Gas Transmission & Midstream

Bill Yardley
EVP & President Gas Transmission & Midstream

grow organically.
minimize risk.
streamline.

Premier Gas Transmission Footprint

Gas Transmission Value Proposition
• Unparalleled asset footprint
• Safe, reliable operations
• Connecting diverse supply basins with growing demand markets
• Stable and predictable cash flow
• No direct commodity exposure
• Minimal volume exposure
• Strong investment-grade customers
• Track record of successful project execution
Strong, Growing & Stable Contributor to Enbridge EBITDA

2018e EBITDA

- Transmission business predominantly drives GTM earnings
- Significant contribution to stable, fee-based earnings from transmission businesses
- GTM’s transmission EBITDA is primarily:
  - Take-or-pay contracts
  - Limited volume risk
  - No direct commodity exposure

Gas transmission assets are core to regulated pipeline and utility business model

Compelling Gas Transmission Business

- Strategically located assets
- Fully contracted
- Regulated cost of service or negotiated rate contracts
- Consistent high renewal rates
- Primarily LDCs and producers
- First mile to last mile advantage

Existing transmission assets provide long-term value and stability

* TETLP and AGT
Solid Gas Transmission Base

GTM Reservation Revenue (Based on revenues for 12 months ended 12/31/16)

- Texas Eastern
- Gulfstream
- Algonquin
- East Tennessee
- Southwest Supply Header
- Maritimes & Northeast (US & Canada)
- Sabal Trail
- Vector
- Offshore
- Alliance
- BC Pipeline

<table>
<thead>
<tr>
<th>Pipeline</th>
<th>2016 Reservation Revenue</th>
<th>2016 Usage &amp; Other Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Texas Eastern</td>
<td>94%</td>
<td>72%</td>
</tr>
<tr>
<td>Gulfstream</td>
<td>98%</td>
<td>94%</td>
</tr>
<tr>
<td>Algonquin</td>
<td>97%</td>
<td>92%</td>
</tr>
<tr>
<td>East Tennessee</td>
<td>99%</td>
<td>N/A</td>
</tr>
<tr>
<td>Southwest</td>
<td>97%</td>
<td>5 years</td>
</tr>
<tr>
<td>Maritimes &amp;</td>
<td>95%</td>
<td>17 years</td>
</tr>
<tr>
<td>Northeast</td>
<td>97%</td>
<td>25 years</td>
</tr>
<tr>
<td>Sabal Trail</td>
<td>99.5%</td>
<td>8 years</td>
</tr>
<tr>
<td>Vector</td>
<td>97%</td>
<td>6 years</td>
</tr>
<tr>
<td>Offshore</td>
<td>72%</td>
<td>9 years</td>
</tr>
<tr>
<td>Alliance</td>
<td>94%</td>
<td>N/A</td>
</tr>
<tr>
<td>BC Pipeline</td>
<td>92%</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Achieved Peak Delivery Days in 2016

- 8 years (Texas Eastern)
- 13 years (Gulfstream)
- 7 years (Algonquin)
- 9 years (East Tennessee)
- 6 years (Southwest Supply Header)
- N/A (Maritimes & Northeast)
- 25 years (Sabal Trail)
- 17 years (Vector)
- Life of lease (Offshore)
- 5 years (Alliance)
- 8 years (B.C. Pipeline)

Average Contract Terms

- 8 years (Texas Eastern)
- 13 years (Gulfstream)
- 7 years (Algonquin)
- 9 years (East Tennessee)
- 6 years (Southwest Supply Header)
- N/A (Maritimes & Northeast)
- 25 years (Sabal Trail)
- 17 years (Vector)
- Life of lease (Offshore)
- 5 years (Alliance)
- 8 years (B.C. Pipeline)

Stable core business highlights valuable footprint and provides platform for growth

