Good morning, on behalf of the RBC team it's Robert Kwan here and first and foremost, we hope that you and your families are healthy and stay that way.

This morning, we are happy to host Al Monaco, President and CEO of Enbridge as part of a fireside chat and following that, we'll have time to take some questions from the phone lines. As part of the session, Al may reference slides that are now available on the Enbridge website under Investment Centre and then clicking on Events & Presentations.

With that, thank you for dialing in today and Al, thank you very much for joining us this morning.

Al Monaco
Thanks Robert.

Robert Kwan
So maybe we'll just kick in here. You know, resilience was a key theme at your 2019 Investor Day in December, but some derivative of that word has really been part of the Enbridge DNA throughout time, it's been part of your slide decks and commentary ever since I've been covering the company, so when you think about your operating assets, what are the key messages on resilience that you want to get out in this market?

Al Monaco
Right well, resilience and operating assets is a good place to start in this environment Robert, you know maybe first of all, I think it is important to say that we have been preparing to manage the risk around COVID since early January when we first were cognizant of it, protecting the people and the assets obviously is the priority and we have been doing the detailed business continuity plans for all functions within the company and we've got this legged out actually 60, 90 and 120 days beyond this time and that includes all kinds of things like IT solutions to accommodate people working from home. More broadly though, commercially the business as you know Robert has been very tightly structured to withstand the challenging times, exactly like what is happening right now. We always believe we need to be structured that way because our customers need and want us to be stable because we're really the lifeline of their business as the transportation conduit. I think the resilience and stability of the operating assets to these downturns was something we tried to get across at Enbridge Day and it really
comes down to a few things and I would say number one, revenues driven by end use consumption needs and we call that demand pull assets versus on the other end supply push where you're more susceptible to basin risk. Secondly, the commercial underpinning here of the assets is strong and we really look to ensure stability and predictability of our cash flows with minimal commodity risk. We don't like to take direct commodity risk. Diversity of cash flows is a big one, you'll notice in a couple of the charts particularly 7 and 10 where we show the towers, which show the diversification of each of the business units by type of assets, geography and commercial terms so I think that's very helpful to look at those towers just to see the sheer diversity of where our cash flows come from, and then I'd say finally, it's all about low cost tolls and we're fortunate in that our businesses have great scale so we can have the very lowest and most effective cost to market. So the proof in the pudding in all that though is that I think we thrive in tough markets like the financial crisis and many commodity downturns like we're seeing today simply because we've got ourselves structured in a way that's resilient to as I said exactly what is happening today.

Robert Kwan

Okay, you know I think Al when you look at the underlying business strategy, and that has not changed much throughout the years, one thing that you have significantly improved in recent years has been Enbridge's financial resilience, reducing your leverage targets, moving to a self-funding model that requires no external common equity. So when you think back to when you made some of those decisions, what drove you to undertake the changes like the asset monetization program and the structural simplification, and maybe more importantly, how are you thinking about financial resilience today?

Al Monaco

Yeah, well that's a great question, so maybe just a couple of things that pop to my mind that led to a couple of tidbits for context here. For pre-Spectra, as you know, we were primarily a crude oil pipeline business, arguably the best in North America, but we went through a period of very large capital investment, high return projects that sort of led into that pre-Spectra phase. At the same time though, we were thinking a lot about the fundamentals and what the fundamentals were telling us and more and more they pointed us to natural gas, and frankly the need to diversify our opportunity set. So really, Spectra gave us exactly what we were looking for after searching for quite a while on the gas front, but to be fair, we had some work to do to position us to the ultimate goal, which is to be a pure pipeline and utility business. So, to answer your question, it was pretty clear to us that the G&P business that we had encapsulated, and part of that came from the Spectra assets, really didn't fit the business model. So we took the opportunity to capitalize at the time at some pretty healthy multiples for those businesses and sold them off. High payout vehicles, it was pretty clear they were becoming ineffective and as you know, very complex, so bringing them in, we were happy with because it gave us more assets that fit the model that we had very well, so that was a pretty clear goal as well. We reduced the leverage by about 2.5 turns and the leverage actually today is lower than in our view anyway what is equivalent risk cash flow utilities, and then of course you know, we certainly have no appetite to raise any equity, reduced, you know, eliminated the DRIP and really adopted this self-funding approach a while ago. So, that's a bit of the background, but you know in my view Robert, resilience 2.0 if you want to call it that means even more focus on two to three things. I would say capital allocation, definitely number one, being very stingy when it comes to securing new projects, and obviously you apply a higher hurdle rate in those
circumstances. We also want to make sure that we're focused on returns. The priority is very low capital intensity in in-franchise organic growth opportunities, focused a lot of attention on lowering costs and trying to move the revenue line with minimal capital, and then I would say the other part of the 2.0 is really the balance sheet and making sure that's strong, keeping it strong and having ample liquidity to manage capital markets disruptions like we're seeing right now.

