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# EDITED TRANSCRIPT

ENB.TO - Enbridge, Inc. Annual and Special Shareholder Meeting

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## CORPORATE PARTICIPANTS

**Tyler Robinson** *Enbridge Inc. - VP and Corporate Secretary*

**David Arledge** *Enbridge Inc. - Chairman*

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

## CONFERENCE CALL PARTICIPANTS

**Dave Core** - *Shareholder*

**Bruce Hopkins** - *Shareholder*

**Max Chan** - *Shareholder*

**Jane Haberbusch** - *Shareholder*

**Cynthia Hansen** - *Shareholder*

**Jody Balko** - *Shareholder*

**Colin Gruending** - *Shareholder*

**Wanda Opheim** - *Shareholder*

**Jana Jordan** - *Shareholder*

**Deborah Poon** - *Shareholder*

**Ken Yurkovich** - *Shareholder*

**Narin Kishinchandani** - *Shareholder*

**Alison Love** - *Shareholder*

**Mark Maki** - *Shareholder*

**Mark Boyce** - *Shareholder*

**Jennifer Varey** - *Shareholder*

**Chief Na'Moks** - *Proxy Shareholder*

**Gerald Amos** *Haisla Nation*

**Art Sterritt** *Coastal First Nations*

**Patricia Lange** - *Proxy Shareholder*

**Nikki Skuce** - *Shareholder*

**Jasmine Thomas** - *Proxy Shareholder*

**Ken Habermehl** - *Shareholder*

**Gillian Findlay** - *Shareholder*

## PRESENTATION

**Tyler Robinson** - *Enbridge Inc. - VP and Corporate Secretary*

All right, good afternoon everyone. Welcome to Enbridge's 2014 Annual and Special Meeting of Shareholders. My name is Tyler Robinson and I'm Vice President and Corporate Secretary. Before we get started with the meeting, I'd like to review a few safety and process matters.



First the emergency exits are at the back of the room. In an emergency, the building's alarm system will sound and when instructed by facility staff, you should exit in an orderly manner, the same way you came in. Please proceed up the main doors leading to 4th Avenue and away from the building. You will be advised if and when it's safe to return.

Washrooms are located in the lobby are on the east side of the building. This meeting is being video recorded and transcribed for Enbridge's records, we ask that you please do not use, still or video cameras during the meeting and please take a moment now to turn off your phone or set it to vibrate. The TV monitor providing real time captioning for the hearing impaired is available today, located to the left of the stage.

There will be three parts to today's meeting, the business portion which will be conducted by our Chairman, Mr. Arledge, the CEOs address to shareholders to be delivered by Mr. Monaco and a 45-minute general question and answer session to follow Mr. Monaco's remarks.

For the question and answer session, we ask that you please limit yourselves to one question or comment. Time permitting if anyone has additional questions or comments, they will be given the chance to ask them once everyone has had the chance to speak. If you prefer you can also write your questions on the question card located on the back of the shareholder admission card you received when you registered today and you can hand it to one of our volunteers.

If we're unable to get to your question today or if you think of additional questions you would like to ask following the meeting, please feel free to contact us directly by email. Our contact information can be found on our webpage.

Thank you and I now welcome to the podium, Mr. David Arledge, Chairman of the Board of Directors to call the meeting to order.

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**David Arledge - Enbridge Inc. - Chairman**

Good afternoon, ladies and gentlemen. My name is David Arledge and I am the Chairman of the Board of Directors. And it's my pleasure to welcome you to Enbridge's 2014 Annual and Special Meeting of Shareholders which I now call to order.

I'd also like to welcome those shareholders listening to our live webcast. Today is your opportunity as shareholders to participate in decisions affecting Enbridge and we sincerely appreciate your interest and your attendance.

As provided in our by-laws, I will act as Chairman of the meeting, Tyler Robinson, the Vice President and Corporate Secretary will act as the Secretary. And I'd also like to introduce Al Monaco, President and CEO who's seated with us.

