



**Al Monaco, President and CEO,
Enbridge, Inc.**

**Enbridge Inc. 2014 Annual and Special
Meeting of Shareholders**

**Metropolitan Conference Centre Ballroom
Calgary, Alberta, Canada**

May 7, 2014

(check against delivery)

Introduction

Thank you Mr. Chairman – good afternoon everyone; welcome to our annual meeting.

It's great to see so many shareholders here today; and welcome to those joining by webcast.

We look forward to our annual meeting, not just to discuss our results but to talk about what the future holds for Enbridge – which as you will see is very exciting.

Forward Looking Statements

It's a regulatory requirement that I advise you that I will be using forward-looking statements and information.

Leadership Team

Although I'm the one standing up here, Enbridge is about teamwork.

So I'd like to introduce the members of my team who lead their respective areas and some 10,000 Enbridge staff across North America.

- Glenn Beaumont – Gas Distribution
- Richard Bird – Chief Financial Officer and Corporate Development
- Greg Harper – Gas Pipelines and Processing
- Janet Holder – Western Access
- Guy Jarvis – Liquids Pipelines
- Karen Radford – People and Partners
- David Robottom – Legal and I/T

- Leon Zupan – Liquids Pipelines Operations
- Steve Wouri – Strategic Advisor

There are also 2 individuals who interact frequently with this team because of the importance of their roles.

- Byron Neiles – Major Projects Execution, and
- Cynthia Hansen – Enterprise Safety and Operational Reliability

One of the hallmarks of our company is that we actively provide challenging opportunities to our leaders.

That means they are able to step into new and important roles because of their deep knowledge and experience.

That's a benefit to shareholders, our team and to me.

Overview

My remarks today will cover four areas.

I'll start by reviewing how we did in 2013 – the quick preview; we had a very solid year.

I'll then discuss the changing energy landscape . . .

. . . dramatic changes in energy consumption, supply and a transformation of the North American pipeline grid – all of which are driving opportunities for Enbridge.

Of course with those opportunities come new challenges. We're seeing energy development, particularly pipelines, challenged by intense scrutiny and heightened public expectations.

So I'll highlight how we're capitalizing on the opportunities and responding to the challenges.

And finally, I'll discuss the priorities that will guide us into the future.

Before I do that, some context is useful as to who we are and the role we play in society.

What we do

The scale and scope of our business has grown exponentially.

A decade ago, we were sizable at \$14 billion in assets.

Well, over the next two years alone, we'll bring \$19 billion of new projects into service.

By 2017, we expect to be at nearly \$80 billion in assets.

As you can see, our systems are strategically positioned across North America – putting us in excellent shape to capture opportunities.

Our liquids mainline delivers 2.2 million barrels of oil a day – that's over half of all US-bound exports.

We're the largest natural gas distributor in Canada, with over 2 million customers in Toronto and Ottawa.

Our natural gas transmission systems extend from Northern BC to the Gulf of Mexico.

And, it may be surprising that today, we're Canada's largest generator of solar energy and 2nd largest wind power generator.

Why we do it

Our purpose is simple – deliver safe and reliable energy to North Americans.

That's our responsibility.

We connect energy supply with the people who need it – 24/7.

The energy we deliver is critical to life – it heats our homes, fuels cars and planes – it powers our industries, schools and hospitals.

We're an engine of economic growth, providing jobs and benefits that support our social safety net.

And we don't just operate in communities – our people are part of those communities and we invest in them.

How we do it

How we do things is as important as what we do.

Safety and reliability come ahead of everything else – without it nothing else matters.

We're driven by what our customers need . . .

. . . from energy producers to those who transform it into fuels and many other day-to-day products like clothing, plastics, computers and medical equipment.

And then there's the households that rely on natural gas for heating.

[Pause]

Our investor value proposition combines a reliable business model, industry-leading growth and increasing dividends.

And, we maintain discipline and financial strength so we can continue to grow.

