Corrected Transcript

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MANAGEMENT DISCUSSION SECTION

Rebecca J Morley

Vice President-Investor Relations & Insurance, Enbridge, Inc.

Good morning, and welcome to the Enbridge First Quarter 2025 Financial Results Conference Call. My name is Rebecca Morley, and I'm the Vice President of Investor Relations. Joining me this morning are Greg Ebel, President and CEO; Pat Murray, Executive Vice President and Chief Financial Officer; and the heads of each of our business units: Colin Gruending, Liquids Pipelines; Cynthia Hansen, Gas Transmission; Michele Harradence, Gas Distribution and Storage; and Matthew Akman, Renewable Power.

At this time, all participants are in a listen-only mode. Following the presentation, we will conduct a question-and-answer session for the investment community. [Operator Instructions] Please note that this conference is being recorded. As per usual, this call is being webcast, and I encourage those listening on the phone to follow along with the supporting slides. We will try to keep the call to roughly one hour.

And in order to answer as many questions as possible, we'll be limiting questions to one, plus a single follow up if necessary. We'll be prioritizing questions from the investment community. So if you are a member of the media, please direct your inquiries to our communications team who will be happy to respond. As always, our Investor Relations team will be available following the call for any follow-up questions.

On to slide 2, where I'll remind you that we'll be referring to forward-looking information on today's presentation and question-and-answer period. By its nature, this information contains forecast assumptions and expectations about future outcomes, which are subject to the risks and uncertainties outlined here and discussed more fully in our public disclosure filings. We'll also be referring to non-GAAP measures summarized below.

And with that, I'll turn it over to Greg Ebel.

Gregory Lorne Ebel

President, Chief Executive Officer & Director, Enbridge, Inc.

Thanks very much, Rebecca, and good morning, everyone. Thanks for joining us on the call today. As all of you know, markets have seen significant financial and commodity price volatility to start the year. But despite the unique challenges 2025 has already presented, Enbridge is operating from a position of strength. We're actively working with policymakers and regulators to advocate for new infrastructure on both sides of the border that will serve customers throughout North America and meet increasing global demand through growing exports.

Our large, diversified footprint continues to deliver safe, reliable and affordable energy to our customers. Our low-risk utility like business model is driving predictable financial results, and I'm pleased to say that the first quarter was a record for Enbridge. We're going to start today with a brief recap of our first quarter highlights. We will then review the team's success on execution and continued growth.

And from there, I'll provide an update on each of our four core franchises. And then, Pat will review our financial results and discuss our capital allocation priorities. Lastly, I'll close the presentation with a few comments on our first-choice value proposition before we open the call for your questions.

During the first quarter, we delivered record EBITDA, DCF per share and earnings per share driven by contributions from the US utilities we acquired last year and strong volumes across the business overall. We don't expect tariffs or global trade war to have a material impact on our current operations, and are therefore very confident reaffirming our 2025 financial guidance. We remain committed to maintaining our debt to EBITDA metric between 4.5 times to 5 times and expected that leverage ratio to improve throughout the year as we realize full year contributions from the acquired US utilities.

Our assets were highly utilized during the quarter with records on the Mainline and at Ingleside. We announced an open season on Flanagan South as part of the first phase of our Mainline Optimization plans, and we're receiving strong shipper interest so far. We look forward to providing you an update on our progress in the coming months.

In our Renewables business, we brought the Orange Grove solar facility into service on time and on budget, showcasing the quick cycle, capital-efficient nature of our solar investments. And another growth front, we've agreed to acquire a 10% interest in the Matterhorn Express Pipeline, a 2.5 bcf per day long-haul pipeline connecting the Permian Basin to growing US Gulf Coast demand. We also sanctioned the Traverse Pipeline earlier this quarter.

Upon completion in 2027, Traverse will offer bidirectional service between Katy and Agua Dulce, along the Gulf Coast. We are making great progress on the opportunity set we laid out for you at Investor Day and anticipate future announcements in 2025 and through 2026, to service growing natural gas demand from data centers, coal to gas generation switching and LNG supply, similar to those we've announced these past few months.

Now, let's put all of this together and talk about the great progress we've made executing on disciplined growth across our business. Strong demand for safe, reliable and affordable energy has allowed us to secure CAD 3 billion of accretive low-risk projects year-to-date. In addition to the projects I just mentioned, we also announced that we plan to invest up to CAD 2 billion in the Mainline to support operational efficiencies, system reliability and extend the life of the asset.

And we sanctioned Birch Grove, which is an approximately 180 million cubic feet per day expansion, on our T-North system that will support West Coast LNG. I'm very happy with the progress we've made thus far this year, as we've continued to sanction projects and add visibility to the growth outlook shared at our Investor Day in March. I think we are really seeing and will continue to see our low-risk resilient business model shine.

We have industry-leading diversification and cash flow quality which produces stable, predictable results in all economic and commodity cycles. Our strategically positioned demand-pull assets are expected to remain highly utilized, despite the ongoing global trade conflict, and we expect tariffs will have a negligible impact on our financial results. We've not seen a material impact on our input costs for projects already sanctioned and will remain disciplined, as we continue to monitor the evolving trade situation. The diversification of our business has been key to our success.

With the addition of three premier US gas utilities and the new assets placed into service, we now have over 200 asset streams and businesses generating steady, high-quality cash flows. Our commercial structure has never been more low risk, with over 98% of EBITDA protected by regulated or take-or-pay frameworks.

That industry-leading, low-risk model supports our balance sheet, reflected in our investment-grade credit rating and minimal counterparty risk. We have negligible commodity price exposure and over 80% of our EBITDA has inflation protection, with built-in escalators or regulatory means to recover. So, with Enbridge, you get a safe and reliable investment with attractive growth opportunities.

Now, let's jump into the business updates for the quarter. It was a strong start to the year in Liquids, with Mainline delivering record first quarter volumes of almost 3.2 million barrels per day. In order to keep the existing Mainline as available and reliable as possible, and at the same time extend its useful life, we're planning to invest up to CAD 2 billion to continue delivering first-choice customer service and optimizing capacity. That capital will earn a return under the Mainline toll settlement framework within our 11% to 14% ROE collar, providing strong risk adjusted returns for Enbridge.