Robert Kwan

So I guess, as you kind of, you know, implement Resilience 2.0 turning to managing your customer base, you have slides seven and 10 that outline, but maybe you can just walk through for those who might have pulled down the slides, you know the breakdown between in your customer base between investment grade and non-investment grade, and for non-investment grade counterparties, what additional credit protection measures do you put in place and the other question that's been coming up, you know, does a take-or-pay contract really mean anything if your customer files for bankruptcy protection?

Al Monaco

Right so, let me give you some quick numbers here, and as you said, they're on the slides, but essentially if you look at the entire company about 95% of our revenue line is revenue from investment grade companies, so a real differentiator we think in this marketplace in particular. If you want to break that down, it's about 97% investment grade for Liquids and then Gas Transmission, around 91%. I encourage everybody to look at the list of top paying customers because we included the credit ratings beside all of them, I mean you've got you know the Imperials of the world, BP, Suncor, Marathon, you know Total, Valero, Phillips on the Liquids side and then on the Gas Transmission side, you've got Eversource, BP, Fortis, Enterprise, Nextera, these are all very highly rated companies with lots of runway and very strong balance sheets. You know, you asked about what other measures we put in place where we don't see that, typically we're pretty pedantic about asking for credit backstop just given the importance of transportation conduits, so we'll look to LCs or collateral to buffer where we need to. You know, you had a point about you know, take-or-pay contracts, I think what I'd say to that is our best protection is the fact that we deliver to end use markets and again, it is not a basin sensitivity exposure for the most part that we have. So, think about you know end use utilities in the northeast U.S., the southeast U.S., really power plants, refiners, these are all need to run facilities. Examples on the gas side, we serve major centers, New York, Boston, New Jersey, Toronto, Chicago, Vancouver, Miami, just to name a few places and then on the Liquids side, we're really serving what I think are the most competitive and complex refineries in the world and a lot of those refineries are in heavy barrel processing mode, so I think that's very helpful. So, I think that the point is that we serve critical markets and product needs to flow. Transportation of course is key to all of that and the value of that transportation is maintained in most circumstances, so I guess to answer the question more directly, yes take-or-pays are worth a lot when you have good quality counterparties and you have these attributes where you're actually you know bringing product to must run facilities in the best markets in North America, so I think that's how I look at it.

Robert Kwan
I guess turning to the credit rating agencies, I'm just wondering you know have you had recent discussions, how are the agencies looking at your business today in light of the current market environment?