In order to ensure that the business of the meeting proceeds according to schedule, certain shareholders have volunteered to move or second the proposal related to the business identified in the notice of the meeting. Any shareholder or proxy holder with a question on a specific item of business is welcomed to ask it at the time that the item of business is being considered. If you wish to make a general comment or ask a question not directly related to the business under discussion, we ask that you wait until the general question period following the close of the formal part of the meeting.

There are no-shareholders present at this meeting and I trust there's no objection on the part of shareholders to their presence. But I would remind you that only shareholders or proxy holders are entitled to vote, ask questions or take an active part in the meeting.

When asking a question or making or seconding a motion, please state your full name and confirm your status as a shareholder or a proxy holder. This will assist in correctly recording this meeting.

This meeting has been called as an Annual and Special Meeting of the holders of common shares of Enbridge Inc., This afternoon, we'll deal with the items of business as specified in the notice of the meeting. Shareholders will be asked to consider the minutes of the last meeting of the shareholders held on May 8, 2013. Then we will attend to the regular business of receiving the annual financial segments together with the accompanying report of the Corporation's auditors.

Shareholders will then be asked to elect directors and vote on the appointment of auditors for the next year as well as authorize directors to fix the auditors remuneration.

Two items of special business will be considered by the shareholders at today's meeting. The first item is to increase the number of shares issuable under the corporation's stock option plan and the second item is to approve the continuation of the corporations existing shareholder rights plan.

Finally, as has been the case in prior years, shareholders will be asked to cast an advisory vote on our approach to executive compensation. Following the termination of the formal business part of the meeting, Mr. Monaco will update you on the Corporations' activities for the past year as well as our future opportunities.

Lastly, a general question period will follow, during which you can make comments or ask questions, concerning Enbridge. I am pleased to report that all 12 of our Incumbent Directors are here today and are standing for re-election. We also have in the audience a number of members of our Senior Management team. Each member of the Senior Management team is wearing a silver name tag and each director is wearing white name tag.

Following the meeting, there will be an informal gathering with refreshments in the lobby area and I encourage you to approach these individuals to discuss any questions you may have regarding Enbridge.

Ms. Sylvia Stake and Mr. Donald Santini of CST Trust Company, the corporation's registrar and transfer agent are in attendance today and I appoint them to act as scrutineers for the meeting. Could the scrutineers please identify themselves by raising their hands. Thank you.

I'll now ask Mr. Robinson to confirm that the proper notice of meeting was given and that a quorum is present for the transaction of business.

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**Tyler Robinson** - *Enbridge Inc. - VP and Corporate Secretary*

Thank you, Mr. Chairman. The notice of this meeting was mailed on March 27, 2014, to all shareholders of record on March 13, 2014. A copy of the notice of the meeting and proof of service on registered shareholders will be filed with the records of this meeting.

The scrutineers' report, with respect to attendance of the meeting shows 28 shareholders in attendance in person, and 957 shareholders represented by proxy. A total of 536,675,609 shares, which is 64.32% of the shares outstanding on March 13, 2014, are represented either by shareholders present or by proxy.

Based on the scrutineers report on attendance, I can confirm that a quorum is present for the transaction of business at this meeting.

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**David Arledge** - *Enbridge Inc. - Chairman*

I declare this meeting to be properly constituted for the transaction of business. Today's voting of the election of directors, each of the two items of special business and the say on pay advisory vote will be conducted by ballot.

Each registered shareholder who has not previously filed a proxy and each proxy holder in attendance today will have received a single ballot containing these four proposals when they register. Mr. Robinson, please explain the ballot procedure to be followed.

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**Tyler Robinson** - *Enbridge Inc. - VP and Corporate Secretary*

Each registered shareholder who has not previously filed a proxy as well as each proxy holder must complete their ballot card in order to vote their shares today. You will be given a moment after each matter is brought before the meeting to cast your vote by marking an X either for the motion of depending on the matter being considered to withhold, vote against or abstain from voting as the case may be.



Following completion of all items of business, you will be asked by the Chairman to sign your ballot card and hand it one of our scrutineers. The results of the balloting will be announced prior to the conclusion of the business portion of today's meeting.