We continue to advance Mainline Optimization initiatives and expect the first phase to reach FID later this year. That phase includes 150,000 barrels a day of incremental capacity and includes a downstream expansion on Flanagan South, of which I spoke about earlier. As mentioned at Enbridge Day, we are also advancing other opportunities to build incremental egress out of the western Canadian Sedimentary Basin as the growth outlook remains strong, with approximately 1 million barrels per day of supply expected to come on stream by 2035.

South of the border, Ingleside recorded another quarterly volume record, benefiting from the increased operational capacity that came with the Ducks we acquired last year. We will continue to develop this site and expect to place another 2.5 million barrels of storage into service later this year.

On the Gas Transmission front, our growing footprint puts us in an excellent position to serve increasing natural gas demand from new LNG facilities, coal to gas transitions, and data centers. We continue to build our Permian franchise with our announcements to acquire a 10% interest in the Matterhorn Pipeline for cash consideration of approximately CAD 300 million. This 2.5 bcf per day operating asset is complementary to the Traverse Pipeline we previously sanctioned with our partners in April. These announcements enhance our Permian super system and provide shippers with optionality to access the best demand markets across the US Gulf Coast. Both pipelines are contracted under long-term take-or-pay arrangements with investment-grade counterparties.

We received FERC approval for our Ridgeline Expansion last month, enabling the coal to gas transition of the Kingston Combined Cycle facility in Tennessee, with in-service expected in 2027. We continue to experience strong demand for our US Gulf Coast gas storage assets and recently completed open seasons at Tres Palacios, Egan & Moss Bluff, and are engaging with customers around potential future growth opportunities. Lastly, we previously announced an expansion of our T-North system to serve growing LNG demand off the Canadian West Coast.

Now let me illustrate the growing Permian footprint that we have established since our initial investment only a year ago. Today, our Permian natural gas franchise provides up to 5 bcf per day of egress from the basin, with another 2.5 bcf per day expected to come online beginning in 2026 via the Blackcomb Pipeline. The recently sanctioned bidirectional Traverse Pipeline will provide transportation between Katy, Texas and Agua Dulce by 2027, ensuring customers have optionality between key market hubs.

The DBR System provides 3.5 bcf a day of intra-basin capacity, and is a key supply conduit for Whistler and Matterhorn. We also have an interest in 2 bcf of operating storage capacity at Waha and are connected to Corpus Christi LNG through the ADCC Pipeline. After we close Matterhorn, Enbridge will have acquired CAD 2 billion of operating assets and added over CAD 1 billion of growth projects, which are expected to be built at roughly 6 times EBITDA multiples.

And in 2026, after Blackcomb enters service, we expect to have an equity interest in 30% of all the Permian egress capacity. Our investment in this portfolio positions Enbridge to capture growing demand for Permian Gas across the US Gulf Coast and provides even more embedded growth opportunities that will leverage our scale and existing footprint.

Now let's turn to our Gas Utility (sic) [Gas Utilities] (00:12:33) business. This is an exciting first year of us owning our US utilities, and we are in rate cases in the four major jurisdictions and look forward to working with all stakeholders to deliver safe, reliable, and affordable energy. As we continue to grow our utilities, constructive regulatory outcomes are very much informing our capital allocation strategy.

Given the increasingly rich opportunity set across all our business units, we will allocate capital based on the best risk-adjusted returns, including the economic and regulatory environment. In Ontario, we recently received permission to begin construction on the St Laurent Pipeline Replacement program, which is expected to be completed in stages and will be fully in service by the end of 2026.

Moving to the US, we expect to receive a decision on our Ohio rate case in the second half of this year, and we filed rate case applications in North Carolina and Utah in April and May, respectively. We expect rates to be effective by year-end, ensuring fair returns for our shareholders and supporting continued investment in critical energy infrastructure through the back half of the decade.

Now let's jump on to Renewable Power. The 130-megawatt Orange Grove solar recently entered service on time and on budget, and it's now generating electricity for the ERCOT South Power Zone. Between Orange Grove and the first stage of Sequoia, we expect to place over 500 megawatts of solar into service this year, entirely backstopped by investment-grade blue-chip customers.

Given the unprecedented demand for power generation across North America, we also anticipate further FID announcements over the next year, driven by data center electricity needs. The policy landscape for renewables is dynamic, but we think we are well-positioned with our portfolio of late-stage development projects. As always, we'll stick to our capital discipline in only approved projects that meet our risk and return hurdles. In our European portfolio, Calvados Wind continues to make progress with new pylon installations and technical work ongoing.

Now I'll pass it off to Pat to review our financial performance.

Patrick R. Murray

Chief Financial Officer & Executive Vice President, Enbridge, Inc.

Thanks, Greg, and good morning, everyone. 2025 is off to a great start. We posted new quarterly records across all metrics. Compared to the first quarter of 2024, adjusted EBITDA is up 18%, DCF per share up 6%, and earnings per share is up 12%. In Liquids, higher Mainline volumes and annual toll escalators led to higher results versus 2024.

In Gas Transmission, revised rates at Algonquin, Texas Eastern, and Maritimes & Northeast drove higher contributions across our large US Gas Transmission pipes. Venice Extension entered service at the end of 2024, and the Whistler JV and DBR System acquisitions are also providing the expected incremental contributions year-over-year. Notably, Gas Transmission is up 13% from this time last year, despite the absence of contributions from Alliance and Aux Sable, which were sold in 2024.

Our Gas Distribution segment realized a full quarter of contributions from all three US gas utilities acquired in 2024, driving the majority of the year-over-year increase within the business. In Ontario, customer growth and rate increases, alongside colder weather, resulted in a CAD 170 million of EBITDA increase compared to the first quarter of 2024.

In Renewables, lower wind resources at the European offshore assets were partially offset by stronger resources in North America, and we experienced similar levels of investment tax credits between those periods. The strong US dollar resulted in larger hedging losses this quarter, but FX was overall still a net tailwind for EBITDA and DCF, as the average exchange rate pre-hedging was CAD 1.44/$1 for the quarter versus CAD 1.35/$1 in 2024. Below the line, higher financing costs, taxes, maintenance capital and a slightly higher share count linked to the US gas utility acquisitions, partly offset the higher EBITDA contributions.