These things are foundational to our success and they won't change.

2013 Financial Results

Turning now to a snapshot of 2013.

Adjusted earnings came in at \$1.4 billion; an impressive 16% increase over the prior year.

Adjusted EPS was \$1.78/share, or 11% above 2012 - very strong for a company in this sector.

In fact, 2013 extended our string of success with an average annual EPS growth rate of 14%.

This picture of steady growth conveys the strength and predictability of our business model.

We don't swing for the fences – we like singles, doubles and triples – and the odd home run.

And we're on base with a solid start in 2014.

Earlier today we announced first quarter adjusted earnings of \$492 million, or \$0.60/share.

This puts us on track to achieve our full year guidance of \$1.84 to \$2.04/share.

Dividend Growth

Based on strong earnings growth – and the confidence in our long-term outlook – we increased our dividend by 12% early in 2013.

And then another 11% increase, effective March of this year – our 19th consecutive annual increase.

Over the past 10 years, our dividend has tripled from \$0.41 to \$1.26; that's equivalent to average annual growth of 13%.

Total Shareholder Return

Total shareholder return last year (dividends plus capital appreciation) was 11% – another strong year compared with the broader Canadian market.

But the real test is the ability to generate strong returns over the long haul.

Over the last decade, we've delivered an average annual total return of over 17% – well above the broader market and our peer group.

Our business model is working!

Capital Investment Program

Finally, we had an exceptional year in securing \$6 billion of new investments.

Our \$41 billion capital program – \$36 billion of which is secured – gives us confidence we'll be able to deliver industry-leading growth through 2017 and beyond.

And it further solidifies our strategic position within North America.

[Pause]

All in, we had some great accomplishments last year and our track record remains intact.

But, as they say, that's history so let me focus now on what's ahead and the energy landscape.

Growing demand, growing supply

Globally, the need for energy will grow, in fact by some 50% over the next 2 – 3 decades.

That's driven by population growth, urbanization and an increasing standard of living in developing countries.

When I was part of an oil and gas exploration company a few years ago, we'd fret about being able to find reserves.

Discoveries were getting smaller and smaller.

Our worry was energy shortages – of hitting the “peak” of energy supply.

There are different challenges today.

But, in the space of a few years, technology has unlocked huge unconventional reserves.

So much so that growing production is now overwhelming energy infrastructure, creating the need for new pipelines . . .

. . . pipelines that will carry crude and natural gas in a new direction . . .

. . . not to inland markets like before, but to coastal and export markets.

And the U.S. – Canada's one and only customer – is now the world's largest liquids producer . . .

. . . and with growing supply from Canada, North America could become energy self-sufficient.

An incredible turn-around.

The changing energy mix

The other side of the coin though is the raging debate about energy development.

Here's just one example of how good dialogue can reveal common ground.

I participated in a panel discussion recently with someone passionate about renewables.

We had a lively debate – not about the need to develop resources sustainably – we all agree with that . . .

. . . but about the pace of transition to a lower carbon intensive economy.

The reality is that to meet the sheer magnitude of demand growth we'll need all forms of energy . . .

. . . including both fossil fuels and renewables – for the foreseeable future.

The challenge we face, and the balance we're trying to strike, is meeting our growing energy needs while minimizing the environmental impact.

My view is that we're headed in the right direction.

Everyone agrees that consumers are using energy more efficiently.

And large industries, including the energy industry, are responding with new initiatives aimed at reducing greenhouse gas emissions through technology and investment.

Traditional energy companies like Enbridge are some of the largest investors in renewable energy.

Following the panel discussion, this individual acknowledged our efforts and how he was surprised by what we were doing.

Increasing Expectations

The one thing that's not debatable is that the public's expectations are increasing . . .

. . . and industry is being held to a higher standard.

I can assure you – the energy industry gets it.

It's telling that the first question at our annual investor day focused not on the numbers . . .

. . . but on how we are addressing the challenges of building pipelines today.