**Al Monaco**

Well yeah, first of all, we keep in pretty much regular contact with agencies, so whenever there is something out there that is new in terms of a project or a circumstance, we'll definitely keep them up to date on what's happening. You can imagine that they've got to focus on probably the upstream area right now. So, but we do have regular meetings and we'll continue to do that. You know, I think maybe on that, there's a very good slide in this deck that goes through how the rating agencies look at us, and particularly the part I like the best is the business risk assessment, which basically has us at either A or excellent depending on which of the agencies you're looking at, and that really comes from the commercial underpinnings that we have in the businesses that I mentioned earlier. You know, I think it's probably important to recognize here, that in this question around credit rating agencies, we're in a much different position than we were back in '15/'16. The leverage back then was higher, not because we were necessarily more aggressive, but we had about $25 billion in organic projects and of course, in the organic side of things, that takes a while to work through and you're ramping up debt in the interim. Right now, we're about 4.5x debt/EBITDA at the end of the year and if you look at the numbers we have in the chart, you can see that we fall below that after we put Line 3 into service, so that's a good outlook I think. The other part of it is today, I think we have a different type of capital program, it's more right sized at least if you look at the size of our company, the secured capital that we have over the three years is $11 billion. I think we talked about that at Enbridge Day, and that will drive out the 5-7% DCF/share growth that we talked about there, this is on slide 12, but what I think what's important here particularly over the last couple of months, we've actually spent, or to project finance about, let me see, it's about $3.5, in total $5 billion actually, so of the $11 (billion), we have $5 billion, $6 billion rather to fund over the next three years. So, very much lower amount that's actually subject to future funding, but I think the key point there on that slide was that the projects that we have in execution and we have actually laid out what the commercial framework is for each of them and you know a lot of them are long-term take-or-pays or cost-of-service or surcharges, but they drive out another $2 billion of post-2022 in cash flows, so I think that's very positive, in other words those are highly, highly effective projects that are just in execution right now, and you know, as you can see they fit the commercial underpinning really well, and I think after 2022, we're going to have a lot more free cash flow to work with. So, I think that's the synopsis I guess on the rating picture, probably more than what you wanted, but that's what I've got.

**Robert Kwan**

So Al, maybe turning to risks in the current period. So where do you see risks in your business as markets adjust to lower oil prices and the impact of COVID-19 on economic growth?

**Al Monaco**

Well, that's a great question too, so you know we've obviously been looking at this even with a finer filter over the last couple of months. Maybe just quickly, on the Liquids side, as you know, we're full today, and in fact, we're apportioned by around 45% on heavies, so that's good, and if people are wondering what happens if volumes come off, I think it's important to note that rail for example was at
around 340,000 b/d, so obviously given where rail prices in terms of its variable cost, that'll be the first to come off. On the gas business, almost 100% of the revenue stream is from firm reservation contracts, and again, we're delivering to must-run facilities. Gas utility, which we really haven't touched on yet, rock solid for sure, and you know, huge cost advantage relative to other fuels and of course, that utility is absolutely essential to meeting the energy needs of Ontario. So I would say overall, these commercial underpinnings and the fundamentals of where we're at today in terms of what we move, and where we move it to, are pretty solid. In terms of the areas you know we're looking at, we do have some residual commodity price exposures. They're certainly not large in the context of Enbridge. I would say one is Aux Sable that is a must-run facility to take liquids out of the Alliance gas stream, but we do have some downside protection there. DCP of course, where we have a 50% in volume and price sensitive, and then Energy Services where, I think people understand this, but it's essentially a physical arbitrage business where we hold pipe capacity so we have fixed demand charges. So, when basis differentials narrow like we're seeing today across the scope of things, obviously you know that becomes more difficult compared to last year when we had a blow-out year in Energy Services. So, all of those residuals let's call them, you know they can change things at the margin, but it really represents a very small portion of Enbridge, somewhere in and around 3% of EBITDA today. So hopefully that explains it.

Robert Kwan

Sure, Al maybe let's look back to history a little bit as a bit of a cue to what the future may hold, when you look about the global financial crisis or the significant decline in oil prices a little over five years ago, can you talk about the operating performance of your business as well as the experience with your counterparty exposures during those two events?