Many shareholders present today will have already filed their proxy with the corporation. If you have done so, you will not need to complete a ballot card since your shares will be voted in accordance with your proxy instructions. Unless a ballot is demanded as permitted by law, voting on all other matters before the meeting will be conducted by a show of hands.

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**David Arledge** - *Enbridge Inc. - Chairman*

The minutes of the last shareholder meeting are available but unless the shareholder requires that they are read in their entirety, may I have a motion that the minutes of the annual meeting of shareholders held on May 8, 2013 as now submitted to this meeting be taken as read and approved.

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**Jane Haberbusch** - *Shareholder*

Mr. Chairman, my name is Jane Haberbusch I am a shareholder and I so move.

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**Cynthia Hansen** - *Shareholder*

Mr. Chairman, my name is Cynthia Hansen, I'm a shareholder and I second the motion.

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**David Arledge** - *Enbridge Inc. - Chairman*

You've heard the motion which has been seconded. Will those in favor please indicate their approval by raising their right hand? Any contrary? The motion is carried.

The next item of business is the placing before the shareholders, the financial statements and the auditors' report for the year ended December 31, 2013. The financial statements, auditors report and the MD&A for the year ended December 31, 2013 are contained in the corporation's 2013 annual report. The financial statements and the MD&A have been approved by the Board and are available on the company's website.

The company's auditors' are PricewaterhouseCoopers. And at this time I'd like to introduce Ms. Shannon Rhyorchuk of PricewaterhouseCoopers and ask her to stand for your recognition. Ms. Rhyorchuk will be available doing the general question period following Mr. Monaco's remarks to answer any of your questions regarding the auditors' report.

The next item on the agenda is the election of directors for the next year. Twelve directors are to be elected at this meeting. At this point, I'd like to open the meeting for nominations of directors to serve for the upcoming year.

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**Jody Balko** - *Shareholder*

Mr. Chairman, my name is Jody Balko, I'm a shareholder and I nominate David A. Arledge, James J. Blanchard, J. Lorne Braithwaite, J. Herb England, Charles W. Fischer, V. Maureen Kempston Darkes, David A. Leslie, Albert Monaco, George K. Petty, Charles E. Shultz, Dan C. Tutcher and Cathy L. Williams for election of directors of the corporation to hold office until the close of the next Annual Meeting or until the respective successors have been elected.



**David Arledge** - *Enbridge Inc. - Chairman*

Are there any further nominations? There being no further nominations, I declare the nominations closed. I'll now entertain the motion respecting the election of directors.

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**Colin Gruending** - *Shareholder*

Mr. Chairman, my name is Colin Gruending I'm a shareholder. And I move that David A. Arledge, James J. Blanchard, J. Lorne Braithwaite, J. Herb England, Charles W. Fischer, [V.] Maureen Kempston Darkes, David A. Leslie, Albert Monaco, George K. Petty, Charles E. Shultz, Dan C. Tutcher and Catherine L. Williams be and they are hereby elected directors of the corporation to hold office until the close of the next annual meeting or until their respective successors have been elected.

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**Wanda Opheim** - *Shareholder*

My name is Wanda Opheim, I am a shareholder. And I second the motion.

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**David Arledge** - *Enbridge Inc. - Chairman*

You've heard the motion which has been seconded. We will conduct a vote on this motion by ballot. Please take a moment now to vote for the election of directors by marking an X either for or withhold for each director on your ballot card which will be collected following the last item of the business today.

The next item of the business is the appointment of the corporation's auditors. PricewaterhouseCoopers or its predecessor Pricewaterhouse has been the auditors of Enbridge for the past 15 years and of the Corporations' public predecessor since its formation in 1949.

The board on advice of the audit, finance and risk committee of the board recommends their reappointment. May I have a motion that PricewaterhouseCoopers be appointed auditors of the corporation to hold office until the close of the next annual meeting of shareholders at such remuneration, as shall be fixed by the Board of Directors.

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**Jana Jordan** - *Shareholder*

Mr. Chairman, my name is Jana Jordan. I am shareholder and I so move.

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**Deborah Poon** - *Shareholder*

Mr. Chairman, my name Deborah Poon. I'm a shareholder and I second the motion.