We used to think of our stakeholders as those directly affected by what we do in the field.

That's changed.

Energy issues are no longer local, but increasingly regional and national in scope.

How we interact with stakeholders has changed.

They want to know more about our business . . .

. . . they want to know what we're doing to protect the environment . . .

. . . and they expect tough regulatory oversight.

And I, as does our team, believe that they deserve to know.

What Enbridge is doing

So, in a nutshell, energy demand is growing and thankfully we have increasing energy supply.

That means we need new infrastructure, which in turn provides us with a great opportunity to grow.

That part is pretty straight-forward, but the harsh reality is that energy development requires public trust.

And the economic benefits of what we do are, on their own, not enough to earn that public support today.

The changing energy landscape has shaped our growth strategy.

And it's driven the need for all of us to emphasize a balanced approach in our thinking about energy development.

So let me turn to how we're tackling the tremendous opportunities and increased public expectations.

I'll start with our Liquids business.

Liquids Pipelines

Our strategy is driven by the increasing need for pipeline capacity and access to new markets.

We've made excellent progress.

With our 3 market access programs – totaling more than \$15 billion . . .

. . . we're opening up 1.7 mmbpd of new markets in North America over the next two years.

We also recently announced a new \$7 billion mainline project, the largest investment in our history.

Over the past year, we also secured and advanced several regional oil sands projects. . .

. . . including the Wood Buffalo Extension and Norlite projects totaling \$3 billion.

These regional strategies in Alberta and the Bakken extend our mainline capability upstream to connect growing supply with the best markets.

Our success has driven home the strength of our existing footprint in these two regions.

Looking at the map though you quickly realize that, wherever possible . . .

. . . we're using existing rights-of-way or pipe that's already in the ground to minimize our environmental footprint.

That's one element of the balance I've been describing.

Line 9

Our Line 9 reversal project is another example of striking the balance.

By the end of this year, Line 9 will deliver reliable Canadian supply to two Quebec refineries. . .

. . . including the one shown here – enabling them to compete and protecting thousands of jobs.

But equally important, we focused hard on addressing the concerns of communities.

We engaged more people and we reached out earlier, more often and at all levels. . .

. . . from living rooms to public forums; landowners to city councils.

We opened ourselves up like never before – showing people what we do to keep them safe and protect the environment.

We welcomed people to integrity dig sites, where they could see and touch the pipeline . . .

. . . and what I like best is that they met our people and saw the care they're taking in operating safely.

The support we earned was built by bringing together public officials, community representatives, unions, contractors and the refiners.

There are no shrinking violets in that crowd. They didn't hold back tough questions.

But that's fine because it helped make the project better.

How? Well, because of that input, we added valves at water crossings and even more emergency response equipment. . .

. . . increased communications with municipalities; and added resources to help first responders enhance their training.

Northern Gateway

On Northern Gateway, we're very proud of our Community Advisory Boards or CABs.

The CABs allow people to share their views and provide advice.

Over the past four years, that input has addressed concerns and helped us to make that project better.

We altered the route in several locations to avoid sensitive areas.

We added extra safety measures like thicker wall pipe, more inspections, tighter valve spacing and redundant safety monitoring systems.

Why did we make these changes and commitments?

. . .

. . . because we wanted to give communities an extra measure of comfort, beyond regulatory requirements.

We took people to visit Marshall, Michigan where they spoke to residents about how we responded to that incident.

One participant, a local deputy fire chief from Terrace, BC, told a national radio show afterwards that he was impressed with how open we were in answering questions.

Our response, in his words, “was simply amazing”.

And he said seeing the river today, he would never have known an incident had occurred.

As you’ve already seen, we have a lot of projects underway in North America.

But given the profile of Gateway, let me spend a moment on that.

Northern Gateway 2

As you know, the Joint Review Panel has recommended Gateway be approved by the federal government.

That recommendation is subject to tough conditions – 209 of them!

