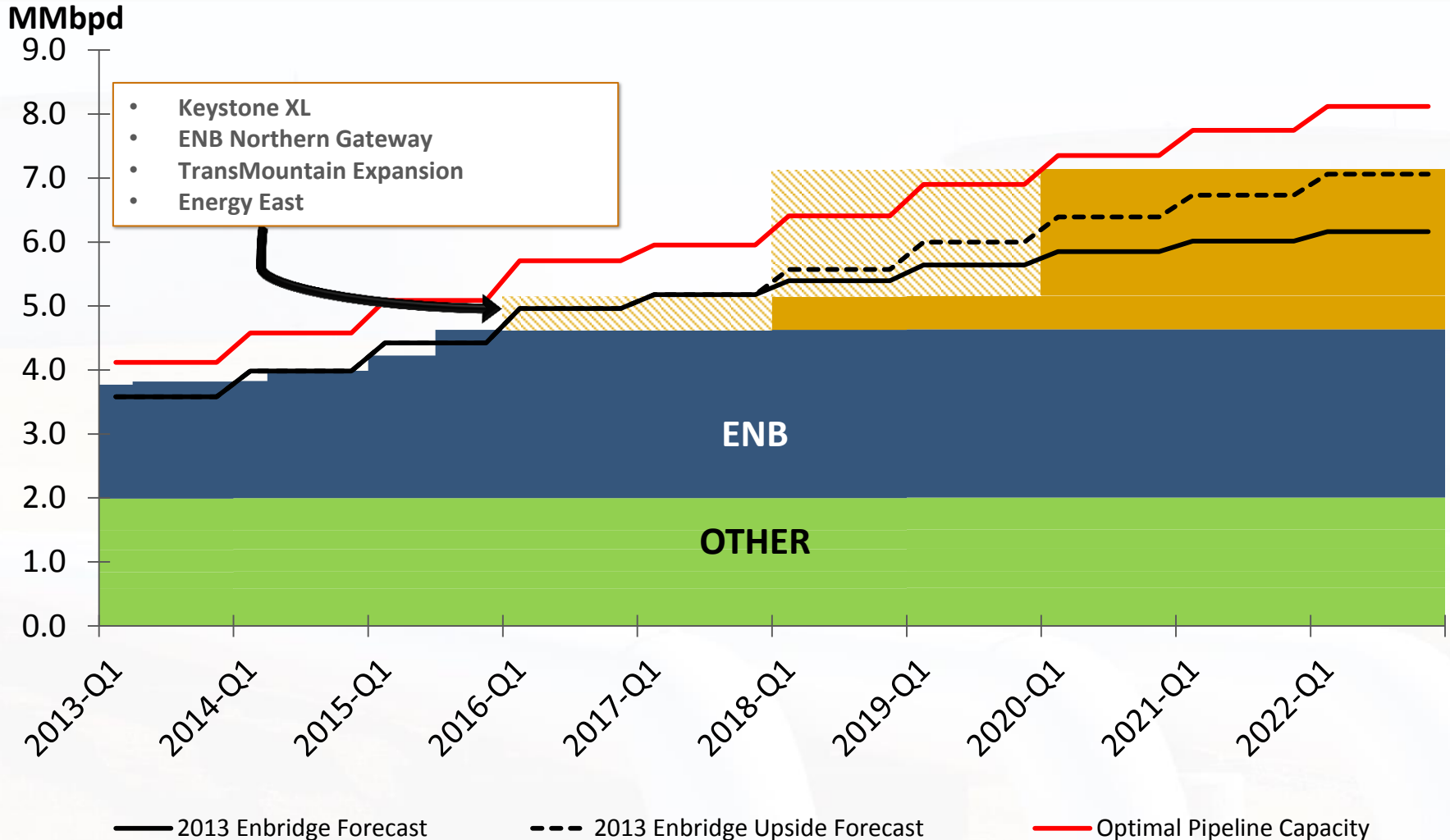
# Liquids Pipelines - Regional Infrastructure