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**David Arledge** - *Enbridge Inc. - Chairman*

You've heard the motion which has been seconded. Will those in favor of the motion please indicate their approval by raising their right hand?. To the contrary? The motion is carried. The next item of business is the resolution to increase by 19 million the number of common shares reserve or issuance under the corporation's stock option plans. The Board of Directors has determined that the increase in the number of shares reserved for the issuance under the stock option plans as described in the Management Information Circular is in the best interest of the corporation and recommends that the shareholders vote for the resolution.

May I have a motion that the resolution to approve the increase in the number of common shares reserve or issuance under the stock option plans detects of which is set forth on page 22 of the Management Information Circular be and is hereby approved.

**Ken Yurkovich** - - *Shareholder*

Mr. Chairman, my name is Ken Yurkovich. I'm a shareholder and I so move.

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**Narin Kishinchandani** - - *Shareholder*

Mr. Chairman, my name Narin Kishinchandani I'm a shareholder and I second the motion.

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**David Arledge** - *Enbridge Inc. - Chairman*

You've heard the motion which has been seconded. We'll conduct this vote by ballot. The resolution must be approved by majority of the votes cast at this meeting. Please take a moment now to vote on this proposal by placing an X either for or against the motion on your ballot card which will be collected following the last item of the business today.

The next item of business is a resolution to amend, continue and approve the shareholders rights plan. The shareholder rights plan resolution must be passed for this plan to continue. Otherwise, it will terminate. The Board has determined that the continuation of the shareholders rights plan with minor amendments as describe in the Management Information Circular is in the best interest of the corporation and recommends that the shareholders vote for this resolution.

May I have a motion that the resolution to amend, continue and approve the shareholders right rights plan the text of which is set forward on page 22 of the Management Information Circular be and is hereby approved.

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**Alison Love** - - *Shareholder*

Mr. Chairman, my name is Alison Love, I'm a shareholder and I so move.

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**Mark Maki** - - *Shareholder*

Mr. Chairman, my name is Mark Maki, I am shareholder and I second the motion.

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**David Arledge** - *Enbridge Inc. - Chairman*

You've heard the motion which has been seconded. We will conduct this vote by ballot. The resolution must be approved by a majority of the votes cast at this meeting. Please take a moment to vote on this proposal by placing an X either for or against the motion on your ballot card. They will be collected following the last item of business today.

The final item of business today is an advisory vote on the corporations approach to executive compensation. Although this vote is optional and none binding, it gives shareholders an opportunity to provide important input to the Board. May I have a motion that the resolution to accept the approach to executive compensation the text of which is set forth on page 23 of the Management Information Circular be and is hereby approved.

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**Mark Boyce** - - *Shareholder*

Mr. Chairman, name is [Mark Boyce]. I'm a shareholder and I so move.

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**Jennifer Varey** - - *Shareholder*

Mr. Chairman, my name is Jennifer Varey, I'm a shareholder and I second the motion.

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**David Arledge** - *Enbridge Inc. - Chairman*

You've heard the motion which has been seconded. We'll conduct this vote by ballot. The resolution must be approved by a majority of the votes cast at this meeting. Please take a moment to vote on this proposal by placing an X either for or against the motion on your ballot card. Alternately, you may also abstain from voting on this matter if you so choose.

We have now completed all schedule of business. For those registered shareholders and proxy holders who have completed ballots on the items of business being considered today, please sign your ballot card and raise your right hand so the scrutineers can collect the cards. And while we wait for these scrutineers to confirm the results of the ballot, I'd like to express on behalf of the Corporation my thanks to all of our directors for their advice and counsel that they have given over the past year.

I'll now ask that each director please stand as your name is called so that you can be recognized and remain standing until all directors have been introduced. And please hold your applause until all directors have been introduced. James Blanchard, Lorne Braithwaite, Herb England, Charles Fischer, David Leslie, Maureen Kempston-Darkes, Albert Monaco, George Petty, Charles Shultz, Dan Tutcher, Catherine Williams and myself David Arledge. Thank you.

