31-Jul-2026

Enbridge, Inc. (ENB)

Q2 2026 Earnings Call

Copyright © 2001-2026 FactSet CallStreet, LLC

CORPORATE PARTICIPANTS

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

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

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

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

Matthew A. Akman
Executive Vice President & President-Gas Transmission, Enbridge, Inc.

Allen C. Capps
Senior Vice President-Corporate Strategy & President-Power, Enbridge, Inc.

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

OTHER PARTICIPANTS

Robert Hope
Analyst, Scotiabank

Spiro Dounis
Analyst, Citigroup Global Markets, Inc.

Manav Gupta
Analyst, UBS Securities LLC

Maurice Choy
Analyst, RBC Dominion Securities, Inc.

Jeremy Tonet
Analyst, JPMorgan Securities LLC

Robert A. Catellier
Analyst, CIBC Capital Markets

Aaron MacNeil
Analyst, TD Cowen

Sam Burwell
Analyst, Jefferies LLC

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

Copyright © 2001-2026 FactSet CallStreet, LLC

MANAGEMENT DISCUSSION SECTION

Marlon Samuel

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

Good morning, and welcome to the Enbridge, Inc. Second Quarter 2026 Conference Call. My name is Marlon Samuel, and I am the Vice President of Investor Relations and Insurance. Joining me this morning are Greg Ebel, President and CEO; Pat Murray, EVP and Chief Financial Officer; and the Heads of each of our business units: Colin Gruending, Liquids Pipelines; Matthew Akman, Gas Transmission; Michele Harradence, Gas Distribution and Storage; and Allen Capps, 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. Please note this conference call is being recorded. As per usual, this call is being webcast and I encourage those listening 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 will be limiting questions to one plus a single follow-up, if necessary.

We will 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 teams will be available after the call for any follow-up questions.

On to slide 2, where I will remind you that we will be referring to forward-looking information on today's presentation and Q&A. 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 will also be referring to non-GAAP measures summarized below.

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

Gregory Lorne Ebel

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

Well, thanks very much, Marlon. And good morning, everyone, and thanks for joining us on the call today. We finished the first half of the year with a solid quarter two, reflecting strong financial performance and setting us up to achieve our 2026 guidance. Utilization remained high across all four businesses, including strong Q2 Mainline volumes averaging 3.1 million barrels per day. Alongside our partners in the Gulf, we began commissioning the Blackcomb Pipeline during the quarter, and are on track to bring it online by year end.

We also brought the Enbridge Houston Oil Terminal into service during the quarter. And within Liquids Pipelines, we sanctioned the Wisconsin Line 5 Relocation project. In Gas Transmission, we signed an exclusive option agreement, allowing Enbridge to acquire the TTC Connector Pipeline along the Gulf Coast, which connects Tres Palacios Gas Storage to Freeport LNG. In the Permian, we sanctioned the Bay Runner Twin project which, alongside the initial Bay Runner Pipeline, will serve Rio Grande's LNG facility along the U.S. Gulf Coast. All said, we are well on track to secure up to CAD 20 billion in new projects in the 2026-2027 timeframe.

Now, let's dive right into the quarter's presentation. As we outlined here, it is truly an exciting time to be in the energy industry. There is a widening array of opportunities in front of all four core franchises at Enbridge, reflecting possibly the best environment for growth that we've had in recent memory. That is visible in our CAD 50

Copyright © 2001-2026 FactSet CallStreet, LLC

billion of organic growth capital opportunities through 2030, and the fact that we've already sanctioned approximately CAD 9 billion of capital in 2026.

On the Gas Transmission front, we're hearing from customers in all regions of our footprint, including the U.S. Northeast, Midwest and Southeast. All are looking for additional capacity to support unprecedented power and LNG demand. In Liquids, we're evaluating a suite of optimizations across our systems to enable the wave of growth being discussed in both Canada and the United States.

Energy policy is shifting, and with the right implementation by governments, we expect real tailwinds across the continent, enabling project FIDs of critical liquids infrastructure investment. At our utilities, a combination of population growth, power needs, while maintaining affordability, are driving very strong rate base growth, particularly in the higher-returning U.S. markets we serve.

And finally, in our Power business, we're continuing to leverage our core partnerships with hyperscalers, like Meta, to secure long-term quick-cycle projects. Our secured growth backlog has grown consistently these past two years, alongside a continuous improvement in project returns. We're leveraging our scale, experience, and incumbency to improve build multiples, creating value for our customers and shareholders in ways that differentiate us from peers.

Now, let's dive into the business units. What is becoming increasingly clear is that the energy industry has re-entered a growth phase somewhat reminiscent of the 2012 to 2015 time period. As producers' confidence improves and the policy environment becomes increasingly supportive of growing production, new infrastructure will be required to support future growth across the continent.

In the WCSB, Enbridge is uniquely positioned across both the Regional Oil Sands system and our Mainline & Market Access network to help meet that infrastructure demand. Within the oil sands region, our network of 30 gathering lateral and Mainline pipelines serves approximately 50% of all oil sands production in Alberta.

We also have some latent capacity on those assets that can be optimized to support new and existing customers, leveraging our significant infrastructure to move product to both Edmonton and Hardisty hubs. On the condensate front, Southern Lights imports some 200,000 barrels per day into Canada, and the Norlite system can distribute well over 200,000 barrels per day of diluent further within Alberta for WCSB customers and has additional capacity. We expect those systems to play an increasingly important and expanding role, as production grows through the next decade.

Beyond our regional assets, construction is advancing on Mainline Optimization Phase 1 and the Southern Illinois Connector, as we advance 180,000 barrels per day of incremental capacity. Notably, these represent the first Canadian liquids U.S. egress expansions to reach FID since 2017. We are also adding reliability and extending useful life of our super system through our CAD 2 billion Mainline capital investment program that goes right through 2028. PADD III continues to be the premier market for incremental Canadian production. We see this in the recent successful recontracting of the majority of volumes on both Spearhead and Flanagan South, extending those commitments into the 2030s and 2040s, respectively.

Recent alignment between producers and governments continues to improve the outlook for future WCSB production growth. As our customers work with governments to finalize and implement fiscal, regulatory, and emissions frameworks which, in turn, will help frame their long-term development plans, we expect MLO2 and our broader opportunity set to evolve to meet industry needs.

Copyright © 2001-2026 FactSet CallStreet, LLC

In the near term, we're focused on advancing expansions on Flanagan South and Southern Access extensions as the next phase of sequenced growth across our Mainline & Market Access system. This quarter, we sanctioned the Line 5 Relocation project in Wisconsin. This CAD 1 billion investment supports critical energy infrastructure, serving the Great Lakes region. Construction is well underway with a quick-cycle in-service date expected in early 2027.

Today, we are connected to approximately 75% of North America's refining capacity and continue to provide the lowest cost, most reliable market access solutions for our customers. Taken together, our established footprint provides us with the depth of opportunity embedded within our Liquids franchise today. Whether production growth requires additional local or long-haul takeaway capacity, diluent transportation, storage, or gathering, Enbridge is uniquely positioned to customize and provide the infrastructure solutions needed to support the next phase of oil sands development.

