Market Access for Land Locked North American Crude Oil

J. Richard Bird
Executive Vice President, Chief Financial Officer
& Corporate Development
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$45 Billion Energy Infrastructure Asset Base

**Liquids Pipelines**

- Edmonton
- Fort McMurray
- Hardisty
- Montreal
- Patoka
- Portland
- Salt Lake City
- Casper
- Cushing

**Gas Distribution**

- Toronto
- Quebec City
- Zama
- Fort McMurray
- Edmonton
- Hardisty

**Gas Pipelines**

- Edmonton
- Fort St. John
- Sarnia
- Chicago
- Houston

**Renewable Energy**

- Wind Power Generation
- Solar Power Generation
- Waste Heat Recovery
- Geothermal Power Generation
- Power Transmission

**2011 Adjusted Earnings**

- Liquids Pipelines: 62%
- Gas Distribution: 17%
- Gas Pipelines: 19%
- Renewable Energy: 2%
Value Creation Track Record

Enbridge Performance Relative to S&P/TSX Composite Index
As at December 31, 2012

Total Shareholder Return CAGR

North American Peer Group Percentile

<table>
<thead>
<tr>
<th></th>
<th>1 Year</th>
<th>5 Year</th>
<th>10 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value Creation Track Record</td>
<td>16%</td>
<td>20%</td>
<td>19%</td>
</tr>
<tr>
<td>North American Peer Group Percentile</td>
<td>89%</td>
<td>100%</td>
<td>96%</td>
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</table>
### US Imports 2012¹

<table>
<thead>
<tr>
<th>Country</th>
<th>MMbpd</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Canada</td>
<td></td>
</tr>
<tr>
<td>Enbridge</td>
<td>2.1</td>
</tr>
<tr>
<td>Other</td>
<td>1.3</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>1.5</td>
</tr>
<tr>
<td>Mexico</td>
<td>1.0</td>
</tr>
<tr>
<td>Venezuela</td>
<td>0.8</td>
</tr>
<tr>
<td>Iraq</td>
<td>0.5</td>
</tr>
<tr>
<td>Columbia</td>
<td>0.4</td>
</tr>
<tr>
<td>Nigeria</td>
<td>0.4</td>
</tr>
<tr>
<td>Kuwait</td>
<td>0.3</td>
</tr>
<tr>
<td>Brazil</td>
<td>0.3</td>
</tr>
<tr>
<td>Angola</td>
<td>0.3</td>
</tr>
<tr>
<td>Others</td>
<td>1.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8.8</strong></td>
</tr>
</tbody>
</table>

1. Average Q1/Q2 2012. Source: Enbridge, Energy Information Administration

### 2012 Capacity

<table>
<thead>
<tr>
<th>Pipeline</th>
<th>MMbpd</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enbridge</td>
<td>2.50</td>
</tr>
<tr>
<td>Keystone</td>
<td>0.59</td>
</tr>
<tr>
<td>Trans Mountain</td>
<td>0.30</td>
</tr>
<tr>
<td>Express</td>
<td>0.28</td>
</tr>
<tr>
<td>West Corridor</td>
<td>0.15</td>
</tr>
</tbody>
</table>

² Includes tanker shipments from Canadian east coast production
Global Light Oil Price Benchmark Outlook

Brent Price Outlook (2011 dollars)
2013 - 2025

Source: EIA "Annual Energy Outlook 2013", PIRA Energy Group
Western Canada/U.S. Northwest Supply Growth

Forecast Western Canada Production

- CAPP Forecast
  - 2012: 1.5 MMbpd
  - 2015: 2.4 MMbpd

Forecast Bakken Production

- PIRA Energy Group Forecast
  - 2012: 1.0 MMbpd
  - 2025: 1.3 MMbpd
Landlocked Supply Price Discounts

Pricing reflects December 2012 averages (Crude prices are in US$ per bbl)

NOTE: * Brent price is a landed price on US East Coast/ US Gulf Coast. Assumed tanker freight cost of US$2.00 per bbl.
Value Lever # 1
– Mainline System

- Largest crude oil pipeline system in the world
- Value Leverage:
  - Scale
  - Product Segregation
  - Market Diversity
  - Premium Markets
  - Established ROW
Value Lever #2
– Alberta Regional System

- Largest operator in Alberta
- Value Leverage:
  - Low cost expansion
  - “Bridging” of new projects
  - Regional expertise
  - ROW access
  - Dual delivery hubs

Total Secured Capital = $3.4 B
Value Lever # 3 – Bakken Regional System

- Largest operator in the Bakken
- Value Leverage:
  - Sole gathering/collector system in Bakken core
  - Access to mainline multiple premium markets
  - Contract and common carrier service
  - Established ROW

Total Secured Capital = $0.8 B
Value Lever # 4
– Existing Mainline Extensions

• Value Leverage:
  – Market Diversity
  – Established ROW
  – Mainline Joint Tolls
# 1. Seaway Pipeline Acquisition + Reversal ($1.4B)
- Enbridge Inc. and Enterprise JV
- Initial capacity 150 kbpd, up to 400 kbpd by Q1 ‘13
- Reversal started May 2012
- Connectivity to ECHO Terminal in 2013 (65 miles)

# 2. Seaway Pipeline Twin + Lateral ($1.0B)
- Enbridge Inc. and Enterprise JV
- Twin Seaway Pipeline (515 miles)
- Initial capacity 450 kbpd, In-service mid-2014
- Connectivity to Port Arthur (85 miles)

# 3. Flanagan South Pipeline ($2.8B)
- Enbridge Inc. 100%
- Twin Spearhead Pipeline (36-inch pipeline, 591 miles)
- Initial capacity 585 kbpd, expandable to 800 kbpd
- In-service mid-2014

# 4. Associated Mainline Expansions ($1.2B)
- Expanding Line 67 from 450 kbpd to 800 kbpd
- Expanding Line 61 from 400 kbpd to 560 kbpd

Total Secured Capital = $6.4 B
New Market Access Initiative # 2 – Eastern Access

Total Secured Capital = $2.7 B
New Market Access Initiative # 3
– Light Oil Market Access

Total Secured Capital = $6.2 B
Other New Market Access Initiatives

- Canadian/U.S. East Coast Refinery Markets
- Eastern U.S. Gulf Coast Refinery Markets
- Asia Pacific/West Coast Refinery Markets
2012 – 2016 Enterprise Wide Growth Capital

- Risked Unsecured
- Highly Probable Unsecured
- Commercially Secured

$35 Billion Growth Investment Plan

Enbridge Day
(Oct 2012)

- $18 B
- $12 B
- $5 B

Current

- $27 B
- $3 B
- $5 B

$35 B
$35 B
An Industry Leading Growth Outlook

Adjusted EPS* Growth

Highly Probable Unsecured
Commercially Secured (as at Enbridge Day)

$3.00

12%+ EPS CAGR
10% EPS CAGR

2011
2016e

• Tilted Return Projects
• 2016 Risked Unsecured
• New Growth Platforms
• Sponsored Vehicle Drop Downs

* Please refer to Non-GAAP Measures disclosure in news release. All figures are based on US GAAP reporting.
Investment Merits Summary

• Exceptional array of attractive return investment opportunities
• Financial risk tightly managed
• Ample access to low cost conventional funding sources
• Sponsored vehicles further augment access to low cost capital, accelerate growth

Attractive investments + low cost of capital = Industry leading growth + Substantial Valuation Upside