I'd like to thank the management group for their fine leadership and also our shareholders for giving me the opportunity to serve as the Director and the Chair of the Board. And for taking the time out of their day to be with us this afternoon either in person or in our internet listening audience.

I will now announce the results of the balloting. The scrutineers have confirmed that all incumbent directors have been reelected. And all other motions voted on by ballots today had passed each by a majority of the votes cast. Accordingly I declare the resolutions carried. We will provide you with the percentage of votes for each of the balloted resolution at the end of the meeting and the exact number of votes cast in respect of each matters will be followed on SEDAR and made available on our website.

Thank you again for your support by attending this meeting. And I now declare the formal business part of the meeting completed. We will now proceed to the Chief Executive Officer's remarks and the general question period. And now I'll call Al Monaco our President and Chief Executive Officer to deliver his remarks and conduct the general question and answer period.

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

Thank you, Mr. Chairman. Good afternoon everyone. Welcome to our annual meeting. It's great to see so many shareholders here and some guests and welcome to those joining by webcast. We look forward to the annual meeting not just to discuss the results but to talk about the future of this company which is you'll see is very exciting. Now it's a regulatory requirement that I show you this slide, I hope you can read quickly. It is an advisory on forward looking statements.

Now although I'm the one standing up here today, Enbridge is about teamwork. So I'd like to introduce the members of the team who lead their respective areas and the 10,000 or so Enbridge staff across North America. I won't give you all their titles I will just tell you the areas they represent. Glenn Beaumont, Gas Distribution. Richard Bird, Finance Corporate Development. Greg Harper, Gas Pipelines and Processing. Janet Holder, Western Access. Guy Jarvis, Liquids Pipelines. Karen Radford, People & Partners. David Robottom, Legal and IT. Leon Zupan, Liquids Pipelines Operations and Steve Wuori, Strategic Advisor. There are also two individuals who interact frequently with the rest of the team. Byron Neiles, Major Projects Execution and Cynthia Hansen, Enterprise Safety and Operational Reliability.

One of the hallmarks of our company is that we actively provide challenging opportunities to the team that you just saw there, that means they're able to step into new roles and important ones because of their deep knowledge and experience with the company. That I think is a benefit for shareholders, it's a benefit to our team and to me in particular.





So my remarks today are going to cover four areas. I'll start by reviewing how we did in 2013. The quick preview is we had a very solid year. I'll then talk about the changing energy landscape. Dramatic changes in energy consumption, supply and transformation of the North American pipeline grid. All of which are driving opportunities for Enbridge. Of course with these opportunities come new challenges, we're seeing energy development particularly with pipelines challenged by intense scrutiny and heightened public expectations.

So I'm going to highlight how we're capitalizing on the opportunities and responding to the challenges. And then finally I'll discuss the priorities that will guide us into the future. Before I do that I think some context is important as to who we are and the role we play in our society today. You're going to see some maps. Pipeliners can't do anything without showing you some maps. The scale and scope of our business has really grown exponentially.

A decade ago we were a sizeable company at \$14 billion in assets. Well over the next two years alone we'll bring in \$19 billion of new projects into service. By 2017 our assets are expected to be in the order of \$80 billion. As you can see our systems are strategically positioned across North America putting us in excellent shape to capture new opportunities. Our liquids main line, 2.2 million barrels per day of oil delivered that's over half of all US bound exports. We're the largest natural distributor in Canada with over two million customers in the Toronto, Ottawa and surrounding area.

Our National Gas Transmission Systems extend from Northern BC to the Gulf of Mexico. And it may be surprising that today we're Canada's largest generator of solar energy and second largest wind power generator. Our purpose in all of this is pretty simple, deliver safe and reliable energy to North Americans, that's our responsibility in a nutshell. We connect energy supply to the people who need it 24/7. The energy we deliver is critical to what we do in our life. It heats our homes, fuels cars and planes and powers our industries, schools and hospitals. We are an engine of economic growth providing jobs and benefits that support our social safety net in this country. And we don't just operate in communities, our people are part of those communities and we invest in those communities.