The same could be said for our natural gas business, which we'll take a look at right now. Gas Transmission continues to benefit from strong fundamentals across LNG exports, utility demand, industrial development and, of course, growing power generation and data center requirements. This involves brownfield projects all across our footprint, including Valley Crossing, Texas Eastern, Vector Pipeline, and our systems in the U.S. Southeast.

In the U.S. Northeast, we're pleased to announce that our open season on Project Beacon significantly exceeded our initial expectations. We're working with utility, power, and data center customers to advance the project to binding commitments, while also progressing permitting activities, and we'll share further updates later in the year. We signed an exclusive option to acquire TTC Connector, which expands our Gulf Coast presence, connecting Enbridge's Tres Palacios natural gas storage operation to Freeport LNG. The project is fully underpinned by long-term take-or-pay contracts with BP. Our intention is to execute that option upon the facility entering service, which is expected around year end.

Alongside our Whistler joint venture partners, we also sanctioned Bay Runner Twin to serve additional liquefaction capacity for the Rio Grande LNG facility. The Blackcomb Pipeline continues to progress well, and we have started commissioning the pipeline as we work towards a full ISD in the second half of the year. And in Canada, we began construction on the CAD 4 billion Sunrise Expansion of our B.C. Pipeline system, providing capacity to serve residential, commercial, power generation, and LNG export demand.

Now, let's move into our utility franchises. Supportive regulatory jurisdictions give us confidence in stable, predictable returns and growth at the utilities. Whether it's capital investment riders, revenue decoupling, or performance-based rates, all four of our utility franchises have a mix of supportive attributes that help provide customers with affordable energy and, at the same time, allows us to quickly realize a return on capital.

As we continue to expand our rate base and serve more customers, timely recovery of capital is critical to supporting continued investment in the system and, we believe, all four jurisdictions in which we operate provide constructive regulatory mechanisms that support that objective. We have one active rate case, which is Enbridge Gas Ohio, and earlier this month, we received a staff response from the Public Utilities Commission. The report was a constructive starting point, as we're working towards a settlement for new rates expected to take effect in early 2027.

And now, I'll move on to the Renewable segment. Our Renewable Power business continues to grow through high-quality projects, supported by strong counterparties and long-term contracted cash flows. We are currently constructing over 2 gigawatts of power generation across North America and Europe, including the Sequoia Solar project that is on track to fully enter service by year end. Through our partnership with Meta, which now spans

Copyright © 2001-2026 FactSet CallStreet, LLC

four projects, we are on track to construct over 1.4 gigawatts of solar and onshore wind power generation and provide 1.6-gigawatt hours of battery storage. We're continuing to advance over 1.5 gigawatts of additional safe harbored opportunities with blue-chip partners.

With that, I'll pass it on to Pat to go over our financial performance through the start of the year.

Patrick R. Murray

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

Thanks, Greg, and good morning, everyone. High utilization across all four business units drove another strong quarter, despite continued geopolitical tensions and commodity price volatility. Compared to the second quarter of 2025, adjusted EBITDA increased over CAD 130 million. In Liquids, higher spot volumes on the Seaway Pipeline and stronger volumes on our Mainline and Line 9, in addition to various optimization initiatives, drove an increase in year-over-year EBITDA. This was partially offset by lower tolls on Line 9.

In Gas Transmission, a constructive rate case outcome at East Tennessee and a phased step-up from our previously announced rate settlement in Texas Eastern drove higher EBITDA. Gas Distribution benefited from higher base rates following the recent rate cases for Enbridge Gas Utah and North Carolina. These operating results, along with lower maintenance capital, supported the increase in DCF per share. Earnings per share was slightly down versus prior year due to higher depreciation from assets placed into service and increased interest expense on higher debt principal.

Based on our continued momentum and outlook, I'm pleased to reaffirm the 2026 guidance established last December. Our resilient business model continues to deliver strong and predictable results across a wide range of market conditions, as demonstrated by our performance, amid ongoing macroeconomic uncertainty, commodity price volatility, and evolving global trade dynamics. Favorable contracting in our Gas Transmission assets and recent strong performance at our Seaway assets provide tailwinds for 2026, while lower market access contributions in LP and higher U.S. interest rates act as headwinds for the full year.

Now, moving on to our capital allocation priorities, which remain unchanged. We continue to equity self-fund our growth, and our balance sheet remains strong. We exited the second quarter of 2026 at 5.1 times debt to EBITDA, primarily due to the quarter end CAD/US spot rate increasing to CAD 1.42, compared to the average for the quarter of CAD 1.38. Adjusting for this FX impact, debt to EBITDA would be within our target range for the quarter.

Growing our dividend remains central to our strategy. Over the past five years, we've returned CAD 38 billion to shareholders and expect to return between CAD 40 billion to CAD 45 billion over the next five years. Our CAD 41 billion backlog provides a clear runway for growth through the decade, supported by a disciplined focus on low-risk accretive brownfield investments.

With that, I'll hand it back to Greg to conclude the presentation.

Gregory Lorne Ebel

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

Thank you, Pat. And as we step back and look across the business today, I believe, the Enbridge investment proposition has never been stronger. At its foundation is stability, delivered through the low-risk, utility-like business model and our diversified asset base. This strength is reinforced by predictable cash flows, a disciplined balance sheet, and a proven capital allocation framework. Consistency remains a defining characteristic of our

Copyright © 2001-2026 FactSet CallStreet, LLC

company, demonstrated by 31 consecutive years of dividend increases and a long history of delivering on our commitments to you.

Looking forward, the company's growth is supported by our CAD 41 billion secured capital backlog and an even larger growth opportunity set across liquids, natural gas transmission, gas utilities, and renewable power. And, perhaps, most importantly, we maintain significant optionality. Few companies have the ability to allocate capital across four complementary energy infrastructure franchises, while leveraging the scale, customer relationships, and market positions that Enbridge has built over decades. Taken together, those advantages position us to capture growing demand for reliable, affordable, and sustainable energy, while continuing to generate attractive returns for shareholders in ever-changing market conditions.

And with that, I'd like to thank you all for listening, and we'll now open the line for your questions.

QUESTION AND ANSWER SECTION

Operator: We will now begin the question-and-answer session. Your first question comes from the line of Robert Hope with Scotiabank. Robert, your line is open. Please go ahead.

Robert Hope
Analyst, Scotiabank

Q

Yeah. Good morning, everyone. Maybe we can dive a little bit into the MLO2. In your prepared remarks, you mentioned that it's evolving into a broader set of opportunities. Can you maybe add some color on kind of what drove this outcome, as well as when could we expect to see incremental clarity on the timing, as well as the shape of any opportunities there?