I'm also pleased to reaffirm our 2025 guidance. Our resilient business model continues to demonstrate our ability to deliver predictable results in all cycles. And as Greg mentioned earlier, we're not seeing any noticeable impacts from tariffs on our financial guidance. Strong first quarter performance positions us well to hit our financial guidance for the 20th consecutive year. In fact, I think the lack of arrows on this slide from a tailwind and headwind perspective, speaks to the resilience of our assets.

But as we look forward, the recent acquisition of an interest in Matterhorn and forward expectations for US Canadian exchange rate which, although fairly heavily hedged, could provide some uplift to results. We're also keeping an eye on US interest rates as they're a bit higher than we have projected, but again, not anticipated to be material. As a reminder, Q1 and Q4 are typically our strongest quarters, and the US utilities further exaggerate that. Some of our other businesses also have seasonality built into them.

In our Liquids business, we generally have heat restrictions on our pipes in the summers, leading to lower volumes. In the winter months, Gas Transmission experiences far more peak days. And similarly, Enbridge Gas Ontario has the majority of its heating degree days, leading to higher contributions in those same winter months. In our Renewables segment, we typically experience higher wind resources in the winter months, but provide higher contributions from October to March.

Now, I'd like to reiterate our long-held capital allocation priorities. We'll continue to maintain our balance sheet strength and target a debt-to-EBITDA range of 4.5 times to 5 times. Sustainably returning capital to shareholders is key to our value proposition and we expect to grow the dividend at a level within our annual DCF per share growth. When it comes to new growth, you can expect us to remain disciplined and prioritize low multiple brownfield opportunities and utility-like projects.

As we discussed at Enbridge Day, we can now self equity fund CAD 9 billion to CAD 10 billion of organic growth projects annually. Based on our current secured growth backlog of CAD 28 billion, we expect to deploy CAD 8 billion to CAD 9 billion per year towards our secured growth projects. That leaves us with an additional CAD 1 billion to CAD 2 billion that can be opportunistically allocated, whether that be sanctioning new strategic projects, accretive tuck-in M&A such as the 10% acquisition of Matterhorn, or reducing debt.

We'll apply our rigorous investment criteria, letting the CAD 50 billion of opportunities compete for that excess capacity and prioritizing the highest returning and most strategic projects. Before I wrap up, I want to thank all of our team members for delivering yet another outstanding quarter.

And with that, Greg, I can pass it back to you for closing comments.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

Thanks very much, Pat. As you just pointed out, the consistency and resiliency of our business really came through this quarter, with record financial results and execution on our disciplined growth strategy. Our industry-leading low risk business model delivers in all economic and commodity cycles, and you saw that happen once again in the first quarter. I want to highlight our first-choice value proposition, which has delivered strong double-digit shareholder returns over the past 20 years. Through thick and thin, upcycles and down cycles.

We continue to have a utility-like business model that generates predictable cash flow, that supports our investment-grade balance sheet. Our financial flexibility allows us to grow our business and sustainably return capital to shareholders. We've increased our dividend for 30 consecutive years and I'm proud of being one of the only dividend aristocrats in our sector. We expect to support continued dividend growth by growing our business by 5% per year through the end of the decade.

On a final note, we refreshed our Indigenous Reconciliation Action Plan and we continue to progress our sustainability goals and long-standing commitment to support the communities in which we operate.

With that, I'd like to thank all of you for listening. And operator, please open the line for your questions.

QUESTION AND ANSWER SECTION

Operator: Thank you. We will now begin the question-and-answer session. [Operator Instructions] Your first question comes from a line of Aaron MacNeil from TD Cowen. Your line is open.

Aaron MacNeil
Analyst, TD Cowen
Q

Good morning, all. Thanks for taking my questions. You mentioned your advocacy efforts in your prepared remarks, and we've got a new Canadian government promising to improve the Impact Assessment Act. We've also reached the 100-day mark with the US administration that's also focused on permitting reform. Greg, are you encouraged by what you're seeing and what needs to happen in your view to get your head around larger infrastructure development?

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.
A

Well, morning, Aaron. Thanks very much for the question. I'm completely enthused about it. Just starting from the campaigns, just a basic conversation here in Canada, but also down south in the United States and the fact that people are now talking about energy, energy infrastructure, getting stuff done, that's just a market change here in Canada at the all-of-the-above approach which, as you know, restructured the company to succeed in that environment. It's great.

Now, I think the big question is, is that all campaign rhetoric or is that actually going to play out into actually permitting reform? We're starting to see some of that in the United States, various projects put it on accelerated elements of approvals, obviously very supportive of natural gas, liquids, LNG exports, et cetera. And I'm going to take the Prime Minister in Canada at this word that he's committed to building energy infrastructure in Canada, becoming a conventional and unconventional energy superpower.

So, when you're in 43 states, 8 provinces and 5 countries, of which the 2 big ones are the United States and Canada, that is a great spot to be. So I think you see that in our backlog, I think you see that in our execution. So, I'm excited. It's just got to turn into reality, like, I mean we're ready to rock I think in Canada. It's just that someone's going to put the policies in place so that industry can deliver for both consumers and investors.

Aaron MacNeil
Analyst, TD Cowen

Q

Maybe as a follow on, it's obviously great to see that you're continuing to progress towards an FID on the Mainline Optimization that you outlined at the Investor Day. What do you think is giving your counterparties the confidence to move ahead with the expansion given just the broader economic uncertainty and recent OPEC production adds?

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

Well, I'll give you a couple of thoughts and then Colin's here, too. And I think when you said – I think you mean our customers. Our customers, I think they're looking longer term as well. Look, you're going to see ebbs and flows in pricing. As we said in our opening comments, there's a lot of volatility. But those shorter-term swings which we watch very closely, can have some impact on production, but they don't change the long-term view of energy demand and need.

And that's what we build for, right? We build pipeline, infrastructure and even power infrastructure, but pipelines on the gas and the oil side for what's happening 12, 18, 36 months out. And so, we've got a system that can add on top of what we have now with very permit-light, relatively low-multiple and relatively modest increments of volume that really create the opportunity. So, that's specifically on MLO 1 and maybe for the Mainline Capital. Colin, do you want to speak to that?