Now, how we do things is as important as what we do, safety and reliability come ahead of everything else. We're driven by what our customers need from energy producers to those who transform it into fuels and many other day-to-day products like clothing, plastics, computers and medical equipment. The investor value proposition is really combining three things, a reliable business model, industry-leading growth and increasing dividends and we call this the triangle, if what we do or being proposed to be doing doesn't fit in there then we don't do it.

And we maintain discipline and financial strength so that we can continue to grow this company. The things that I have mentioned here are really foundational to who we are and they're not going to change. Let's turn now to the snapshot of 2013. Adjusted earnings came in at \$1.4 billion an impressive 16% increase over the prior year. That equates to earnings per share of a \$1.78 or 11% over 2012. Very strong for a company in our business. In fact 2013 extended our string of success with an average annual EPS growth rate over the five-year period of 14%. This picture can be as really the steady growth and predictability of that business model, that triangle that I described. We don't swing for the fences, we -- as I say we like the singles, we like doubles and triples and yes, the odd of homeruns is good too. And we're on base already this year with a strong first quarter, earlier today we announced first quarter adjusted earnings of \$492 million or \$0.60 a share. This puts us right on track to achieve full year guidance of \$1.84 to \$2.04 per share .

Now based on the strong earnings growth and the confidence that the management team and board have in future outlook we increase our dividend 12% in 2013. And then another 11% increase effective March this year, our 19th consecutive increase.

Over the past ten years, our dividend has tripled from \$0.42 to a \$1.26 per share. That's equivalent to an average annual growth rate of 13%.

The total shareholder return last year, so that's basically dividend plus the capital of appreciation in the stock was 11%, another strong year compared to the broader Canadian market. But the real test of this is the ability to generate strong returns over the long haul.

Over the last decade, we've delivered an average annual total return of over 17% well above the broader market and our peer group. So once again, that triangle that business model is working.



Finally, we had an exceptional year in securing \$6 billion of new investments. Our \$41 billion capital program, \$36 billion of which is secured gives us confidence we're able to deliver industry leading growth through 2017 and beyond that. And it further solidifies our strategic position within North America, it builds that map that we saw earlier.

All in, we had some great accomplishments last year and the track record over time as you saw remains intact but as they say, that's history. So let's focus now on what's ahead and this energy landscape I was referring to.

Globally, the need for energy is going to continue to grow. In fact, anywhere from 33% to 50% over the next two to three decades depending on what studies you look at. That's driven by three things, population growth, urbanization and increasing standard living in developing countries.

When I was part of an oil and gas company, an exploration development company many years ago, we used to sit around in a table and we'd fret about being able to find reserves, the discoveries were getting smaller and smaller. Our worry was energy shortages, of hitting the peak of energy supply. There are different challenges today for sure but in a space of just a few years, technology has unlocked huge unconventional reserve potential in North America.

So much so that growing production is now overwhelming our energy infrastructure pipelines and other means of transportation, creating the need for more pipelines, pipelines that will carry crude oil and natural gas in a new direction, not to inland markets like before but to coastal and ultimately export markets.

In the United States, Canada's one and only customer is now the world's largest producer of liquids. And with growing supply from Canada to help that along North America could be energy self-sufficient. So, this has been nothing short of an incredible turnaround.

The other side of the coin though is that raging debate about energy development. Here's just one example of how a dialogue though can reveal some common ground. I was part of the panel discussion recently with someone that was very passionate about renewables. You could imagine, we had lively debate not about the need to develop resources in a sustainable way, everybody agrees with that part but about the pace of transition to lower carbon intensive economy.

The reality is to meet the shared magnitude of demand growth that I showed you in the previous chart we're going to need all forms of energy and that means fossil fuels and renewables for the foreseeable future. The challenge we face and the balance we're trying to strike is meeting our growing energy needs while minimizing environmental impact.

My view is that we're headed in the right direction with this. Everyone agrees that consumers are using energy more efficiently. In large industries including the energy industry are responding with new initiatives aimed at reducing greenhouse gas emissions through technology and investment.

