Financial & Strategic Update

June 19, 2014

Al Monaco
President & CEO

J. Richard Bird
Executive Vice President,
CFO and Corporate Development

ENBRIDGE
Financial & Strategic Update

• Presenters:
  
  Al Monaco
  President & CEO

  J. Richard Bird
  Executive Vice President, CFO and Corporate Development

• 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.
• Executive Changes
• EEP Equity Restructuring
• Midcoast Energy Partners Drop Down
• Line 3 Replacement Update
• Funding Requirements Update
• Northern Gateway Approval
• Aggregate Capital Program and Growth Update
Interim Finance and Corporate Development Organization

EVP, CFO & Corp Dev.
J. Richard Bird

SVP Corp Dev.
Vern Yu
- Strategic Planning & Corporate Development
- Green Energy & Transmission
- Energy Services
- International

SVP Finance
John Whelen
- Financial Reporting
- Treasury & Tax

- Sponsored Investments
- Investor Relations
- Internal Audit

J. Richard Bird
Vern Yu
John Whelen
## EEP Equity Restructuring

<table>
<thead>
<tr>
<th>Current Structure</th>
<th>GP Current Annual Distribution</th>
<th>GP Share of Growth in Distributable Cash Flow</th>
<th>Magnitude of Growth in Distributable Cash Flow (illustrative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>~$160 million</td>
<td>50%</td>
<td>LP: 75%, GP: 25%</td>
<td></td>
</tr>
<tr>
<td>Revised Structure</td>
<td>~$160 million</td>
<td>25%</td>
<td></td>
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</table>
Midcoast Energy Partners Drop Down

• 12.6% of EEP G&P business for $350 million, effective July 1

• MEP interest in G&P business increases from 39.0% to 51.6%

• Debt financed by MEP

• Advances execution of G&P business drop down strategy, reducing EEP’s cost of funding Liquids Pipelines growth projects
• Capital cost estimate finalized
  – Cdn $4.9 billion
  – US $2.6 billion
  – $0.7 billion increase

• Surcharge: U.S. $0.895/bbl

• Negligible change in return

• Execution in early stages but on track for 2nd half of 2017
# 2013 – 2017 Funding Requirements
Excluding Sponsored Investments

($ billions, as at June 2014)

<table>
<thead>
<tr>
<th>Maintenance Capital</th>
<th>5.6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secured Growth Capital</td>
<td>28.0</td>
</tr>
<tr>
<td>Risked Growth Capital</td>
<td>3.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>36.8</strong></td>
</tr>
<tr>
<td>Cash Flow Net of Dividends</td>
<td>(14.6)</td>
</tr>
<tr>
<td><strong>Net Funding Requirement</strong></td>
<td><strong>22.2</strong></td>
</tr>
</tbody>
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## Debt

<table>
<thead>
<tr>
<th>Total Requirement</th>
<th>15.1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on Hand</td>
<td>(1.1)</td>
</tr>
<tr>
<td><strong>Total Requirement, Net of Cash</strong></td>
<td><strong>14.0</strong></td>
</tr>
<tr>
<td>2013 – 2017 Maturities</td>
<td>5.2</td>
</tr>
<tr>
<td>Preferred Share Issuances</td>
<td>(1.1)</td>
</tr>
<tr>
<td>Debt Already Issued</td>
<td>(6.3)</td>
</tr>
<tr>
<td><strong>Debt Requirement</strong></td>
<td><strong>11.8</strong></td>
</tr>
</tbody>
</table>

## Equity

<table>
<thead>
<tr>
<th>Total Requirement</th>
<th>7.1</th>
</tr>
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<tbody>
<tr>
<td>2013 Common Share Issuances</td>
<td>(0.6)</td>
</tr>
<tr>
<td>2014 Common Share Issuances</td>
<td>(0.4)</td>
</tr>
<tr>
<td>Noverco</td>
<td>(0.2)</td>
</tr>
<tr>
<td>Preferred Share Issuances</td>
<td>(1.1)</td>
</tr>
<tr>
<td>DRIP/ESOP</td>
<td>(2.5)</td>
</tr>
<tr>
<td><strong>Equity Requirement</strong></td>
<td><strong>2.3</strong></td>
</tr>
</tbody>
</table>
### Cost of Equity Optimization & Flexibility

#### 2013 – 2017 Remaining Requirement $2.3 Billion:

<table>
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<th>$ Billions</th>
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<tbody>
<tr>
<td>Preferred Shares</td>
<td>$1.5</td>
</tr>
<tr>
<td>Asset Monetization/Sponsored Vehicle Drop Downs</td>
<td>$3.0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$4.5</strong></td>
</tr>
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ENB Public Equity ~
Northern Gateway Project

- Regulatory phase complete
- Focus over next 12+ months:
  - Satisfy federal & Gov’t of BC conditions
  - Continue to engage with communities and First Nations
Enterprise Wide* Growth Capital Program (By In-service Date)

- Unsecured
- Commercially Secured

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<tr>
<td><strong>$35 B</strong></td>
<td>$17 B</td>
<td>$10 B</td>
<td><strong>$37 B</strong></td>
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<tr>
<td>$18 B</td>
<td></td>
<td>$26 B</td>
<td>$5 B</td>
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* Includes ENB, EEP, and ENF
** As at June 2014
Industry Leading EPS & DPS Outlook

An Industry Leading EPS* Growth Outlook (but lumpy)

- Tilted Return Projects
  - $7.5B Line 3 Replacement
- New Growth Platforms
- Sponsored Vehicle Drop Downs

2012  2017

10-12% EPS CAGR

An Industry Leading DPS Growth Outlook (smoother)

- EPS Growth
- Surplus Cash Flow

2012  2017

10-12% DPS CAGR

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