# Capacity Outlook – WCSB Takeaway\*



Producers placing high value on market access and optionality



# Enbridge Providing New Market Access



**Light Oil Market Access**

**Eastern Access**

**Western USGC Access**



**Incremental Market Access: +~1.0MMbpd of Heavy; +0.7MMbpd of Light**

## Northern Gateway to connect Canada to global markets

- Approved in June 2014

### Priorities:

- Meet 209 conditions
- Continue to engage with communities
- Work with the Gov't of BC on 5 conditions

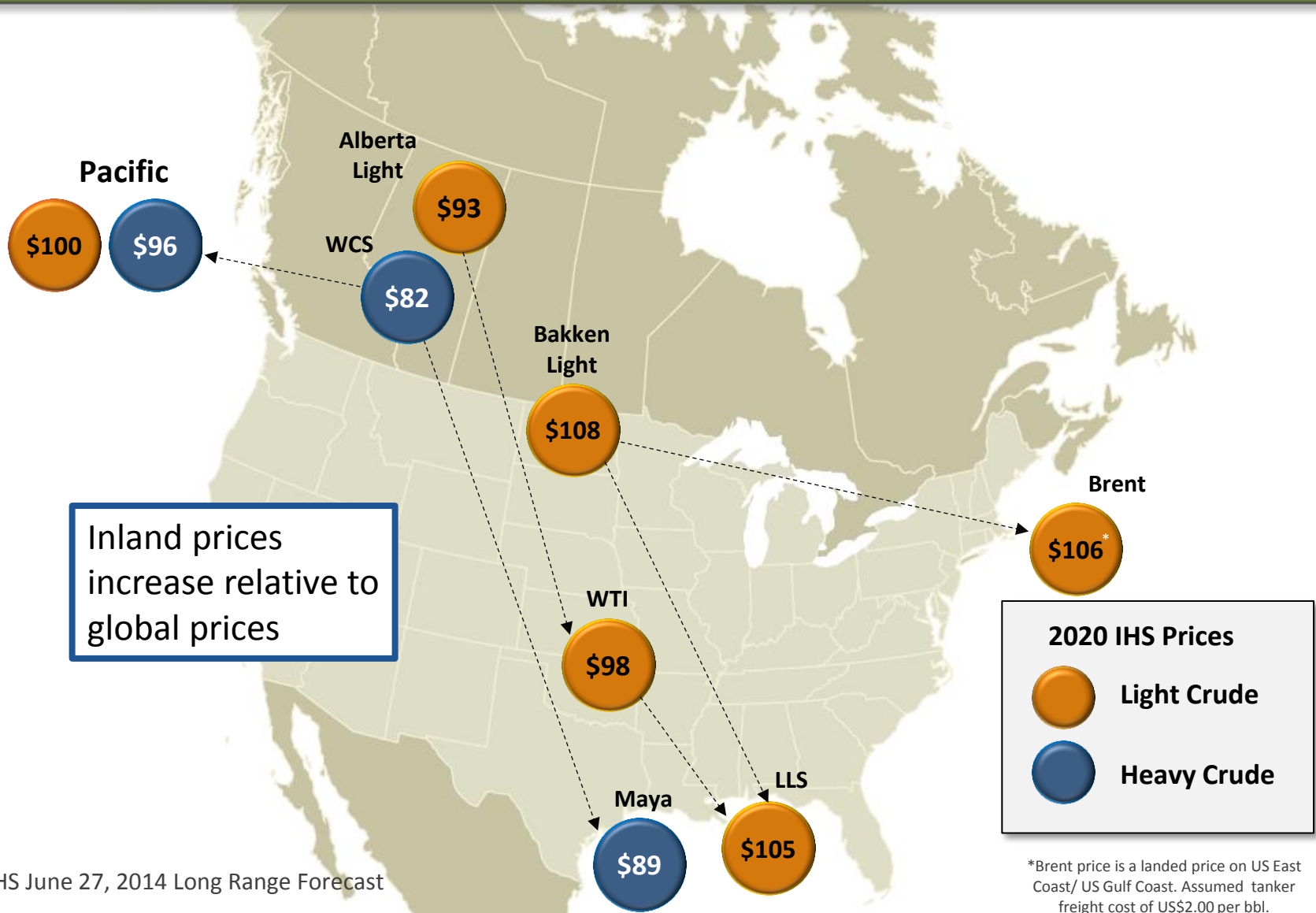


- PADD II demand (BP Whiting)
- Enhancements and optimization
  - Drag reducing agent
  - Improved scheduling
  - Quality pooling
  - Line allocations

## WCS - Maya



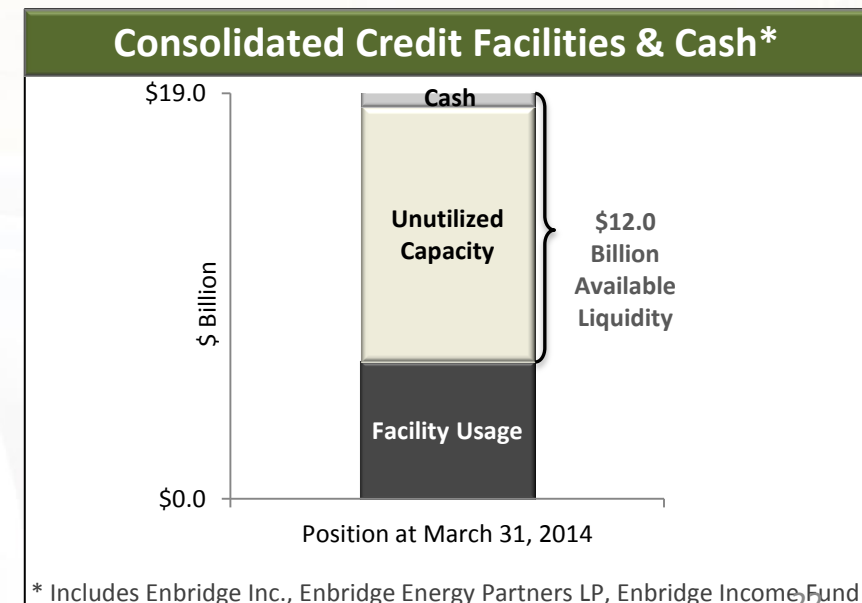
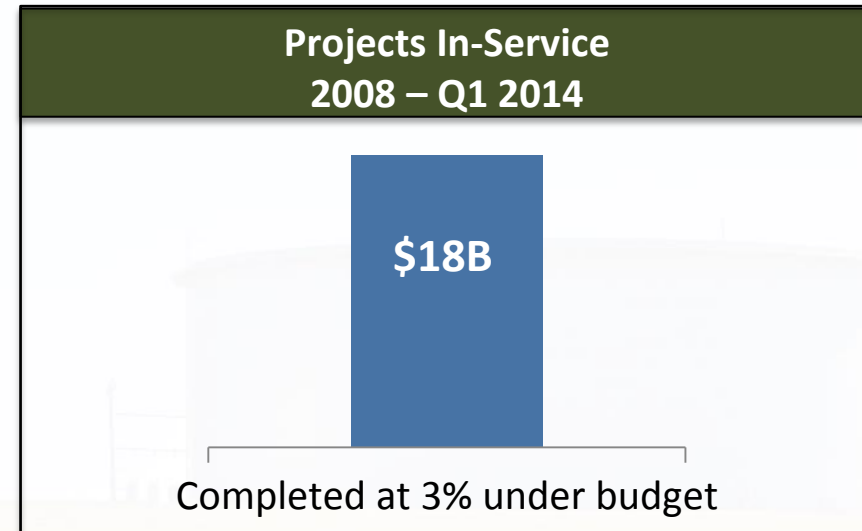
## Regional prices reflect pipeline transportation costs