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

A

Yeah. Let me hand this to Colin, but maybe just let's recognize, first and foremost, the real possibility that we really are in, I think, what is a generational change, for the positive, for the WCSB oil and gas production-enhanced infrastructure. And after a couple of decades of producers, frankly, having their hands tied behind their back by governments, the changes proposed by the Canadian Alberta government to free up production growth are really dramatic. That said, until producers see all those proposed changes and implemented. So, they really are sequencing – or resequencing what they think their pipeline needs are going to need. So, it's really about us customizing solutions for them.

But, Colin, maybe I'll turn it to you to go deeper into MLO2.

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

A

Yeah. Yeah, happy to. And, yeah, we are quite excited about the coming policy environment. We've been advocating it for years on behalf of industry and Canadians and, frankly, all North Americans, and should be a huge tailwind to the incumbent super system we've already built and plumbed into it, which you're familiar with.

However, producers and governments are still in a non-binding MOU stage, which is fine, but it'll take likely some quarters to flush that out, to negotiate it, to convert it, to implement it into law. And, therefore, we don't expect producers to start meaningfully FID-ing production growth yet. And the companion point is, nor do we expect

Copyright © 2001-2026 FactSet CallStreet, LLC

producers to be making binding FID-able commitments to new pipelines until then. Now, there's an order of operation, right, production policy, production pipelines. We've talked about that for many quarters now, and that order of operation will be respected, it looks like.

So, our competitive response to that is that we are – on MLO2, Rob, to your point specifically is, we're disaggregating and resequencing segments of our MLO2 path, and we'll be now focusing on the Chicago South market access segments first. This will effectively move existing egress barrels further south to lower PADD II, PADD III refining centers, and multiple U.S. Gulf Coast export options. We'll be expanding the downstream sections. This will still require significant capital, but the scope is simpler and will yield better economics for us here initially.

Now, the downstream section going before the upstream section, if you like, simply will create a small imbalance in the system, but we expect this to be temporary until the Mainline portion is optimized or expanded later. But we think this will be manageable for everyone. And so, we've got lots of options. We have lots of Mainline Optimization designs and scopes and numbers, as we've talked about. And if there is tightness in 2028 resulting from this slight delay, we'll solve that with either MLO2 or another MLO design and scope for industry.

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

A

Yeah. I think, it's actually, Rob, a better customized fit for the producers, because as – and, I would say, for investors in many respects, too. And, I think, you'll see that in the coming quarters. And as Colin says, create some – with that resequencing or pivoting, some of that tightness in the Mainline. Then, we'll be ready to solve that bottleneck issue for our customers as that comes into focus as well.

Robert Hope
Analyst, Scotiabank

Q

Great. Appreciate the color. And then, maybe just moving a little bit more north from the Mainline, you did highlight kind of the Regional Oil Sands franchise, which does have a number of pipes going north and south there. If we do see a renewed production growth out of the oil sands, can you remind us, how much latent capacity you do have on the oil sands pipeline network, as well as kind of what some optimization or expansion opportunities could come?

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

A

Yeah, sure. I mean, this is – I appreciate the question. I mean, a rising tide should lift all boats, and we've got circa CAD 130 billion of enterprise value already pre-plumbed into this. So, we do have some latent capacity in the regional area, as you pointed out, although there will be some bottlenecks in certain parts of that network. Consider we have seven trunk lines that feed Fort McMurray down to Edmonton and Hardisty.

As a reminder, we've got indigenous partners for 11% of that. But – so there will be some immediate investment opportunities. We're in active conversations with a number of producers on that basis and expect to take some FIDs on some incremental capital in the near term. But there also is some operating leverage in the system, Rob, to your question and point.

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

A

Copyright © 2001-2026 FactSet CallStreet, LLC

Yeah, it's a really good point, Rob. And don't forget, obviously, Norlite, Southern Lights, so the diluent facilities up there, too, that we'll see how this all goes out. But that's going to be an opportunity for us interconnected with that.

Robert Hope
Analyst, Scotiabank
Q

Thank you. I'll hop back in the queue.

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

Thanks, Rob.

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

Thanks, Rob.

Operator: Your next question comes from the line of Spiro Dounis with Citi. Spiro, your line is open. Please go ahead.

Spiro Dounis
Analyst, Citigroup Global Markets, Inc.
Q

Thanks, operator. Good morning, everybody...

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

Good morning.

Spiro Dounis
Analyst, Citigroup Global Markets, Inc.
Q

...Want to start with return on capital here. Greg, you mentioned this being the best environment for growth in over a decade, and that's clearly manifesting itself in the opportunity set moving higher. But curious what that's translating to when we start to think about returns? I guess, the last data point we got from you on 2025 is projects that year were crossing at a ROCE around 11%. I guess, we can see here, customers are now finally sort of recognizing the value of infrastructure in the ground more than before. So, curious what you're seeing on your end? And if we can expect maybe some upward pressure on that return threshold?

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

Yeah. I think, it depends on where we are. Obviously, in the Liquids business, we see the best returns on our capital, just given the size of the footprint, if you will, and the ability, as Colin just mentioned, to use some operating leverage there, and then on the gas pipelines side as well. And it's a difference between Canada and the United States. But, look, on the entire base, we're trying to move it up, if we can add 100 basis points on a return on capital employed, and that's the target, and we're making good progress on that. That's incredibly valuable. And so, it's not just revenue. It's also build multiples.

Obviously, that feeds into that, given our size, our ability to buy pipe, our ability to buy compressors, our ability even on the distribution side to buy meters, given the size. So, it's not a one thing. It's on all of those fronts. And, I

Copyright © 2001-2026 FactSet CallStreet, LLC

think, the nature of most of the projects you see us build are brownfield that help that as well. So, yeah, 100 basis points on the enterprise value, obviously, creates some real opportunity.

Look, that's harder to do in the pure regulated elements of it, like the distribution company, but making sure that we actually earn our regulated rate of return in each of those areas. And I know Michele and her team have done a nice job of moving that up to make sure you fully get that. That may, in investors' minds be, well, of course, you're going to do that, but that's actually just doesn't follow. So, all of those pieces, and given the size of the base, that 100-basis-point move, extremely valuable to us.

Spiro Dounis Q
Analyst, Citigroup Global Markets, Inc.

Got it. It's great to hear. Second question quickly, maybe just going to Project Beacon, as you noted, received significantly more interest than you all expected, and I realize maybe there's more updates to come. But just curious, can you talk about your ability to maybe expand the scope, or maybe even potentially sort of develop a second phase of the project to accommodate all that demand?

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

Matthew is here. So, I'll turn that to Matthew.

Matthew A. Akman A
Executive Vice President & President-Gas Transmission, Enbridge, Inc.

Yeah. Thanks for the question. This is really a great example of how we're seeing, as Greg talked, gas demand across all of our footprint in Gas Transmission right now for all kinds of requirements. I mean, some of that is, obviously, power and data centers, and some of it's just catch up in terms of being behind and building infrastructure. And, I think, Beacon and New England is probably the best example of that, where everyone knows we've needed more gas pipeline capacity into there for quite a while. We are, right now, working on Algonquin enhancement there, which is a 70,000 a day project.