Colin K. Gruending
Executive Vice President & President-Liquids Pipelines, Enbridge, Inc.

A

Yeah. Aaron, I think we're quite confident on the prospects for Mainline Optimization 1. We have an open season in the market right now. Strong response. And underpinning that, to your question, is the supply outlook by customer and in aggregate.

And remember that we're basically full today and they've got a number of highly economic at very low oil price, de-bottleneck and smaller projects. They're not requiring a big oil price to underpin a big, massive new mine or anything. That's not what's underpinning this next wave of egress. And even in the worst case, I guess, you could think about that egress solution as insurance egress, right, protecting the price of the existing 5 million barrels a day.

Aaron MacNeil
Analyst, TD Cowen

Q

Thanks, both. Happy to turn it back.

Operator: Your next question comes from the line of Jeremy Tonet from JPMorgan. Your line is open.

Jeremy Tonet
Analyst, JPMorgan Securities LLC

Q

Hi. Good morning.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

Good morning, Jeremy.

Jeremy Tonet
Analyst, JPMorgan Securities LLC

Q

I just want to start off with regards to the natural gas pipeline network and opportunities to service growth there. Thank you for the details provided. But just wondering if you can provide maybe incremental thoughts on the opportunity set to service growing power demand and even data center fueled demand behind that. Is this something, timeline wise, you think that can happen near term, or do you think this takes more time to play out? Just wondering how you see, I guess, the opportunity to service natural gas fired power.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

Yeah. Maybe to start with what we've already done, right? And we did talk during our Analyst Day in March just a month ago about how we saw some opportunities in the next 6 to 18 months, which I'll let Cynthia speak to. But let's not forget that in the last – less than a year, Enbridge has added 5 gigawatts or secured 5 gigawatts of serving natural gas to power plants.

So you've got our Ridgeline project out in GTM; North Carolina, the GDS business is serving Duke power plants there; Utah, direct connections to data centers. That's another couple of 100 megawatts. Ontario, there's probably a gigawatt of plants there. Ohio, a gigawatt there at the Trumbull plant. So, that's 5 gigawatts just on its own. So, this is actually ongoing and occurring real-time right now, and I think we've got some great opportunities ahead of us. Do you want to speak to that, Cynthia?

Cynthia L. Hansen
Executive Vice President & President-Gas Transmission and Midstream, Enbridge, Inc.

A

Sure. Thanks, Greg. And yeah, Jeremy, as we outlined at Enbridge Day, we do have a lot of opportunities in the space for power demand. So whether that's coming from increased industrial demand, the coal to gas conversion or the data centers, we have 35-plus opportunities or about 11 bcf per day of that new electrical demand. So by 2032, that's about CAD 14 billion kind of opportunity set.

And as we said, we're focused on that near term. In the next 6 to 18 months, we probably see CAD 1 billion to CAD 2 billion worth of opportunities there. And with those projects that we're – we're having these great conversations with those – our customers and have that increasing power need, and they're at really attractive returns in that 6 to 8 times multiple, build multiple. So, we can't talk about all the details obviously right now because we're in the midst of having those conversations, but you should look to see some announcements coming in that timeframe. So, it is exciting and we have capacity to support that.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

And Jeremy, just because Matthew Akman is in the room, throwing a donut at me. We also set up about 2 gigawatts of power projects on the renewables side that are serving really big clients on the data center side as well. And you know those tech names we've put them out there before. So you shouldn't forget that either.

Jeremy Tonet
Analyst, JPMorgan Securities LLC

Q

Got it. That's helpful. Thank you for that. And then, maybe just shifting to results for the year and we've seen that the guide was reaffirmed here. But just wondering, I guess, how everything maybe within the year is shaping up versus expectations. And appreciate the comments on seasonality as highlighted there. That's helpful. But just the quarterly allocation in this deck versus prior looks a little bit different. So just wondering if there's anything else that was shaping up in the quarter that – in the year on a quarterly basis that we should be thinking about.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

I'll let Pat speak. I don't think there's anything different. I think we're just trying to give you more insight. Obviously, add the new utilities, so making sure that people fully understand our first and fourth quarter are the big quarters.

Patrick R. Murray
Chief Financial Officer & Executive Vice President, Enbridge, Inc.

A

Yeah, I think that's right. The big change year-over-year would be the addition of all the US utilities. They are not exposed to weather like Ontario is, but they still have a significant profile into the kind of Q1, Q4 categories. We just want to make sure that people were able to model that out appropriately. I think, your question on the strong first quarter, that's how we think about it. It's a really strong first quarter. It gets us really good into the year.

As we talked about from a headwinds, tailwinds perspective, making sure that we're of course always operating reliably. If we do that, we should be well within the guidance range we provided. There's a potential upside around the new acquisition we just made if we can close that within the next month or two. We've got some FX upside as we talked about when we guided. But again, we're fairly hedged there as part of our kind of methodical process that we have there. But there could be some upside both on EBITDA and DCF there, and then always watching interest rates in a fairly volatile window right now. But all in all, we're feeling very good about how the year is shaping up and a great start.

Jeremy Tonet
Analyst, JPMorgan Securities LLC

Q

Got it. Thank you. I'll leave it there.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

Thanks, Jeremy.

Operator: Your next question comes from the line of Robert Catellier from CIBC. Your line is open.

Robert A. Catellier
Analyst, CIBC Capital Markets

Q

Hey, good morning, everyone. I'd like to go back to the permitting questions. Obviously, there was an attempt to improve permitting in the US with alternative arrangements for NEPA compliance. I'm wondering what your take is on this. Specifically if you have an appetite to elect to have any projects reviewed under those alternative arrangements or would you need to see something more concrete?

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

Well, it's a little bit of a mixed bag. Some of it, it's a very – it's a lot of discussion, I will tell you. Generally speaking, accelerated depreciation or depreciation – permitting is awesome. However, it depends how far you are already along on the project, whether you want to go back and restart, are there core challenges, et cetera.

So, Robert, I'm not trying to obfuscate the question, but I think it depends. But there's no doubt, accelerated approvals, I would say in general, are a good thing. And you've seen some of our projects put on, say, the Army Corps accelerated element, but right across the board. And we've had discussions with the Interior Secretary and the Energy Secretary. And so, I would expect, on balance, accelerated permitting is great, but it doesn't mean we'll move every project to restart the clock.