Al Monaco

Yeah, I can, that's a good question because you know the way we look at operating performance and capacity we're running at and optimization, that all drives the revenue line and in this environment, not only that, you need to be super cost competitive. The other thing I'd say Robert is that, it's critical these days just given where the environment is that we've been through a few times, to be very low in terms of capital intensity. A good example of that is when we implement DRA to improve throughput on the lines. This stuff is very low in capital, but is quick to put on and great for customers in terms of increasing their ability to get to market. You know, on the credit and counterparty exposure, I'd have to say, we haven't really been historically affected in terms of large credit losses through these kinds of downturns. Again, it comes back to the resiliency of who we're shipping to, the fact they're well rated companies, refiners that have to take, or producers that in many cases are integrated and you can see the list of those on the slides, but more broadly, I think you know fundamentally that the transportation conduit as you know very well is absolutely critical to the viability of our customers, so it tends to hold value, and the reality in most cases, you know the transportation company, ourselves, is paid first because otherwise, there simply is no cash flow for the upstream or downstream.

Robert Kwan

Okay, so maybe let's drill down a little bit into the oil sands, it's been a big topic. In the past, oil sands production has been pretty stable through low oil price environments, how do you expect production to react this go around given some of the broader market factors at play, as well as similarly, your shippers
on the Mainline are mostly, or mainly, refiners, how have you tested their resiliency to ensure that the demand for capacity on your system will still be there?

Al Monaco

Yeah, well I mean each one of these downturns, after I've been through a few of them, is different as you're saying, this time around it looks like a difficult one for sure. You know, maybe on the production end, I think we're watching this pretty carefully, but I think what is similar to downturns in the past, is which we haven't really seen any production shut-ins of materiality. I think the things to look at there are we know that the cash costs from oil sands producers have really come down dramatically over the last little while, and if you look at one of the charts that we have in there, I think it's slide 8, we compare the cash costs relative to the equivalent WTI heavy price today, so you can see by that, we're still cash positive at least for you know the majority of production that we're seeing. The other thing that, and you're aware of this, is that you know shutting in large oil sands plants and SAGD reservoirs does create problems for producers and so typically we've seen them kind of run through periods of time where we have lower prices. The other thing too that I think is really important, many producers, you saw this over the last decade or two, are now integrated downstream so they have a natural hedge with refinery margins because obviously cheaper feedstock means better refinery margins. Maybe on the refinery side, if you look at the heavy volumes in particular from Canada, we think those are still going to be in very high demand. We know that Mexican and Venezuelan volumes are coming off, but the bigger picture issue is I think, these volumes are critical to feed cokers, where refiners have made some pretty large capital investment, and again you can tell by that, by the fact that we have apportionment of about 45%, so if you look at the crack spreads today they're still very healthy for these complex refineries. So that's how we look at the sensitivity of where we are, whether it's on the producing side or the refining side.

Robert Kwan

Okay, maybe just looking at the current state markets, you know Al, do you think where we are, whether that be oil, the stock markets or the broader financial markets will have an impact on your contracting proposal for the Mainline whether that be the demand side or even just changing the nature of the arguments that are out there for both sides?

Al Monaco

You know Robert, it is probably too early to say, and as we know the CTS agreement comes due in mid-2021 and would run beyond that if we need more time. Right now, I think your audience knows that this is in the hands of the regulators, so I think they look at, the regulator will look at this from a public interest point of view and I think we have some very strong arguments on that front regardless of what environment we're in. I think though that producers, refiners and integrated companies will look at the fundamentals over the next decade, and I think that's what this next phase of CTS, if you will, is all about. Broadly, I think the current events may actually, you know, reveal something, you know, even more important today with this proposal in terms of WCSB producers. If you think about it, you know, locking in term and pipe capacity to critical markets essentially gives you, you know, a consistent load and a future load going forward to critical markets being the Midwest and the Gulf Coast. So it's actually I think a good thing from a Western Canadian producer point of view, and as you know, and I think it is really worth emphasizing, people can dig into this if they want, but we've designed this structure to
Robert Kwan

Okay, maybe just turning to the capital budget Al, you have $6.5 billion for 2020, which is about $5.5 billion for growth and about $1 billion for maintenance. Notwithstanding your forecast to generate about $4 billion of cash flow after dividend, you also have about $9 billion or so of unused credit facility capacity, you know how do you view your flexibility with respect to being able to defer capital, particularly if there are concerns about banks pulling credit lines, you know the types of questions we were asking on the conference calls during the global financial crisis?

