Utilities

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Our Premium Utility

Tier 1 North American Gas Utility
- Largest volume and fastest growing franchise
  - 12+ million people and businesses
  - 3.7 million meters
  - 50,000+ annual customer additions
- Investing $1+ B capital per year

Dawn Storage Hub and Transmission
- 280 Bcf of Dawn storage with growth potential
  - 2nd most liquid trading hub in North America
- Dawn-Parkway Transmission connects multiple supply basins with strategic growth markets
  - Ontario, Quebec, US Northeast

Largest and fastest growing natural gas utility in North America
Utilities - Strategic Priorities

**Optimize the Base Business**
- Focus on operational efficiencies and capture synergies from amalgamation
  - Grow earnings through cost reduction
  - Leverage Enbridge’s transformation experience
  - Build best in class utility operating model

**Execute Secured Projects**
- Deliver near-term in-franchise rate base growth

**Grow the Business**
- Secure future in-franchise growth and expand to new communities
- Expand Dawn Hub storage and transmission
- Extend with additional regulated assets, natural gas transport and renewable natural gas opportunities

Pursuing amalgamation efficiencies and growth while maintaining customer focus & safe reliable operations

Focus on Amalgamation

**Incentive mechanism enhances earnings**
- Day One benefits
- Five year O&M synergy capture
- Low capital investments to achieve O&M savings
- Inflation protection
- Retain 150 bps of earnings above regulated ROE
- Reliable cash flow growth

**Enhanced organic growth**
- Capital threshold ensures renewal of rate base
- Incremental Capital Module allows for capital above threshold to be included in rate base earnings

**Incentive Rate Structure**

<table>
<thead>
<tr>
<th>Term</th>
<th>5 years</th>
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</thead>
<tbody>
<tr>
<td>Annual Inflation</td>
<td>GDP index</td>
</tr>
<tr>
<td>Stretch Factor</td>
<td>0.3%</td>
</tr>
<tr>
<td>Earnings Threshold</td>
<td>Earnings sharing at 50%:50% above 150 bps over OEB allowed ROE</td>
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<tr>
<td>Unbudgeted Capital Expenditures</td>
<td>Incremental Capital Module</td>
</tr>
<tr>
<td>Start Date</td>
<td>January 1, 2019</td>
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</tbody>
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An attractive regulatory outcome on Day One enables potential to achieve premium ROE
Amalgamation Benefits

Low risk earnings growth
- Benefits accrue immediately to Enbridge

Amalgamation activities underway
- Integration has already commenced
- Common enterprise platforms

Major synergy capture areas
- Operations & work management
- Customer care
- Shared services
- Storage & transmission, gas control and supply
- Management and other area functions

Ability to consistently earn above 9% OEB allowed ROE

Organic Growth in Rate Base

Over $1B/year in capital additions
- Utility Growth
  - 50,000 new customer additions annually
  - Over 50 new expansion communities
- Maintenance/Renewal
  - Execution of an optimized asset plan
  - Continued investment for safe and reliable operations
- Incremental Capital Module (ICM)
  - Rate protected funding of additional core utility projects

Highly transparent investments in regulated rate base drives DCF growth
Expansion of Dawn Hub and Transmission

Successful track record of phased growth of transmission system

- 3 year 1.2 Bcf expansion delivered on time/budget
- New 2021/22 Expansion Open Season positively received by Ontario and US NE markets

Market leader in storage services

- Highly reliable, competitively priced storage providing services to regional market
- Potential for future expansion

Continued potential for additional low risk storage and transmission investment opportunities

Extension Opportunities in Gas & Electricity

<table>
<thead>
<tr>
<th>CNG</th>
<th>RNG</th>
<th>Ontario Electricity Transmission</th>
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<tbody>
<tr>
<td><strong>Rationale</strong></td>
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<tr>
<td>• Low cost and low carbon transportation solution for trucking and return to depot vehicle markets</td>
<td>• Carbon pricing, clean fuel standards drive demand for energy from organics</td>
<td>• A further rate base growth opportunity</td>
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<tr>
<td><strong>Current opportunities</strong></td>
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<tr>
<td>• Municipal projects</td>
<td>• City of Toronto</td>
<td>• East West Tie Line currently before regulator</td>
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<tr>
<td>• Fort Erie public stations</td>
<td>• Commercial operator in Southwest Ontario</td>
<td></td>
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<tr>
<td>• 3 stations along Ontario Hwy 401</td>
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<tr>
<td><strong>Potential</strong></td>
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<td><strong>Potential</strong></td>
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<tr>
<td>• 20 regional stations</td>
<td>• Commercial landfills</td>
<td></td>
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<tr>
<td>• 6 stations on 400 series Highways</td>
<td>• 15 - 20 injection &amp; upgrading projects</td>
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Low risk rate base investment opportunities
Utilities - Summary

- Largest and fastest growing gas utility franchise in North America
- Steady annual growth opportunities through new customer additions and system expansions

- Amalgamation synergies
- Cost management
- Revenue escalators
- Storage & transportation optimization

$1B secured projects in execution (through 2020)

- Rate base additions driven by customer growth
- Post-2020 customer additions
- Community expansions
- Dawn-Parkway expansions
- RNG/CNG growth
- Ontario electricity transmission

1-2% per year base business growth post-2020

~$1B per year future development opportunities post-2020

Q&A