Based on the interest we got for Beacon, which would be another phase, as you alluded to, we would expect that to be multiple times of that size that we're currently working on actually in a phase. You talked about different phases. And there's a real recognition we found in the response to the open season of the need for that capacity for affordability and reliability to reduce emissions from oil burning power as well, and energy costs generally. We've got studies that suggest, depending on how big this project is, it could save over CAD 1 billion for utility customers a year in New England. So it's very, very compelling, and we're really pleased that our customers and all the stakeholders there are recognizing the importance of it.

So, it's something we're definitely going to pursue commercially here as the need is very strong. Of course, there's a lot of hurdles to pass. And as you all know, permitting is the number one thing there. So, we'll obviously maintain our discipline, as we pursue this and ensure that the permitting risk is very manageable. But we see this as a very promising project, one of many across our entire systems here going forward.

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

Hey, Spiro, I think the other – I think Matthew outlined it well, but his last point is that, to your first question as well, us having good regulatory excellence and the way we do these things and making sure we're not taking on inordinate risk and quickly get through regulatory hearings and filings, that also goes to improving our returns, too,

Copyright © 2001-2026 FactSet CallStreet, LLC

right. The quicker we can get from contracts to regulatory to actually getting that cash to work is critical, and we're seeing that right across our entire businesses. But this project, that'll be very important for us.

Spiro Dounis
Analyst, Citigroup Global Markets, Inc.

Q

Got it. That's great color. I'll leave it there. Thanks, everyone.

Operator: Your next question comes from the line of Manav Gupta with UBS. Manav, your line is open. Please go ahead.

Manav Gupta
Analyst, UBS Securities LLC

Q

Good morning. I wanted to go back a little, and two or three years ago, you guys were barely present in the Permian gas. Now, you're one of those people who is leading the charge, two big pipes coming on, and then other opportunities which we are seeing, this Twin for the Bay Runner. Can you talk about your Permian gas strategy, and what's going in the basin, and all the ways Enbridge can benefit from it?

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

A

Sure. I'll go to Matthew. Yeah, you're right. Well, first of all, thanks for the compliment. I think the teams successively, in Gas Transmission, have made a real move there through WhiteWater, which, I think, you're talking about. But I'm sure, Matthew, you want to touch on the LNG and storage strategy there, because all that is very much tied back into the Permian.

Matthew A. Akman
Executive Vice President & President-Gas Transmission, Enbridge, Inc.

A

Yeah. Thanks a lot for the question. It's something that we've looked at strategically and advanced very intentionally in the last few years. Obviously, our position in the WhiteWater assets, and now, the sanctioning of this second phase of Bay Runner which is great. There's a lot more to do there just in those assets in terms of expansion. And it's not just in the main pipelines, but there's also potential storage expansion, for example, in that footprint.

And then, downstream as well, and that's probably the next big opportunity is just when that gas hits kind of the Corpus or mainly the Houston market, where does it go from there? And we have the ability to move that gas around with our Texas Eastern footprint in and through the Gulf Coast area, and that gas is going to want to continue to move further east for various purposes, industrial and, as Greg mentioned, LNG. And so, we're pursuing a whole bunch of stuff on that front.

And then, finally, on the storage front, we've talked about our storage expansion, and last quarter, we announced the expansion of Tres Palacios, which receives a lot of that gas. We've got now about almost 50 Bcf a day of expansion across our own wholly-owned Gulf Coast storage facilities. So, lots of opportunity there, and we recognize, appreciate you raising that.

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

A

Copyright © 2001-2026 FactSet CallStreet, LLC

Hey, Manav, the other – yeah, it's a great question. You will not be surprised that this is a replication strategy that Matthew, and before him, Cynthia and Allen here who's running the Power business now, have built for a long time. But it's a replication of Colin and his team's strategy, as we built up from the water in Ingleside, then back in on the oil side for Gray Oak and those pipes, and continue to look at those opportunities. So, this has worked well, this is how you build super system, this is what a good super system looks like, and we're going to keep doing that, both on the oil and gas side. So, I think, the coming quarters, we'll have some exciting elements to that on both fronts.

Manav Gupta
Analyst, UBS Securities LLC

Q

Perfect. My quick follow-up here is, because so many good things are going on in the company, sometimes, the one part of the portfolio which doesn't get enough credit, in our opinion, is your renewables portfolio. I don't think there are that many companies out there that have a 1.4-gigawatt partnership with Meta, and then, I think, the tax credits it gives you. So, can you talk a little bit more about your renewables portfolio, and all the good things that are happening over there?

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

A

Yeah, I think, absolutely. And, I think, since Enbridge Day in just about 14, 15 months ago, we've actually FID-ed CAD 3.4 billion worth of renewables. But I know, Allen, you got lots of other plans, too.

Allen C. Capps
Senior Vice President-Corporate Strategy & President-Power, Enbridge, Inc.

A

Yeah. Manav, thanks for the question. And a lot of credit, too, goes to Matthew, who really built this business up. Right now, we've got, as you see from the slide, over 1.5 gigs just under construction. And a lot of that is with Meta, as you mentioned, also AT&T, Toyota, and others. So, real blue-chip customers that we're really getting. And, I think, you can attribute that to the Enbridge brand, our size, and scale at the end of the day.

Also, on the safe harbored side, we got about another, call it, 1.5 gigs of opportunity there, which gives us a lot of time as, I think, this tax credit thing gets sorted out. I do believe that – and I've talked to a lot of others in the industry that have the same opinion that, even once you move past the safe harbored opportunities – the safe harbor tax opportunities, that there are ways to make these projects economic without the tax credits, even in a tariff environment, because, frankly, they're needed.

In order to meet the electricity demand that we have up there, that you're going to need renewables to supplement what's probably going to be mostly natural gas that's really going to end up doing most of the – supplying a lot of that demand. But renewables are going to play a big part as well, and that's why we're so excited about this business, and why it's a part of the portfolio.

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

A

Yeah. And it also speaks to that all-of-above strategy. So, I appreciate your comments on the renewables. But let's not forget, this company, Enbridge, since, again, Investor Day, we are either constructing, or have sanctioned 10.5 gigawatts of power infrastructure. And what I mean by that is, you got the renewable piece that we just talked about. But let's not forget, at the utility, we're building the T15 line, which supports about 2.5 gigawatts of power in North Carolina.

Copyright © 2001-2026 FactSet CallStreet, LLC

The SESH project we announced; AGT first round; Tennessee Ridgeline, which will come in at the end of the year; Line 31 at Louisiana; Vector, which we own 60% of, those projects, all told, those all account for 10.5 gigawatts, largely supporting power. So, it's all of the above. People are less interested in what color your electron's on or your molecules. They need it from an affordability perspective, from an industrial growth perspective, and, I think, we're delivering on that with more to come.

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

Thanks, Manav.