Source: IHS June 27, 2014 Long Range Forecast



- **Major projects capability**
  - Supply chain management
  - Skills and processes
  - On time, on budget, safely
  
- **Financing**
  - Ample liquidity
  - Strong credit rating
  - Good access to capital markets



\* Includes Enbridge Inc., Enbridge Energy Partners LP, Enbridge Income Fund



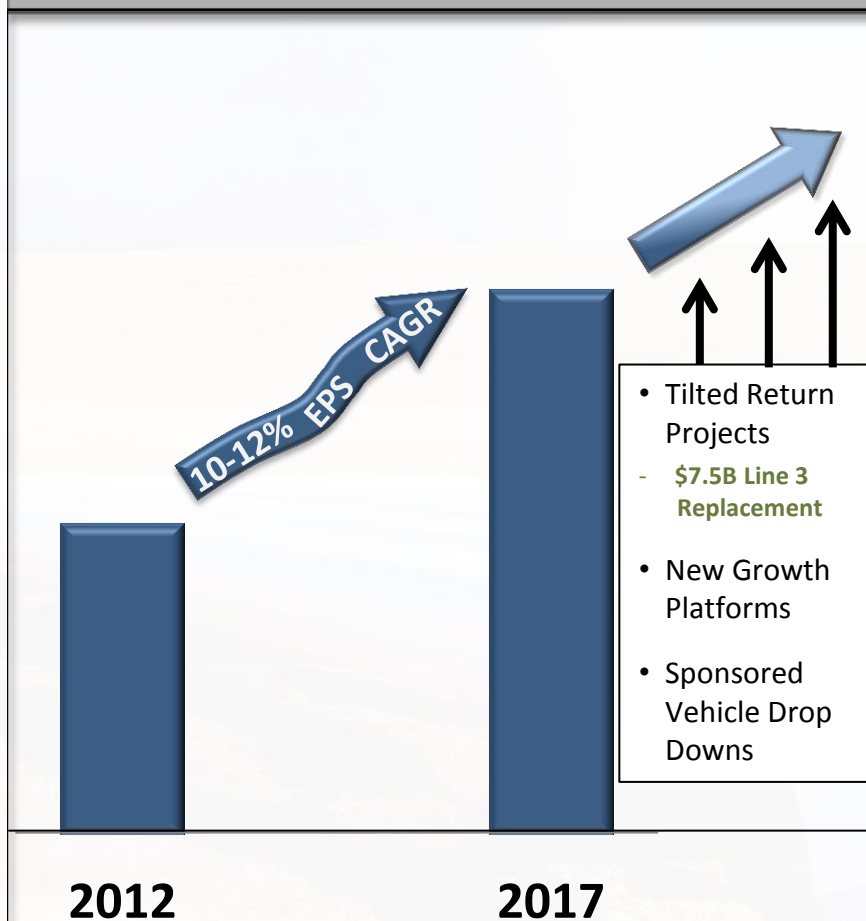
- Putting safety and environment first
- Exceeding regulatory requirements
- Engaging stakeholders
- Investing in world class performance