I think equally and maybe more important is just the policy stance and everything from being able to use gas appliances, if you will, on the GDS side to just the openness and acceptance and reality of the fact that United States, frankly Canada either, can't move forward without gas-fired generation. That's a winner right across the board for us. But on that side, it's not just about, say, NEPAs; it's about accelerated approvals of transmission, electric transmission as well that's going to drive this. So I don't think there's any one simple answer to that question, unfortunately, Robert.

Robert A. Catellier
Analyst, CIBC Capital Markets

Q

No, that's why I asked it. Next question. I just wanted to get your updated views on the Permian. There's been a number of producers that have suggested that weak prices are curbing their capital investment. Notwithstanding the record volumes at Ingleside this quarter, what is your outlook for Permian production in general and the impact on both Ingleside and your Permian Gas System? And I'm curious if there's alignment with the joint venture partners on the pace of which you deploy capital, particularly on the gas side.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

Yeah. On your last question, and then maybe Colin can speak to some of the Permian volume issues, I don't think there's any. We wouldn't have re-upped or picked up another piece of the asset in the WhiteWater JV at Matterhorn if there was misalignment. I think there's absolute alignment on what needs to be done. Obviously, Matterhorn is a project that's already in service.

But, look, you're seeing GORs go up in the Permian. The need for gas takeaway is absolute, regardless in your view whether you think there's going to be a slowdown in production or a leveling out of production. And I will say, the gas pricing is quite productive, no pun intended, in terms of actually building takeaway and serving as a minor, but important buffer to a weaker price on the oil side as well. But on the Permian, I mean there's no doubt, we're watching those rig counts and what our producing customers are saying on the oil side.

Colin K. Gruending
Executive Vice President & President-Liquids Pipelines, Enbridge, Inc.

A

Yeah. Yeah, Robert. I can chime in here. And listen, the Permian is a great basin and always will be. It's a critical basin. And we've got our ear to the ground just as you are, and we're seeing over the last couple of weeks probably a mixed bag from producers, some holding firm, some dropping a rig or two or three. So, we will continue to follow that.

The good news is, is that our business is built to be relatively insensitive to that price and to that indirect risk or volume risk. We have a contracted business in the Permian. Ingleside and Gray Oak are contracted and our cash flows are solid. Prices go up and down. We've built the business intentionally to be resilient. And I think the question on JV partners is maybe more Cynthia related, but we're aligned with our team. We have some expansions coming online on Gray Oak and Ingleside here. So, the next few years of cash flows look really good yet for our business in the Permian.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.
A

Yeah. OPEC plus actions, tariffs, all that again, as Colin said, we watch really carefully. But this is exactly the environment that Enbridge was built for, right. Size, diversity, serving the best demand markets in the most economic production basins, that's really what makes Enbridge a winner. So, we're watching that stuff carefully. We can react and build out small increments or large increments depending on what our customers want on a given point in time.

Robert A. Catellier
Analyst, CIBC Capital Markets
Q

That's a lot of good color. Thanks so much.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.
A

Thanks, Robert.

Operator: Your next question comes from a line of Theresa Chen from Barclays. Your line is open.

Theresa Chen
Analyst, Barclays Capital, Inc.
Q

Good morning. Thank you for taking my questions. Maybe double clicking on the Permian to Gulf Coast gas transmission franchise. You've successfully participated in multiple minority interests across different assets here. And looking at your broader footprint, you seem very comfortable and maybe even prefer to wholly own and operate your assets. How should we think about the strategic path forward for your gas transmission footprint from the Permian all the way through the Gulf Coast? How do you envision these assets ultimately fitting within your portfolio?

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.
A

Yeah. I think it's a fair comment, Theresa, that we generally like to – like a lot of big companies, we like to control both strategically and commercially. But we have a lot of joint ventures right across North America and in Europe, too, as you know. So, we're comfortable in that environment. It does allow us to participate in a greater number of locations because of the spread of the capital that's required, and it does give us insights with some of those partners.

When I think of some of our great partners, some of them are producing partners, some of them have upstream and downstream activities, and sometimes they're fellow midstreamers as well. So, we get a lot of value from that. Ultimately, we like to own significant elements of it and be in control and strategy, I think that's a fair comment.

But we're patient, A, it's not absolutely necessary. And as you know, we are not opportunity short. So, this allows us to take the – allows us to participate in as many opportunities as possible.

Theresa Chen
Analyst, Barclays Capital, Inc.

Q

Understood. And Greg, going back to the macro and the role of infrastructure across your footprint. The letter of intent you've signed to support WCSB egress, what are the near and medium term goals of the working group you've established? How do you view the path forward for the industry over time, taking into account the learnings from recent geopolitical volatility and trade tensions?

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

Well, I think the first on – first thing is just to engage with the new government here in Canada. We have not had an opportunity as a group or a subset of that group to sit down with the Prime Minister. He's been a little bit busy on both sides of the border and setting a cabinet when that happens, I think that'll be the first thing. And I think it's important that the Prime Minister have an opportunity to hear from the industry, particularly – you think about – those 39 CEOs represent a lot of jobs, a lot of GDP, a lot of revenue. So, that's one.

Secondly, we got to address the carbon tax and emission caps issues. Third thing, we got to get rid of the ban on the West Coast for tankers if there's expected to be egress that way. And then, I think that we've already made some progress on that front, but we have to execute on it. That would be indigenous loan guarantees and participation in infrastructure. So, that's four or five things that we got to pitter patter. Let's get at it.

I think the Prime Minister said, he wants to do that, but those things can be done very quickly with either a stroke of the pen or some legislation. And again, I don't – of the two, this is quickly turning into a two-party country. And I think both parties had similar ideas, maybe different – slightly different tactics on being able to build energy. So, I would have thought that these things could be done rather quickly in a Parliament that's united on the need for that for Canada.

Theresa Chen
Analyst, Barclays Capital, Inc.

Q

Thank you very much.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

Thanks, Theresa.

Operator: Your next question comes from the line of Ben Pham from BMO Capital Markets. Your line is open.