Operator: Your next question comes from the line of Maurice Choy with RBC Capital Markets. Maurice, your line is open. Please go ahead.

Maurice Choy
Analyst, RBC Dominion Securities, Inc.

Q

Thank you and good morning, everyone. Just wanted to come back to MLO2. It sounds like the upstream project has been postponed for time being. And I wonder if you could just dive a little bit deeper as to what has changed in recent months, whether that be a cost or customer demand thing, or other elements.

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

A

I don't think it's either one of those, but I think about – as I said, I mean, I think about this as the geopolitics of volatility and the psychology of sanctioning projects, right? So, just think, in the last six months, we've seen WTI go from CAD 63 to CAD 113, back to CAD 69, then to CAD 92. And in the last 30 days, it's gone from below CAD 70 to above CAD 90, back below CAD 80, and now, I think, I've checked this morning, but a little over CAD 80. So, the Strait of Hormuz has gone from being an open to close to maybe it's open to maybe 20% or 80% open.

And then, you've seen governments made pretty dramatic moves in terms of their policy stance, et cetera, and then throw in a little Venezuela there. So, I think, you can see, there's a fair bit of a challenging backdrop for producers, refiners, exporters, and pipelines to fully commit to large-scale projects. But let's make no mistake, that is coming, because the needs are there. Tightness, look at the refineries. Refineries in North America are running at the high-90s. All this says they need more capacity, they're going to need more pipeline capacity, and then, of course, North American export. It's just until we get through that volatility piece, people are going to be focused on, give me customized solutions that I can utilize, and I'll deal with the bigger solutions as we go forward.

So, Colin, you might want to add to that?

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

A

Yeah. I think – what's changed? I think just the pace of policy implementation. It's taking a little longer. It's all positive. And like we said, we have been advocating for it. But it just does take a little time to get flushed out to put into paper. And producers are behaving with discipline, which I respect. I think they'll get there. We were just a

Copyright © 2001-2026 FactSet CallStreet, LLC

little too quick off the line here, but we've started those conversations, and there's a lot of support for Mainline egress.

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

Yeah. I think, you're going to see more opportunities attached to this. And think about the Gulf Coast, too. And the great thing is, what are the two best places to be in North America when you've got this environment? It's the Permian and the Western Canadian Sedimentary Basin. And where is Enbridge oil business? Right there, serving PADD II and PADD III, and 75% of the refining capacity in North America. So, yeah, I don't think it's so much of a change as just getting, as Colin says, the gun to go off for the race and getting to the finish line.

Maurice Choy
Analyst, RBC Dominion Securities, Inc.
Q

Understood, that makes sense. Thanks for the color. If I could just finish off with a question on the balance sheet. Pat, I think, you mentioned that the debt to EBITDA is a little bit over 5 times. But after you adjust for FX, it would be within your target range. If I look at one of your slides in your pack where the CAD 41 billion of secured capital program, I'm guessing about 40% of that is coming to service in 2027 with CapEx being spent today and the coming quarters. So, I wonder if you could just give us a little bit of a trajectory as to how you think debt to EBITDA metric will progress through the end of 2027.

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

Yeah. So, I think, we're pretty comfortable with our leverage levels, as you noted, at 5.1 times at the end of the quarter. But if you adjust for FX, within that 4.5 times to 5 times. And you're right in that we'll have actually a fair – decent number of projects coming into service near the end of this year, and then a big chunk of them kind of, call it, the back half of next year. And so, I think, we'll stay near the top of that range during that period of time.

But we're comfortable that with the levers we've got, whether that be just cash flow we're generating, whether that be we got some hybrid capacity, potential asset sales, monetization, things like that, that we should be able to manage well within that range. So, we're excited to continue to build out this portfolio. The other thing I'd say – mention about that portfolio, we've talked a lot about is that it's right down our fairway from a risk/reward perspective, and right in our core business, which is fantastic. So, we feel really comfortable with the leverage that we got, and the tools we have to manage that as we go.

Maurice Choy
Analyst, RBC Dominion Securities, Inc.
Q

As those assets come into service in the back half of 2027, presumably, on a run rate basis, you're probably in the lower to mid part of that 4.5 times to 5 times range?

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

Yeah. I mean, I guess, that probably will be determined by what other opportunities we secure in that window. If we start securing larger projects over the next little while, there probably won't be a lot of capital in 2026, but there could be some capital in the back part of 2027. So, I'm not sure we'll be in the lower part, but it should naturally come down as cash flows come on. But that'll be a bit determined by the amount of capital that we see. And the truth is, we're seeing a lot of opportunities. So, we'll see how those evolve over the next little while, but we're really comfortable that we can maintain that as we go forward.

Copyright © 2001-2026 FactSet CallStreet, LLC

Maurice Choy
Analyst, RBC Dominion Securities, Inc.

Q

It's great to hear. Thank you very much.

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

A

Thank you.

Operator: Your next question comes from the line of Jeremy Tonet with JPMorgan. Jeremy, your line is open. Please go ahead.

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

Just wanted to drill in a little bit, if we could, the CAD 20 billion project sanctioning target for 2026-2027. Already CAD 9 billion in the bank, so a good portion there. But just was wondering specific number there putting out this quarter, just wondering if you might be able to dive in a little bit more on specifically the types of projects, the areas. Is this largely nat gas logistics to service power? Or are there other elements to this CAD 20 billion target we should think about?

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

A

Yeah. Well, it's a good question. And maybe the one slide, I think, that's in there is a good one to look at for investors, that number 4 slide, which, as you say, we've sanctioned CAD 9 billion year-to-date, which is a great start to our kind of up to CAD 20 billion through 2027. But if you could look on that other chart, I would expect, you're going to start to see more on the Gas Transmission side and, obviously, the Liquids side, a good jump on Renewables and Gas Distribution. Maybe those are a little bit ahead.

But some of the projects on the Gas side take a little bit longer. And yes, as Matthew talked about, like Beacon, is going to serve, yes, customers up there, but important for power producers up there. He may have mentioned, but I think we've said to folks, even the Governor of Massachusetts suggested independent power producers sign up for projects like Enbridge's. And then in the Southeast, you'll see opportunities down there.

As you know, lot of growth in that neck of the woods tied to power, but also just industrial growth and data centers. So, it's right across the whole board, and then – but I would expect to see a significant portion of the go forward coming on the gas side to serve not just power, not just LNG, not just storage, but also industrial onshoring. So, it's all of the above opportunity for Gas.

I don't know, Matthew, whether you want to add to that?

Copyright © 2001-2026 FactSet CallStreet, LLC

Matthew A. Akman
Executive Vice President & President-Gas Transmission, Enbridge, Inc.
A

Yeah, sure. Thanks, Jeremy. It is a very exciting time for the Gas Transmission business. And, I mean, as you know, I mean, Enbridge, we don't announce projects until they're fully baked, but there's a lot of activity going on across our entire footprint. And it isn't – some of it is power, but not necessarily data center power. A lot of it is within utility footprints. And those are – some of our favorite customers is the big regulated utilities.