Al Monaco

Right, okay excellent question and that's because you know it's critical companies are looking at protection measures against market disruptions and I'm very pleased with how we're set up on this front. We've basically run with minimum excess liquidity structured to fund a year's worth of capital, funding in many cases more assuming we don't have access to capital markets, and I think that's a conservative position, but one that we're happy to keep up with. On that, I think you mentioned $9 billion of unused credit. Late last year, actually early this year, and this is in retrospect very positive, we were able to issue about $3 billion in debt at very attractive rates before this downturn. So that worked out well because now that means we've got about $12 billion in liquidity today and that's more than enough to carry us through 2020 and into 2021. You made a comment about bank lines, which I think was a good one. You know, the key to these bank lines is to make sure you have a very well diversified set of lenders, and the team have done a great job in structuring the bank line syndication. There's about 50 banks there, so again like anything, it's about diversification so I think we're in good shape there, and the banks we have are all very very strong. You also mentioned about deferring capital. A couple things on that. I think the projects we have in execution, first of all, are very capital efficient with strong commercial frameworks and think that goes back to that slide 12 that we have all of the projects listed out there over the next couple of years, and if you look at that slide again, it shows that post 2022, they're going to add about $2.5 billion of EBITDA. Of the $11 (billion) in capital through 2022, again just to emphasize we've spent, or will project finance, about $5B of that, so really, it's $6 billion left to fund over the next three year period. Now I'll take you back too Robert to Enbridge Day, beyond 2022, beyond that three year plan, we're going to have a lot of room here, simply because we'll have roughly in the order of $3-3.5 billion in free cash, and that's excluding any balance sheet capacity that we have that we could utilize. So I think we're be in very good shape from a free cash flow point of view through the plan and then beyond 2022.

Robert Kwan

Perfect, one last one for me and then we'll go to any questions from the line. You know with the market volatility, Al do you see some of the dislocations in the market as a chance to get offensive and try to acquire assets?

Al Monaco
Yeah, dislocations is one way to put it Robert and certainly relative to any historical valuations that you can look at. Yeah, there are some attractive opportunities at least on paper, but I think M&A is really not a priority for us right now, and the reason for that is that we have got so many opportunities within the current franchise where you are looking at valuations that are far more attractive, even at current external valuations. Probably the bigger issue though is that there’s really not that many targets that fit our value proposition. We scour this opportunity set continually and what we have found, you know, with the exception of Spectra there really isn’t that many situations where you have contracted you know cash flows and stability of cash flows like we have. So, we really don’t want to mess with the value proposition by taking out somebody at a cheaper price when it doesn’t fit. Another factor in this too is that if you go back to Spectra, it was all about repositioning the business, so we’re happy with where are strategically given that deal is now fully in the fold. You know, bigger picture you know, and this is probably a reiteration, but the priorities for capital allocation for us are very clearly are around, number one, preserving the financial flexibility, getting capital back to shareholders through a sustainable and growing dividend, and then, growing on a capital efficient basis, or low capital intensity basis through organic projects that we have. So all that is to say Robert is that M&A is low on the list these days for us.

Robert Kwan

Okay, that's great. Al, do you have any final comments that you wanted to make?

Al Monaco

No, other than thanking you Robert for having us on. It's a good opportunity in this environment for us to reiterate the story. Again, I encourage people to have a look at the deck. It's been structured specifically for this difficult time in our industry and really takes everybody through the fundamentals and the value proposition that we're offering and in particular, the stability of the cash flow stream that we have and a great balance sheet and funding capability. So, thanks for having us and always glad to be on with you.

Robert Kwan

Great, thank you Al for joining us this morning and thank you to all of you who dialed in. Our apologies for some of the issues and delays you may have had dialing in, and probably most importantly best wishes to all of you for good health and have a good day.