*Gain the benefits of economic development in a sustainable way*

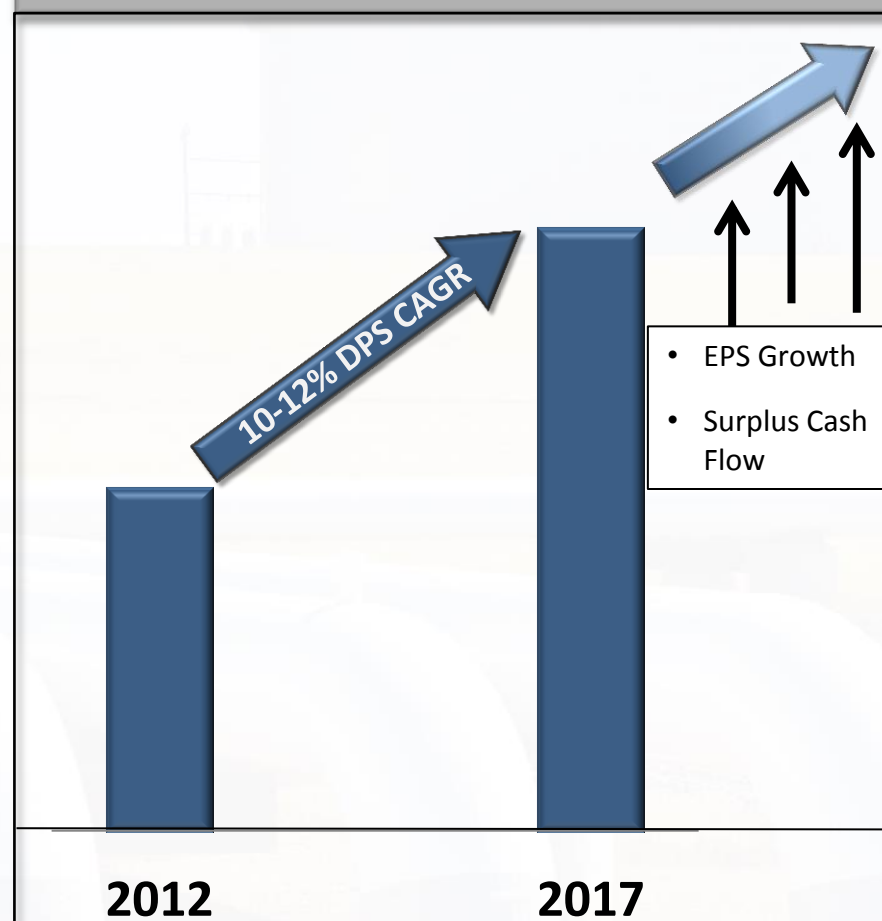


## \$42 Billion Enterprise Wide Capital Program

### An Industry Leading EPS\* Growth Outlook (but lumpy)



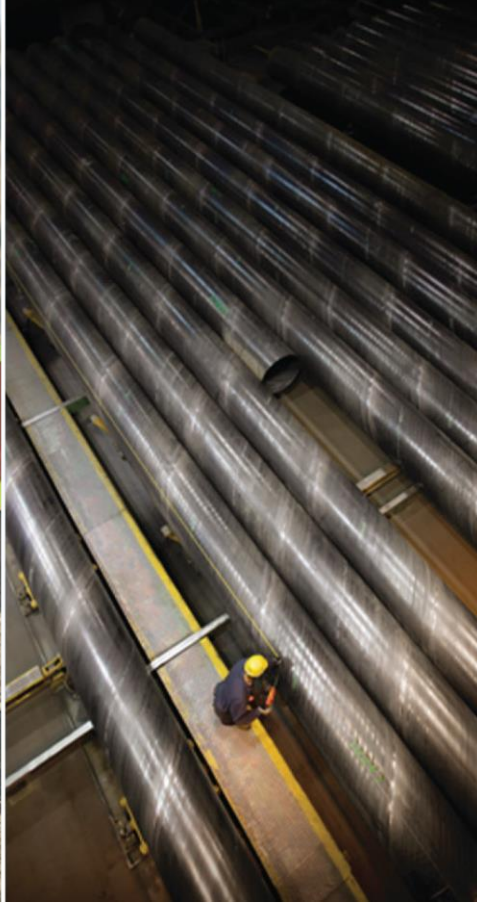
### An Industry Leading DPS Growth Outlook (smoother)



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

- Global energy consumption rising
- North America well-positioned
- Good progress, but market access still challenging
- Energy development critical to Canadian economic development
- More balanced discussion on the importance of energy

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## Question & Answer Period