Ben Pham
Analyst, BMO Capital Markets Corp. (Canada)

Q

Hey, thanks. Good morning. On your earnings report you mentioned almost CAD 3 billion of projects you sanctioned year-to-date. Can you comment on the outlook on sanction projects going forward, where you're seeing the most business activity and do you anticipate the pace of those sanctions to accelerate?

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

Yeah, that's a good question. First of all, I would say that you're going to see sanctioning of projects in every single one of our businesses. And that's excellent, right. I mean, as we said, we're already executing on CAD 27 billion, CAD 28 billion worth of projects and now CAD 50 billion of opportunities. I think you'll continue to see that. I'm looking around the room here at four business leaders that are pretty keen to keep growing their businesses and create opportunities. So, I'm also looking at the CFO here that really likes the – being able to choose from those projects that provide the greatest returns as quickly as possible for investors and, obviously, serving our customers.

So, I'm going to say, you're probably going to see the biggest sanctioning right out of the block on the liquids side which is somewhat different. On the gas side, both at GDS and GTM, you have a variety as well. I think the one that's a bit of a question mark and I mentioned in the opening comments is, what do we do on renewables, just with the dynamic nature of policy there?

But Matthew and his team have a number of late-stage projects that could move forward that don't look like they will be caught up in either tariff or policy elements. So, it's right across the board, Ben, which really gives us a lot of confidence on our long-term growth prospects, not just the positive year that's shaping up through the first quarter anyways.

Ben Pham
Analyst, BMO Capital Markets Corp. (Canada)

Q

Okay. Very good. And I know it's your secured capital program, just related questions, been ramping up steadily. And how do you think about human capital and human capital in an equation? Is there a certain project roster that's too big for you relative to your staffing? And do you think that could be a constraint on just moving forward to projects?

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

So far we haven't seen that, Ben. And it kind of goes back to Theresa's question about JVs and stuff like take the WhiteWater stuff. We are not the lead player from the build perspective, but we get to participate. I even look at some of our renewable activities, say, in Europe that's being – we're not the lead builder. And we obviously have a major project team that looks at all projects, say, over CAD 50 million at an Enbridge size.

So, we haven't seen it to date, but obviously I'm always concerned about human capital. Do we have enough people to deliver on it? But so far, so good from that perspective. I guess, the other one I'd point to is Woodfibre, too. We're not actually building that one. We're involved in helping them and providing counsel and what we know about marine activities and building pipes, et cetera. So, so far so good, but I think you're right to point out, we got to make sure we stay on top of the human capital element of this.

Patrick R. Murray
Chief Financial Officer & Executive Vice President, Enbridge, Inc.

A

Yeah, maybe one thing I'll just add to that is – as I said at Enbridge Days, CAD 28 billion, CAD 29 billion is a big number, but we're a big company. If you go back a number of years ago, we had peaks in our capital programs like this in the past and we have managed through them quite well. So I think we've got a track record of doing that.

We've got the right skill sets. A number of those people are still with the organization. So, I think we feel really good about our – not only our project group, operational teams and our supply chain management. So I think we'll, as you've noted, continue to monitor it as we go forward. But at the moment, I don't see any constraints there.

Ben Pham
Analyst, BMO Capital Markets Corp. (Canada)

Q

Okay. Got it. Thank you.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

Thanks, Ben.

Operator: Your next question comes from a line of Manav Gupta from UBS. Your line is open.

Manav Gupta
Analyst, UBS Securities LLC

Q

Good morning, guys, and congrats on a very strong quarter. I'm just trying to understand, it appears that the acquisition of the three utilities has gone even better than most expected or even you expected. So first, if you could talk a little bit about that, what have been the positive surprises? And then, circling back a little bit into Jeremy's question. If everything is so good and the tariffs are also not a real headwind then is the 2025 guide just conservative at this point?

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

Yeah. Well, look, we give annual guidance. And as Pat mentioned, the first quarter, very nice to see a robust start, but the fourth quarter is a really important quarter for us. So, I don't want to get ahead of ourselves. I think we are in a great spot. Far better to have a nice launch than being behind the eight ball, and we've had a nice launch. And there's a reason why we've hit guidance, what looks like it will be 20 years in a row and it's because we've got relative stability plus and minus. So, I feel very good about what we've put out there to the Street to date, and feel very good about some of the tailwinds.

On the GDS side of things and the acquisition of the US Utilities, I think it's going extremely well. Remember, we had some of these assets even in the House yet for a year. So obviously, integration is ongoing, disentanglement from Dominion, ongoing all as planned. So, that's still got to get done before I'm willing to say big success.

But from a macro perspective, I don't think in – let's see, that would have been late – early 2023, mid 2023 that most people would have seen the uptick in demand in gas, the power side of things, data centers, et cetera. All of that is an incremental macro benefit to that acquisition. Regulatory environments continue to be along the lines we expected in the acquisition and the people are great.

So I don't know, Michele, whether you'd add anything to that.

Michele E. Harradence
Executive Vice President & President-Gas Distribution and Storage, Enbridge, Inc.

A

Well, I think you got it, Greg. I mean, the growth and I mentioned that at Enbridge Day, is even stronger than we thought. There's a real tailwind around electrification, whether that's data centers, power generation. The strength that the regulatory teams helped us close quickly. So, we're able to bring the utilities in a bit faster than we'd expected to and really start to integrate them.

The integration is going well. We actually did our first major system cut over earlier this week. It went smoothly. And exactly as Greg said, the people are excellent, the cultures are meshing well. So, we're really pleased with where things are.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

And we got optionality where we want to put those regulated utility dollars. You got multiple jurisdictions and those that provide the greatest opportunities for their own customers and also for our investors are the place we're going to put that, call it, roughly CAD 3 billion of capital each year on the utility side.

Michele E. Harradence
Executive Vice President & President-Gas Distribution and Storage, Enbridge, Inc.

A

Exactly.

Manav Gupta
Analyst, UBS Securities LLC

Q

Okay. Perfect. I think my quick follow up here is, the benefits or the decision to move ahead with Traverse Pipeline and additional 10% interest in Matterhorn, what drove those decisions. Thank you.

Cynthia L. Hansen
Executive Vice President & President-Gas Transmission and Midstream, Enbridge, Inc.