Traditional energy companies like Enbridge are some of the largest investors in the renewable energy. Following the panel discussion I had with this individual, he did come up to me and he acknowledged that he was quite surprised by the things that we were doing. The one thing that's not debatable is that the public's expectations of us are increasing and the industry is being held -- we're being held to a much higher account.

I can assure you that the energy industry gets it. It's telling that the first question at our annual investor conference a few months ago didn't focus on the numbers. But on how we were adjusting the challenges of building pipelines today. We used to think of our stakeholders as those who were directly affected by what we were doing in the field, that's changed. Energy issues aren't local, they're now super regional and they are national.

So, how we interact with the stakeholders that we have this change? They want to know more about our business. They want to know what we're doing to protect the environment and they expect tough regulatory oversight. And I and does the rest of management team believe that they deserve to know that.



So, where are we in summary on this part of the discussion?, So we know some of some things, energy demand is going to continue to grow and thankfully, we are seeing increasing supply. That means we need new infrastructure which in turn provides us with a very good opportunity as a company and as an industry to grow. That's pretty straightforward but the harsh reality is that energy development requires public trust.

The economic benefits alone of what we do on their own are not enough to earn that public trust today. The changing energy landscape has shaped our growth strategy as well and it's driven the need for all of us to emphasize a balanced approach to our thinking about energy development.

So now, let me turn to how we're tackling the great opportunities that are there and the increased public expectations. And I'll start with our liquids pipeline business.

Our strategy is basically driven by the need for increasing pipeline capacity and access to new markets. We've made excellent progress on the strategy. We have three market access programs totaling more than \$15 billion. And with that, we're opening up 1.7 million barrels per day of new market in North America for our customers. In fact, we recently announced a new \$7 billion mainline project, the largest investment in our history.

Over the past year, we've also secured an advanced several regional oil sands projects including the Wood Buffalo Extension and Norlite totaling \$3 billion. These don't get as much play but these regional strategies in Alberta and in the Bakken extend that mainline capability we have upstream so that we can connect directly to that market and ultimately to the best end markets. Our success has been driven home in many ways and particularly the strength of our existing footprint in these two regions.

Looking at the map though and the maps you've seen before, you quickly realize that wherever possible. We're using existing rights of way or pipe that's already in the ground and that's to minimize our overall environment footprint. That's the one element already of the balance I've been talking about.

Our Line 9 Reversal project is another example of striking the balance. By the end of this year, Line 9 will deliver reliable Canadian supply to two Quebec refineries including the one that you see here on the picture. This is going to enable them to compete and protect thousands of jobs. But equally important, we focused extremely hard on addressing the concerns that the communities had. We engaged more people and we reached out earlier more often and at all levels, from living rooms to public forums, landowners to city councils. We open ourselves up as you can see here like never before. Showing people what we are doing to keep them safe and protect the environment.

We welcome people to integrity dig site. That's the -- when you see here where they could see what we are doing, touch the pipeline and what I like best about this is that when they visited, they met our people. They saw how much our people cared about what they were doing and how much they were taking care in operating safely. That support that we earned on this project was built by bringing together, public officials, community representatives, unions, contractors and refiners. Now, there are no shrinking violets in any of that crowd. They didn't hold back with tough questions but that's okay. At the end of the day, it helped our project get better.

How is that exactly? Well, because of their input, we added additional valves at water crossings and even more emergency response equipment, increased communications with municipalities and add resources to help first responders, firefighters for example, to enhance the training they had over our pipelines.

On Northern Gateway, we're very proud of our Community Advisory Boards, we call them CABs for short. Excuse me. The CABs allow people in the community to share their views and provide advice to us. Over the past four years, that input has addressed concerns and helped us make projects better. We altered the route on several areas to avoid sensitive areas. We added extra safety measures like thicker wall pipe, more inspections, tighter valve spacing and redundant safety monitoring systems.

So why did we do that? Because we wanted to give communities an extra level of comfort beyond what was in the regulatory code. We took people to Marshall, Michigan where they spoke to residents about how we responded to that incident. One participant a local Deputy Fire Chief from Terrace BC told a national radio show afterwards actually that he was impressed with how open we were about answering questions. And our response -- and these are his words was simply amazing and he said that, seeing the river today, he would never have known an incident had



occurred. And he's about -- as you've already seen we have a lot of projects going on in North America but just given the profile that Gateway has today, let me just make a couple of more comments on this.