I mean, when you look at what's happening across our footprint, Greg did mention the Southeast, and you look at what's happening in Florida, for example, and we've got big interest in two out of three pipes there. We talked about the Northeast, Texas Eastern across the entire Gulf Coast. So, we do see it across all pieces. We do expect to punch above our weight in Gas Transmission. Some of that could be chunky, of course, because some of the projects, as Greg said, it'll depend on the customer timing. But very active conversations going on, and we're optimistic that we're going to be contributing more than our fair share over the next 6 to 12 months in Gas Transmission. So, great outlook there.

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

And, Michele, I don't want to – but, sometimes, I think, we forget the distribution company, and just how much its rate base is growing, serving all those. But do you want to speak to that, particularly in the U.S.?

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

Sure. I mean, we're very happy with the U.S. utilities, and we have been very pleased with the growth that we're seeing out of them. In fact, we're forecasting well above 8% rate base growth in the utilities, and that's ranging anywhere from 5% plus in Ohio, where we really saw it as more of just a stability kind of market.

And now, we're seeing a lot of growth tied to data centers and things like that, all the way up to 19% in North Carolina. We've talked about a few of the big projects, like our Moriah Energy Center T15 project to serve Duke and coal to gas conversions. But just like Greg alluded to, we're seeing industrial reshoring, manufacturing growth. Residential growth has remained strong across the board. And I can't pass over Utah as well, where we see about 8% rate base growth, and that's where we've already connected to several data centers.

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

So, good, as you can see, Jeremy, right across, and definitely Gas a big focus, and we've already talked about Liquids and Renewables.

Jeremy Tonet
Analyst, JPMorgan Securities LLC
Q

Got it. Very helpful. And then just a smaller detail question for myself. I was wondering, as it relates to Blackcomb, when you say it's commissioning now, does that mean it's like blowing a quarter of the gas, and it will be full by year end? Or how should we think about that ramp?

Matthew A. Akman
Executive Vice President & President-Gas Transmission, Enbridge, Inc.
A

Copyright © 2001-2026 FactSet CallStreet, LLC

Yeah. I think that's probably fair. We can get back to you on the details on that, Jeremy. But, yeah, it's just ramping up now through year end.

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

A

Yeah. As you know, as we introduce gas, you want to make sure things are running right, compression right. Yeah, it's just the general ramp-up. You'll be at full tilt, I think, by end of the year, Matthew. As we know, there's plenty of gas to move out of the Permian and we saw that coming, and that's going to continue to be the case here. So, yeah, I would argue, the second these things are fully turned on, they're full. And so, really, what it's going to speak to. So, ask us that question, as we get to the end of the year, how full it is? And, I think, the response will be full. And, hence, here's what else we got going on.

Jeremy Tonet
Analyst, JPMorgan Securities LLC

Q

Got it. That makes sense. Thank you.

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

A

Thanks, Jeremy.

Operator: Your next question comes from the line of Robert Catellier with CIBC Capital Markets. Robert, your line is open. Please go ahead.

Robert A. Catellier
Analyst, CIBC Capital Markets

Q

Hey, good morning, everyone. I just wanted to go back to the WCSB and the Liquids outlook, understanding that there's still work on the policy side. But it does feel like we're going to get to a place that will promote production growth. So, in that context, we're likely going to need additional condensate. So, I was wondering if you could speak to the outlook for your condensate tools there, and specifically Southern Lights, what type of ability you have to expand capacity there, both with and without looping?

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

A

Yeah. Robert, great callout. And, indeed, as the basin grows by 1 million barrels a day, 2 million barrels a day, 3 million barrels a day, 4 million barrels a day, which is the ambition, it's quite a game changer here. So, diluent will be needed to enable that. You're acutely on it. And the good news is Enbridge has a full value chain to import condensate on Southern Lights and Norlite, and there is a meaningful headroom on both those assets prior to looping, right. So, we'll continue to commercialize those, and even look at other solutions to come in behind that in a batting order kind of context. So, we've got a full strategic playbook for that as well, and we're a leader in that space.

Robert A. Catellier
Analyst, CIBC Capital Markets

Q

Okay. And then, maybe a question for Michele here related to Ohio. Obviously, there was a very good support from the staff on your rate case. But I can't help, but notice, there was also some legislation tabled suggesting a

Copyright © 2001-2026 FactSet CallStreet, LLC

utility rate freeze for a year. So, maybe, you could walk through that and your regulatory strategy in Ohio to address that. It just seems a little bit reminiscent of Enbridge Gas New Brunswick.

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

Yeah, you bet. So, first of all, you're right that we received the staff report at the beginning of July, and we're very pleased with their position. It's constructive. We're going to enter into settlement discussions here. There is a hearing scheduled for the end of September, but we're pretty optimistic that we can land in a good place on settlement. The particular legislation you're referring to, it was – when we had a look at it, I mean, I think, it's very indicative of folks' concern around affordability, and I'll touch on that in a second. The legislation itself, the way it was brought forward, it missed some particularly relevant deadlines in order to be able to get through. So, we don't see it as a specific threat.

But, I do think, we need to stay very focused on the affordability side of things, whether that's in Ohio, or any of our jurisdictions. In Ohio, we are the lowest cost to serve, as we've talked about many times. I mean, next to the three other LDCs, we're anywhere between 40% and 70% lower, especially once you've included the commodity cost, because we've invested so much in making sure they have access to the commodity.

But, as Enbridge Gas writ large, we're really looking at, and Greg alluded to this earlier, how can we leverage our scale, our size, our buying power to continue to drive affordability for our customers? There's no question, we've done some polling across our franchise areas, both in Canada and the U.S. And the residents of those regions describe themselves, not just as frustrated, but angry about the cost of things. 80% plus are angry about the cost of things. So, it's on us as utilities that are in service to our communities to focus on that. And it's also through things we've talked about. And, I think, at the last earnings call, we talked about our investment in storage as an example.

Ontario's storage this winter saved our customers CAD 200 million. In Ohio, it saved them CAD 100 million in avoided cost, because they didn't have to buy at the peak of the season. So, we're extremely focused on that. And even in the regions where we're growing, like North Carolina, we really believe in that principle of growth, financing growth, and we're seeing that. So, I don't mean to be, in any way, shape, or form, dismissive of that legislation. But that particular piece, we don't see it gaining traction, but the overall affordability concerns that we're seeing is definitely something we're focused on.

Robert A. Catellier
Analyst, CIBC Capital Markets
Q

Yeah, there's a lot more to affordability than just that piece of legislation. Thank you.

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

Thanks, Rob.

Operator: Your next question comes from the line of Aaron MacNeil with TD Cowen. Aaron, your line is open. Please go ahead.

Aaron MacNeil
Analyst, TD Cowen
Q

Hey, morning, all. Thanks for taking my questions...

Copyright © 2001-2026 FactSet CallStreet, LLC

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

A

Good morning.