A

Yeah. Thanks, Manav. Obviously, we continue to really be excited about the joint venture opportunities we have. As we outlined, we've invested the CAD 2 billion today in the JV opportunities there and we have about another CAD 1 billion worth of growth projects that are out there.

And these are in, obviously, the Permian Basin and it ties into our existing infrastructure. We are in that space with TETCO and we have the storage assets there, too, with Trace. And so, as we look out to what that future is, we see the opportunity continue to build out there with a really attractive build multiple around that six times.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

Yeah, it's really that super system like we built the super system on the liquids side, Colin team there, and to the export world. And I think Cynthia and the team is doing a great job of building another gas super system and serving all those LNG facilities and storage, et cetera. So, it's frankly a bit of a no brainer to keep building out that side of the system.

Manav Gupta
Analyst, UBS Securities LLC

Q

Thank you so much and congrats on a great quarter.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

Thank you, Manav.

Operator: Your next question comes from the line of Rob Hope from Scotiabank. Your line is open.

Robert Hope
Analyst, Scotiabank

Q

Good morning, everyone. A follow-up to the last question. So, at the recent Investor Day, you highlighted CAD 2 billion to CAD 3 billion of US Gulf Coast expansions on the gas side, taking FID in the next, I will call it, a couple of quarters here. Looks like you made some progress with Matterhorn. But looking forward, when you think about your kind of Permian and US Gulf Coast super system, where are you seeing the best opportunities now? Is it more on the storage and LNG connectivity side, or do you need more kind of, we'll call it, capacity out of the Permian?

Cynthia L. Hansen
Executive Vice President & President-Gas Transmission and Midstream, Enbridge, Inc.

A

Yeah. I think it's a combination, Rob. We see lots of opportunities coming in from the Permian still. That's why we have these ongoing growth opportunities noted. But we have, obviously with our TETCO system, got header system there along the Gulf Coast. There continues to be lots of announced expansion opportunities with the LNG exports. We're connected to 100% of the current operating LNG export facility. So there's lots of upside there.

We still have – on the storage side, we noted that we have just closed three open seasons, one for Tres, Egan, Moss. So there's going to be – we're just reviewing those results. They closed – the last one closed earlier this week. So we're reviewing those results. But we still see a lot of opportunity to continue to build out an existing header storage super system there. So it's going to be a combination. There's some laterals, there's some storage, there's some specific projects tied to LNG expansion and new facilities. So, it's an exciting position to be in and we'll have to compete for capital with all these other projects that we have ongoing.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

Yeah. I love the nature of the several hundred million dollars at a time. Not that there's anything wrong with several billion at a time, but obviously it's quicker deployment. We shouldn't forget the power side, too. There's power opportunities along the Gulf Coast for the reasons you all know, whether it's industrial or data center. So, I'd watch for us to get our fair share of that, too.

Robert Hope
Analyst, Scotiabank

Q

Thanks for that. And then maybe just following Matterhorn, can you give an outlook of what the M&A environment is looking right now, just given all the volatility out there? Are you seeing some opportunities to transact at attractive pricing and for attractive assets like Matterhorn?

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

Well, first of all, I think the important point is that we don't need to do any M&A. It has to really compete strongly against that CAD 50 billion of opportunities that we see organically. And obviously, we're delivering on CAD 27 billion of growth that's really going to drive our growth outlook for the next several years. Traditionally, at this time of a cycle, opportunities do come up. People do need to get liquid, people – and tend to see valuations therefore come down.

So given the size of our company, we're always seeing those opportunities. As we've said, we'll look at tuck-ins. But, yeah, they're going to have to be good deals, they're going to have to be accretive to our per share metrics, they're going to have to be neutral or better to the balance sheet, and they've got to be better than the organic stuff that we have in front of us. But we always keep a wide open eye to it. I haven't seen that kind of stress really yet though, Rob. So we'll see what happens.

Robert Hope
Analyst, Scotiabank Q

Thank you.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc. A

Thank you.

Operator: Your next question comes from the line of Praneeth Satish from Wells Fargo. Your line is open.

Praneeth Satish
Analyst, Wells Fargo Securities LLC Q

Thanks. Great. Good morning. Maybe just going to Texas Eastern, can you help us understand if you could be involved with the Homer City Data Center project in Pennsylvania? Given the proximity of Texas Eastern, it's pretty close to that planned data center. Have you had discussions with them to supply the planned build-out or future expansions? And if so, how much capacity exists in that region on your pipe and would you have to make a meaningful investment to expand it?

Cynthia L. Hansen
Executive Vice President & President-Gas Transmission and Midstream, Enbridge, Inc. A

Yeah. Thanks, Praneeth. It's Cynthia. As you noted, with that Homer City opportunity, our TETCO system is close. We're not going to talk to any specific negotiations that we have ongoing. What I will say just in general is throughout that area, Texas Eastern has about 10 bcf per day or equivalent as 60 gigawatts of energy equivalent of underutilized receipt points that tie into that Marcellus supply region.

So we do have some very economical pipeline expansion in Pennsylvania and Ohio along our existing right of way. So we are having lots of conversations with those developers, power gens, hyperscalers for data centers. That whole area is very active, and so it's an exciting opportunity. And we'll continue to – as I noted earlier, hopefully we'll continue to keep you updated for multiple announcements over the next period of time, because we really do believe about we have that CAD 1 billion to CAD 2 billion worth of projects that we'll be able to announce in the next 6 to 18 months.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc. A

And all that would be incremental to the 5 gigawatts of gas we're providing to serve 5 gigawatts of power. So, yeah, excited about it. We'll see where we go. But you are correct, we are in a good position.

Praneeth Satish
Analyst, Wells Fargo Securities LLC

Q

Got it. Okay. We'll stay tuned for that. And then, I wanted to go back to the slide on seasonality, slide 13. I know you mentioned Utilities business, among other factors, that's kind of driving that quarterly cadence. But it does look a little bit steeper, I think, than we would have anticipated.