Robust Portfolio of Secured Growth Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Est. Capital ($MM)</th>
<th>SEP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jackfish Lake – T-North</td>
<td>$245 CAD</td>
<td></td>
</tr>
<tr>
<td>Sabal Trail (50%)</td>
<td>$1,600 USD</td>
<td>✓</td>
</tr>
<tr>
<td>Access South, Adair SW &amp; Lebanon Extension</td>
<td>$450 USD</td>
<td>✓</td>
</tr>
<tr>
<td>Gulf Markets – Phase 2</td>
<td>$110 USD</td>
<td>✓</td>
</tr>
<tr>
<td>Wyndwood – T-North</td>
<td>$250 CAD</td>
<td>✓</td>
</tr>
<tr>
<td>RAM – T-South</td>
<td>$525 CAD</td>
<td>✓</td>
</tr>
<tr>
<td>High Pine – T-North</td>
<td>$425 CAD</td>
<td>✓</td>
</tr>
<tr>
<td>Stampede Lateral</td>
<td>$150 USD</td>
<td>✓</td>
</tr>
<tr>
<td>NEXUS (50%)</td>
<td>$1,300 USD</td>
<td>✓</td>
</tr>
<tr>
<td>TEAL</td>
<td>$200 USD</td>
<td>✓</td>
</tr>
<tr>
<td>Valley Crossing</td>
<td>$1,500 USD</td>
<td>✓</td>
</tr>
<tr>
<td>Atlantic Bridge*</td>
<td>$500 USD</td>
<td>✓</td>
</tr>
<tr>
<td>STEP</td>
<td>$130 USD</td>
<td>✓</td>
</tr>
<tr>
<td>Stratton Ridge</td>
<td>$200 USD</td>
<td>✓</td>
</tr>
<tr>
<td>PennEast (20%)</td>
<td>$260 USD</td>
<td>✓</td>
</tr>
<tr>
<td>Lambertville-East</td>
<td>$45 USD</td>
<td>✓</td>
</tr>
<tr>
<td>Sabal Trail Phase II &amp; III</td>
<td>$525 CAD</td>
<td>✓</td>
</tr>
<tr>
<td>Spruce Ridge – T-North</td>
<td>$1,000 CAD</td>
<td>✓</td>
</tr>
</tbody>
</table>

*Atlantic Bridge – Partial in-service Nov 2017 with remaining 2H2018
** Sabal Trail II & III est. capital is part of original project total

Project Est. Capital ($MM) SEP

2017 In Service

2018 In Service

2019+ In Service
Sabal Trail & Valley Crossing

516 miles of greenfield pipeline successfully and safely placed into service on time and on budget

Great progress on construction, project is currently ahead of schedule and on budget

NEXUS: Delivering Prolific Supply to Premium Markets

• 255 miles of greenfield pipe, moving 1.5 Bcf/d of Marcellus gas to markets in Ohio, Michigan and Ontario
• Provides a diverse, competitive supply of natural gas to markets along the route
N. American Natural Gas Demand Grows & Diversifies

Natural Gas Demand Growth by Region
(Bcf/d increases by 2035)

N. American Natural Gas Demand by Sector
(Bcf/d)

Natural Gas Supports Growing Demand

ISO-NE winter stats... natural-gas-fired generation at risk of not being able to get fuel when pipelines are constrained:
more than 4,000MW
(number will increase in future years as more coal, oil, and nuclear plants retire and are replaced with gas-fired units)
source: ISO NE 2017-2018 Winter Outlook

Natural gas generating capacity will increase from 28% of PJM’s total generating capacity mix to 35%, slightly exceeding total coal-fired generating capacity.
source: PJM

Mexico is constructing dozens of new natural gas-fired power plants across the country to meet increasing electricity demand.
To fuel these new power plants, many natural gas pipelines are being constructed to import larger amounts of natural gas from the United States.
source: EIA

New York: Natural gas is 57% of current operating capacity and over 50% of proposed new generation capacity
source: NY ISO, Power Trends 2017
Northwest & New England

Development opportunities in next 5 years

Northeast / New England

- Demand continues to increase
- Solution needed to bring affordable gas to the region

Philadelphia Market

- Market opportunities for industrial and exports

$1-3B in opportunities

Natural gas fired generation replaces other retiring generation sources

Southeast Markets

Development opportunities in next 5 years

Southeast Markets

- Natural gas power generation
  - Coal-to-gas conversions
  - Increase in Florida demand

$1-2B in opportunities

Continued growth in natural gas fired power generation
Development opportunities in next 5 years

**Gulf Coast Markets**

**Gulf Coast**
- Epicenter of demand for LNG and Mexico exports

**Permian**
- DCP offers Permian solutions to producers

**Offshore US Gulf Coast**

New Gulf Coast natural gas demand drives solid growth opportunities

$2-4B in opportunities

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Development opportunities in next 5 years

**Western Canada**

**Western Canada**
- Producers looking for egress solutions
  - Alliance
  - T-South
  - NGL transmission opportunities
  - Montney/Duvernay expansions
  - LNG opportunities

Egress solutions drive Western Canada opportunities

$1-2B in opportunities
Gas Transmission & Midstream

Key Priorities

**grow organically.**
- Advance execution projects safely and successfully
- Deliver projects on time and on budget
- Secure sustainable, high return growth opportunities

**minimize risk.**
- Grow stable, take-or-pay business
- Ensure re-contracting of base revenue
- Maintain little or no commodity and volume risk

**streamline.**
- Leverage scale of enterprise
- Take advantage of synergy opportunities

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**Q&A**

**grow organically.**
**minimize risk.**
**streamline.**