Aaron MacNeil
Analyst, TD Cowen

Q

...I wanted to follow up on Rob's question on Southern Lights. Can you give us a sense of sort of the range or quantum of different capacities you could potentially bring on with an expansion? And what would the potential timelines be for those range of solutions to come into service?

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

A

Yeah. Like I said, we have headroom on both those pipes and without twinning. So, this is just compression or pumping. So, like the rest of the playbook, we intend to bring that on in pieces as needed. You'll see in our disclosures here, we've recently moved Southern Lights from kind of a cost to service model to a contract model with an upward kind of tilted return, if I can borrow a term from the past, and of inflators, and we'll bring on capacity as needed. Likewise, on Norlite, and we'll work with our partner on that, that often folds – the diluent conversation often folds into the regional kind of gathering conversation with shippers. They often want to procure both those solutions together, and we can bundle up those packages for them, if that's kind of helpful in the commercialization outlook.

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

A

But in fairness, it kind of goes back to the other issues we've talked about. I mean, production is going to drive when that comes on. So, as we see greater clarity on policy legislation, actual implementation, and then our customers taking decisions on actual investments in production growth, that'll drive that. So, we're not trying to be – we're not trying to push off your question there and, I think, that that's the next milestone to watch for.

Aaron MacNeil
Analyst, TD Cowen

Q

Yeah. I guess, what I'm trying to get at is, if you think that domestic production can't keep up with sort of the demand, like do you think Enbridge will be able to deliver that condensate that the industry needs under sort of the range of potential outcomes here? Like, how do we think about that?

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

A

Yes, it is. Yeah. Domestic supply will be insufficient as this ambition is realized, and there's a number of parties leaning into this ambition now. So, domestic supply of condensate will be insufficient, and we'll need to import more. And even beyond that, we think that, like I alluded to earlier, there will be additional import solutions required. Like, if you recall back to Northern Gateway 12 years ago, we had contemplated a companion diluent import line. So, we've been thinking about this equation and problem for a long time. We're on it.

Aaron MacNeil
Analyst, TD Cowen

Q

Copyright © 2001-2026 FactSet CallStreet, LLC

Okay, great. And then, maybe just one more. As it relates to the standalone Flanagan South and Southern Access Extension opportunities, are you at a stage where you can better quantify the improved initial economics, as you refer to it, or the capital scope of those projects?

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

Not quite yet. We'll reserve that for an FID disclosure, but it is significant. It's not as big as MLO2 to be fair, but – the capital I mean, but the return output is disproportionately attractive.

Aaron MacNeil Q
Analyst, TD Cowen

Okay. Thanks. I'll turn it back.

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

Thanks, Aaron.

Operator: Your next question comes from the line of Sam Burwell with Jefferies. Sam, your line is open. Please go ahead.

Sam Burwell Q
Analyst, Jefferies LLC

Hey, guys. Good morning and thanks for squeezing me in at the end. One more on MLO2. I mean, should we assume a very short time lag between these downstream expansions, and then, ultimately, an upstream expansion of the Mainline? And just, like, is the expiration of the Mainline tolling settlement, any consideration in this in terms of when you would want to push through the Mainline expansion?

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

TBD. I mean, it could be any of those, honestly. But, I think, you surface an important distinction, which is, I mean, does it have to be the exact same scope as MLO2 as the solution? It does not. It could be a different version of it. We have lots of MLOs designed. We can manage in the interim with that imbalance. But to your other point, we could also scope into the next Mainline negotiation a capital expansion. Anything's possible here. And, I think, to Greg's point earlier, we have a number of solutions. We'll remain agile. We want to be kind of customer-led on this. And there will be a solution at some point. It's not a question of if, it's when. The Mainline will most probably be expanded for 136th time at some point, right?

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

Yeah.

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

And we may have a label for it, we may not have a label for it. Maybe there's a digital solution. There's seven pipelines in the right-of-way, 36 inch to 48 inch. There's potential to crossover pipe. There's all kinds of solutions here. So, I just ask everyone to remain kind of patient and agile here, and we'll continue to serve the basin.

Copyright © 2001-2026 FactSet CallStreet, LLC

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

Yeah. And let's not forget, we're adding 180,000 barrels a day with our MLO1 and the SIC project, which, I believe, is the only FID-ed egress out of the basin in a decade. And let's not forget the further south as well. Our producers are always looking for how else can they get to market. And, yes, Mainline and the market-facing pipes, but we also have Ingleside as well, too. So, if you can find a way to get producers to different markets, and they're not just price takers, we're looking at that, too.

So, I think, all of this is tied up back into that whole geopolitical volatility and the psychology of sanctioning projects which, I think, is a winner for the Enbridges of the world when you have multiple different – I know you used to speak about it as a Swiss Army knife, but we actually have several Swiss Army knives as it's turning out, whether it's on the north or the south of Liquids side, on the Gas side, and even the Distribution side as well now, too. So, yeah, stay tuned, Sam.

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

One of the ahas, I think, the market's observing through this Iranian conflict and Hormuz bottleneck is products – on the demand side.

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

Yeah.

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

So, product shortages globally. Refineries which were plumbed to 75% of the U.S. refining capacity. Refineries are being pushed really hard to supply that product, not just for the U.S., but globally. And it's our emerging belief that the U.S. refining kit is likely to rerate upwards. And so, that is a positive, I think, emergence in this supply/demand equation.

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

Yeah, it's a good color. You take 5 million or 6 million barrels a day of refining capacity out through Hormuz, and then the Russian situation, which people thought that war was going to last for weeks, and it's now lasted longer than World War I. And that stuff may not come back very fast. And even when it does, yeah, North American refining capacity's got an opportunity to be out of the fray, if you will, and have a great basins – multiple great basins to pull upon. So, yeah, I think that that macro backdrop is excellent as well.

Sam Burwell
Analyst, Jefferies LLC
Q

Sure. Thanks for the extra color, guys.

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

Thanks, Sam.

Copyright © 2001-2026 FactSet CallStreet, LLC

Operator: Your next question comes from the line of Benjamin Pham with BMO. Benjamin, your line is open. Please go ahead.

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

Q

Hi. Thanks. Good morning. You mentioned the favorable recontracting environment, especially on the Gas side, and you have a number of projects there moving forward, what we've been seeing better returns. How do you think about your return – or how does analysts think about the return profile on existing assets, the trend on returns, where it's going? And then, just on that CAD 20 billion of opportunity, does that effectively fill up your white space through the end of the decade? Because from what we can quickly see, it seems like it does fill up a big chunk of it.

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

A

Yeah, I think, that's fair. On recontracted projects, well, again, you're looking at, I think, S&P just updated their gas demand outlook for North America right through 2040 that moves it up significantly. So, infrastructure is still hard to build. So, whenever we go to recontracting, the rates are as good, if not better. Texas Eastern, the kind of granddaddy of the U.S. pipelines we have, we always have 100% recontracting.