If I just take the midpoint of the 2025 EBITDA guidance and assume 20%, this is for Q2, you end up with an EBITDA figure that's quite a bit lower than consensus. So, I just want to understand how to read this table. Should we shift more of the utility EBITDA towards Q4 and out of Q2? Or is this more kind of illustrative in nature rather than formal quarterly guidance? Thank you.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

Yeah. I mean, we're not trying to give formal quarterly guidance here; we give annual guidance. We're trying to help the Street have a discussion on how this new profile lands, given that we do have the utilities. I think we can help you as we go through maybe detailed conversations on how the assets roll. But it was really just trying to highlight the fact that not only do we have the new US utilities and the Ontario utility that have both upfront and backend weighted profile, but other parts of our business do that, too.

For example, on the Mainline, we hit a record 3.2 million barrels this quarter and our forecast was 3 million. We assume we'd be over 3 million for the quarter, but not quite as high as the 3.2 million because there is some seasonality there as well. And then Cynthia's business in GTM and depending on weather and how interruptible service gets utilized, that usually happens in the winter months. So really, again, just trying to help people understand their models. As we said, we've had a really good start to the year, but there's still a bunch of year to go here. So, that's why we're maintaining our guidance as we've noted. So,...

Praneeth Satish
Analyst, Wells Fargo Securities LLC

Q

Understood. Thank you.

Operator: Your next question comes from the line of Maurice Choy from RBC Capital Markets. Your line is open.

Maurice Choy
Analyst, RBC Capital Markets

Q

Thank you; and good morning, everyone. Just want to come back to an earlier discussion about US crude oil. I sense a rising value for assets with export solutions, perhaps even acting as a strategic differentiator. So, zoom into EIEC again, if you could share your updated outlook for the facility, and just broadly the US crude oil export, given the global trade landscapes.

Colin K. Gruending
Executive Vice President & President-Liquids Pipelines, Enbridge, Inc.

A

Hey, Maurice. This is Colin. Yeah. So, we remain bulls on exports generally, all commodities, even outside energy, like continents along everything. And having been involved now with Ingleside for three or four years, I think we've furthered our knowledge and conviction in the thesis generally and specifically what advantages one Marine facility from the next. And obviously, the facility has a number of advantages.

I'm not going to repeat them all, but it all translates each one of those advantages accumulates into nickels, dimes, quarters, even dollars of advantage. So, we're trying to now grow that out. Obviously, we're expanding the site. There's another phase under construction that's contracted. And we're also trying to now port that – all those advantages to similar commodities, whether it's NGL or we talked about LNG at some point or low carbon.

So, that thesis remains strong. And over time, generally, we're trying to build a longer value chain like we talked about in gas five or six minutes ago, further up and direct and help customers keep as much of that value chain as they can. That's the strategy. We're adding our marketing affiliate to that chain now in a modest way. So, yeah, we continue to believe in that thesis, but in a contracted model. It's a strong fundamental approach, but it's also then underpinned, belt and suspenders, if you like, by a very differentiated contracted model.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc. A

You see us adding all elements, right? We're adding some more storage at Ingleside. We talked about the additional docks that we added. And in some respects, if – as you see WTI being a little lighter on price, those export markets become even more important looking at Brent, say, in the CAD 63 range, I think I saw it this morning kind of thing versus to just CAD 60. So, we want to make sure we can provide every opportunity for our customers to maximize either growth, but also their netbacks. And the export side of that on the gas, liquids side is absolutely critical.

Maurice Choy
Analyst, RBC Capital Markets Q

Perfect. That makes sense. And my one follow-up here is about, an earlier comment about you spoke about allocating utility capital based on the best risk adjusted returns, including economic and regulatory environment. How do you view the Ontario regulators' recent position about cost of capital and jurisdictions, competitiveness versus other parts of your portfolio?

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc. A

Yeah. I'll let Michele speak to that. But obviously, higher equity thickness and better returns are better than lower equity thickness and even with the same return. So, I think that's something they've got to be thoughtful about. Some of their discussion on cost of capital and even change in ROE is an early impact – doesn't impact us to the end. But you're always making those decisions, Michele.

Michele E. Harradence
Executive Vice President & President-Gas Distribution and Storage, Enbridge, Inc. A

Sure. So, I mean, our current ROE was set in our rate case. It's at 9.2%. It's set there through to 2029. So, that decision really doesn't impact us and we can look at it then. But at that point in time, as Greg point, so we'll have an opportunity to discuss our equity thickness as well which was raised a couple of points for the first time in a long time in our last rate case.

So, the other thing I would say is, in Ontario we have the opportunity to earn – to over earn, rather, on our ROE up to about 100 basis points before we get into sharing and we're certainly targeting to do that. I think though, as

Greg says, you have to look at the combination of a few things. You have to look at the ROEs, you have to look at the equity thickness. So what's your rate of return on this capital you invest?

You have to look at how quickly you get that capital back. Ontario does have a good framework, but so do our US utilities. They have great riders where we have very short, quick cycle capital. And then, I would say, the most important thing beyond that is looking at the regulatory certainty, what's the consistency of what we get out of our regulators and PUCs across the board?

And that's something we look at very closely and there's definitely some differences with them. And we have some that it's very strong, very certain; and then there's some where there's some more questions. So we're always going to look to direct that capital where we have those good returns and that certainty for our shareholders.

Gregory Lorne Ebel
President, Chief Executive Officer & Director, Enbridge, Inc.

A

Maurice, what I would say is, I'm really pleased with both the Premier of Ontario, Premier Ford; and the Minister of Energy, I think Mr. Lecce, about their commitment to gas. I mean, they obviously should be regulating in an independent fashion, but consistent with the government's policy. And the government's policy is to provide access to gas, to the maximum possibility to Ontario consumers and businesses. And that's a really important signal. I look forward to seeing their natural gas policy update here very soon, and I expect it to be very positive.

Maurice Choy
Analyst, RBC Capital Markets

Q

Perfect. Thank you very much.

Operator: And we have now reached the end of our question-and-answer session. I will now turn the call back over to Rebecca Morley for closing remarks.

Rebecca J Morley
Vice President-Investor Relations & Insurance, Enbridge, Inc.

Great. Thank you. And we appreciate your ongoing interest in Enbridge. As always, our Investor Relations team is available following the call for any additional questions that you may have. Once again, thank you and have a great day.

Operator: This concludes today's conference call. Thank you for your participation. You may now disconnect.