But, a good number of those conditions came about from commitments we made in our application after listening to British Columbians.

Regardless of the final government decision, our focus now is re-engaging and further building trust with some Aboriginal groups, to listen and address concerns.

We value our relationships with Aboriginal groups – and we've built constructive, respectful partnerships with many First Nations along our pipeline systems.

I've personally had the opportunity to meet with Aboriginal leaders, business owners, landowners, community organizations and mayors in northern BC.

As CEO, I've made this commitment to them – and I repeat it here today – that we will continue to work to earn the trust of British Columbians . . .

. . . and that we will make Northern Gateway the best project possible with safety and protection of the environment as the first priority.

[Pause]

While our liquids pipelines and projects are the largest part of our business, we continue to grow elsewhere, so let me turn now to our other businesses.

Gas Distribution

We see tremendous potential in the future of natural gas – it's abundant, low cost, safe and reliable.

Two decades ago, we made our initial entry into the natural gas business by acquiring what is now Enbridge Gas Distribution.

Today, it's one of the fastest-growing gas companies in North America and it plays a key strategic role for Enbridge.

Last year, we sanctioned a major investment to upgrade the backbone of our system in the Greater Toronto Area.

The project will provide significant benefit to our customers and give more people access to low-cost, reliable natural gas.

Gas Pipelines & Processing

Our other natural gas assets are well-positioned for growth.

Last year, we successfully completed several projects, including the Texas Express system and the Ajax plant in Texas.

We continue to build on our strong position in the offshore Gulf of Mexico, expanding both our natural gas and crude oil gathering and transportation systems.

We have a highly skilled team of people with experience laying pipe in the ultra-deep waters of the Gulf . . .

. . . at depths of more than 5,000 feet where much of the new crude oil and gas production is coming from.

That unique expertise, combined with strong customer relationships, is driving new growth opportunities.

This has been a difficult business over the last couple of years but our new projects coming into service this year and next should generate strong earnings well into the future.

Power Generation

Our renewable power generation business is another area of future growth.

Enbridge began investing in renewables well before it became fashionable.

We've built a nearly \$4 billion portfolio with generating capacity of 1,800 megawatts . . .

. . . enough energy to power 600,000 homes with clean energy.

Last year, we brought 2 new wind farms into service in Quebec . . .

. . . and acquired a 50% interest in a 300-megawatt wind project in Alberta – the largest wind farm in Western Canada.

Earlier this year, we announced our second US wind farm, a 110-MW project in Texas – this brings us to a total of 12 wind farms.

We commenced operation of our first power transmission project, the Montana-Alberta Tie-Line.

Some people ask me why we're investing in renewables.

Our renewable investments are a good fit with our business model – they generate solid returns with stable and growing cash flows.

They help position Enbridge for the future.

And they generate virtually zero emissions, helping us play our part in shifting the energy mix that I talked about earlier.

And that's not all we're doing on that front.

Minimizing our environmental footprint

First, although Enbridge is not a large carbon emitter, we're showing leadership in minimizing our own environmental footprint.

Through our Neutral Footprint program, we're meeting tough goals we set for ourselves:

- generating a kilowatt hour of renewable energy for every kilowatt hour of additional power we consume in our liquids operations;
- planting a tree for every tree we remove, and
- conserving an acre for every acre we permanently impact;

[Pause]

And we're helping our customers use energy more efficiently.

Since 1995, our gas utility has reduced consumption of eight billion cubic metres of gas.

That's the equivalent of taking 2.9 million cars off the road for a year or meeting the energy needs of 2.6 million homes.

Investing in innovation

Second, it's easy to think of Enbridge – as I suspect some do – as an old economy company – a low-tech, business.

We're not Apple, but we do apply technology in our business.

We're using the same technology as NASA uses to map the surface of Mars to identify the safest route for new pipelines.

We're using higher strength steel, state-of-the-art pipeline coatings and highly specialized welding tools.

And we're investing in proving out new and exciting concepts including the “smart pipe” displayed outside.