I think, once in the last 10 years, I've seen us go down to 99%, and we sold that additional percent of boatload. So, even like capacity, getting people to re-sign is not an issue, and when we can do it for better returns, and you see that on storage, Ben. Like, our storage returns have gone up quite nicely in the last three, four years. And anything that comes up for renewal now, we're seeing higher rates on that than what we would've originally contracted for.

Now, with respect to your filling up to the end of the decade, yeah, we'll see. I mean – and again, that – we expect to FID through 2026 and 2027 up to the CAD 20 billion. The opportunity set is more like CAD 50 billion. So, yeah, that's what gives us confidence in that 5% growth through the end of the decade. So, I don't think we're going to be lack of opportunity. It's going to be which ones provide the best returns for our shareholders, and the best results for our customers. And there's not too much white space left to fill. I would totally agree with that.

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

A

Yeah. Maybe, I'd just add, Ben, a couple of things. One is, yeah, we talk a lot on these calls about new opportunities and that's positive, we want to talk about all those. But you should definitely be focused on the fact that management is always focused on optimizing the returns of our base assets, whether that's Michele getting the returns we need on the utilities, whether that's the renewals of various rate cases that we have. So, it's a big focus to continue. And in a market where our assets are required and needed, I think, we're in a good position when that happens.

On the white space question, I think, it's fair to say that, remember, as we add EBITDA to the business, our capacity also goes up. You've seen us move from, I think, maybe three, four years ago of CAD 7 billion or CAD 8 billion of capital in a year, and now, we're up to CAD 10 billion to CAD 11 billion. If we put the right projects in at the right returns, on budget, on time, that will continue to increase, which will continue to almost increase that white space that we have, and that we look to fill into the back part of the decade.

Copyright © 2001-2026 FactSet CallStreet, LLC

So, 2026 and 2027 are pretty full up from a capital perspective. And to be frank, the amounts that we – the projects that we're going to FID over the next little while probably have spent maybe some in 2027, but then 2028, 2029, and the goal here is to continue that clarity into that growth and extend it further on. So, we feel very good about the growth and the base assets.

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

Q

Okay. Got it and thanks for that. And can you update us on your T-North, T-South outlook, just in the context of rising production? I'm not sure it's totally related to you specifically as Fortis announced this expansion of the Tilbury facility and marine bunkering, and maybe there's an expansion on Woodfibre around the corner. And so, I'm just curious, any notable change? And I appreciate the Sunrise is going on in construction, but would love an update on outlook.

Matthew A. Akman
Executive Vice President & President-Gas Transmission, Enbridge, Inc.

A

Yeah. Thanks, Ben. It's Matthew. So, that's another positive area we haven't mentioned. So, appreciate your raising it. And as you did recognize, we just started construction and just broke ground on the CAD 4 billion Sunrise Expansion Project there, which is a great project. What we're seeing generally on a macro basis beyond that and around that is just renewed support at a level we haven't seen in a long time for natural gas across Canada and, of course, in British Columbia, and also a drive to export more gas off the coast of British Columbia, which we're really well positioned for, whether that's expansions on, as you mentioned, T-North and T-South, or as you probably are aware, we have a fully permitted LNG pipeline in British Columbia.

So, with the right commercial construct and the right returns, and we're seeing tremendous renewed commercial interest in that and, as I said, stakeholder support for that. There's more possibility of that kind of attractive project in Western Canada as well. So, yeah, we're seeing definitely an upswing in the opportunity set there.

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

A

Hey, Ben. Just to add, don't forget, we're also adding a big expansion on our Aitken Creek storage, the only storage facility that exists in British Columbia. And as that gets contracted up, seeing very positive upside there as well. So, I think, beyond what Matthew said, I think, we're actually at CAD 8 billion of projects. And if you look down the West Coast, there's only one pipeline that goes north-south all the way, and that's us.

And then, last but not least, particularly in the current environment in Canada, we have thought about this a long time, and we're on it early. In British Columbia, we have some 38 nations that own a piece of that West Coast pipeline, and that ability to involve indigenous and private sector projects is a really critical component in British Columbia, and we've already got that setup. So, yeah, B.C. is great. I'd like better returns there, but that's up for regulatory folks to figure that one out.

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

Q

Okay. Got it. That's good context. Thank you.

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

A

Thanks, Ben.

Copyright © 2001-2026 FactSet CallStreet, LLC

Operator: This concludes the Q&A session. I will now turn the call back to Marlon Samuel for closing remarks.

Marlon Samuel

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 call. Thank you for attending. You may now disconnect.

Disclaimer
The information herein is based on sources we believe to be reliable but is not guaranteed by us and does not purport to be a complete or error-free statement or summary of the available data. As such, we do not warrant, endorse or guarantee the completeness, accuracy, integrity, or timeliness of the information. You must evaluate, and bear all risks associated with, the use of any information provided hereunder, including any reliance on the accuracy, completeness, safety or usefulness of such information. This information is not intended to be used as the primary basis of investment decisions. It should not be construed as advice designed to meet the particular investment needs of any investor. This report is published solely for information purposes, and is not to be construed as financial or other advice or as an offer to sell or the solicitation of an offer to buy any security in any state where such an offer or solicitation would be illegal. Any information expressed herein on this date is subject to change without notice. Any opinions or assertions contained in this information do not represent the opinions or beliefs of FactSet CallStreet, LLC. FactSet CallStreet, LLC, or one or more of its employees, including the writer of this report, may have a position in any of the securities discussed herein.

THE INFORMATION PROVIDED TO YOU HEREUNDER IS PROVIDED "AS IS," AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, FactSet CallStreet, LLC AND ITS LICENSORS, BUSINESS ASSOCIATES AND SUPPLIERS DISCLAIM ALL WARRANTIES WITH RESPECT TO THE SAME, EXPRESS, IMPLIED AND STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, COMPLETENESS, AND NON-INFRINGEMENT. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER FACTSET CALLSTREET, LLC NOR ITS OFFICERS, MEMBERS, DIRECTORS, PARTNERS, AFFILIATES, BUSINESS ASSOCIATES, LICENSORS OR SUPPLIERS WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOST PROFITS OR REVENUES, GOODWILL, WORK STOPPAGE, SECURITY BREACHES, VIRUSES, COMPUTER FAILURE OR MALFUNCTION, USE, DATA OR OTHER INTANGIBLE LOSSES OR COMMERCIAL DAMAGES, EVEN IF ANY OF SUCH PARTIES IS ADVISED OF THE POSSIBILITY OF SUCH LOSSES, ARISING UNDER OR IN CONNECTION WITH THE INFORMATION PROVIDED HEREIN OR ANY OTHER SUBJECT MATTER HEREOF.

The contents and appearance of this report are Copyrighted FactSet CallStreet, LLC 2026 CallStreet and FactSet CallStreet, LLC are trademarks and service marks of FactSet CallStreet, LLC. All other trademarks mentioned are trademarks of their respective companies. All rights reserved.