On pipeline inspection, we're using medical imaging technology very similar to an MRI . . .

. . . so we can see every millimeter of pipe underground from several angles.

Those inspection tools are the most sophisticated in the world – and we use them more than anyone else in the world.

Three key priorities

Let me conclude by highlighting our three key priorities that guide us today and into the future.

Safety and Operational Reliability

By now, you've likely guessed that our first priority is safety and reliability.

Our focus on this priority is relentless.

We're building a culture that believes all incidents are preventable and we're backing that up with investing in our systems.

Over the past three years, we've undertaken the most extensive inspection and preventative maintenance program in the history of the North American pipeline industry . . .

. . . far exceeding regulatory requirements.

In 2013 we invested over \$2 billion in the safety and integrity of our systems.

We've strengthened safety leadership with several actions:

- Our Board has oversight through a new Safety and Reliability Committee;
- Our Operations and Integrity Committee, which I chair, is our most important executive committee;
- Our Operational Risk Management program is our roadmap to industry-leading performance.

Our Operational Reliability Review – available today – shares the actions we're taking and how we measure up.

The Review highlights members of Enbridge's team and how they contribute to safety.

And it explains the many measures we take to keep the public and our staff safe.

This is an ideal place to pause to acknowledge and thank all those who work for Enbridge . . .

. . . especially for their focus and dedication to keeping our systems operating safely.

Executing Our Growth Plan

Our second priority is the sound execution of our massive capital program.

Key to success will be delivering projects on time and on budget.

Our Major Projects execution capability gives us confidence we can do that. [Gulf Coast, Canada, US]

Funding our growth program is also critical.

Enterprise-wide, we raised over \$10 billion last year alone.

Also important is ensuring we have the people in place to make it happen.

We've been able to attract good talent and being one of Canada's top employers is part of that.

If we execute well, we'll be able to deliver 10%-12% average annual EPS growth rate through 2017.

And with that comes increasing dividends for shareholders.

Extend and Diversify our Growth

Our third priority is to extend and diversify our sources of growth beyond 2017.

We continue to develop our natural gas businesses and we see good opportunities to build on our footprint.

Additional growth will come from new platforms . . .

. . . including power generation, electricity transmission, international and energy services.

We're bringing these new platforms along at a measured pace . . .

. . . in preparation for them to play a bigger role in the future.

Concluding Remarks

In conclusion:

- 2013 was a solid year that extended our track record of industry-leading performance.
- We have great assets, strategically located, that enable us to capture new opportunities created by changing supply and demand . . .
. . . and that's best illustrated by our record \$41 billion capital growth program.
- We're sticking with our proven business model that has delivered superior returns to shareholders.
- And we expect to continue to deliver growing earnings, cash flow and dividends.

Back to the other side of the coin and the need for balance.

The tremendous opportunity in front of us requires that we retain the trust and confidence . . .

. . . of our stakeholders and the public.

Ultimately, the lives we live take energy.

We need all forms of energy . . .

. . . and we need to be able to move it from where it's produced to the people who need it.

Listening to a range of perspectives, finding common ground – and striking a balance among competing interests . . .

. . . is something I believe is a critical part of our job – and a key to success.

[Pause]

I'm not in the business of making predictions and I don't have a crystal ball

But I will make this one . . .

. . . ten years from now, we'll look back at today . . .

. . . and acknowledge how the intense scrutiny we're under today pushed our industry to get better.

For Enbridge, this focus only strengthens our resolve to not just meet regulatory requirements, but to lead them.

As CEO, this is a responsibility I take very seriously.

[Pause]

I began my remarks but mentioning the strength of our team and staff.

Our Board of Directors is also a key ingredient in the mix.

I want to thank our Board of Directors and David Arledge, our Chair . . .

. . . who have provided, over the last year, excellent support, advice and oversight on behalf of the Shareholders.

I thank you for your patience, and I'm happy to take your questions.