As you may know, the joint review panel has recommended Gateway to be approved by the federal government. The recommendation was conditioned on 209 things coming into place. A good number of those conditions came about from the commitments that we made, in the application that we submitted after listening to British Columbians.

Regardless of the final government decision here, whatever decision they do make, our focus is going to be on reengaging and further building trust with some of the aboriginal groups that we haven't been able to do at this point, to listen further, build trust and address concerns.

We value our relationships with aboriginal groups and I must say, we built constructive relationships and partnerships with many First Nations and Metis along our pipeline right of way. I personally had an opportunity to meet with many aboriginal leaders, business owners, landowners, community organizations and mayors in northern BC.

As CEO, I've made this commitment to them. And I repeat it here today that we will continue to work hard to earn the trust of British Columbians. And that will make Northern Gateway the best project possible with environment and safety as the first priority. Now, while our liquids pipelines and projects are the largest part of our business today, we continue to grow elsewhere.

So let me just now turn to the other businesses. We see tremendous potential in the future of natural gas given its abundance, its low cost and safe and reliable aspects of that commodity. Two decades ago, we made an initial entry into the natural gas business by acquiring what is now Enbridge Gas Distribution. Today, it's one of the fastest growing franchises in North America and it plays a key strategic role for our company. Last year, we sanctioned a major investment, that's the one you see here, to upgrade the backbone of our system in the greater Toronto area. The projects will provide significant benefit to our customers and give more people access to low cost reliable natural gas.

Our other natural gas assets are well-positioned for growth as well. Last year, we successfully completed several projects including the Texas Express system and the Ajax Plant in Texas. We continue to build our strong position in offshore Gulf of Mexico expanding both natural gas and crude oil gathering and transportation systems. We have a highly skilled team of people with experience that can lay pipe in the ultra-deep waters of the Gulf. At depths between 5,000 and 7,000 feet where much of the new crude and oil and gas is going to come from.

That unique expertise combined with the strong customer relationships that we built is driving new growth opportunities for us. This has actually been a difficult business in the last couple of years. But with that expertise with the new projects that are coming on, this year and next and the year after that, we're looking forward to strong earnings growth from the offshore business for years to come.

Our renewable power generation business is another area of growth. Enbridge began investing in renewables before it was fashionable to do that. We've built nearly \$4 billion in our portfolio with generating capacity of 1800 megawatts, enough energy by the way to power about 600,000 homes with clean energy.

Last year, we built two wind farms, put those into service in Quebec and we acquired a 50% interest in a 300 megawatt wind project in Alberta. This is the largest wind farm in western Canada. Earlier this year, we announced our second US wind farm, a 110 megawatt project in Texas. This brings the total to 12 wind farms.

We commenced operation on our first power transmission project, the Montana-Alberta Tie-Line and that has been a good project so far as well. On this notion of renewables, some people ask me why are you investing in renewables? That comes up when I speak to shareholders from time to time although less so today.

Renewable investments effectively are a good fit with the business model, back to the triangle. It generates solid returns with stable and growing cash flows. They also help position Enbridge for the future. And they generate virtually zero emissions, helping us play our part in that shifting energy mix that I referred to earlier. That's not all we're doing in that front. First all though, Enbridge itself is not a large emitter we're showing leadership by minimizing our own environmental footprint wherever we can.

Through our neutral footprint program, we're meeting tough goals that the regulator didn't set for us, we set for ourselves. Generating a kilowatt hour of renewable energy for every hour of additional power we consume in our liquids operations. Planting a tree for every tree that we removed and conserving an acre for every acre, we permanently impact. And you can see how well we're doing on those three fronts we're also helping customers to use energy more efficiently.

Since 1995, our gas utility in Toronto has reduced consumption of 8 billion cubic meters of gas and to put that in context that's equivalent to taking 2.9 million cars off the road per year in terms of emissions or meeting the energy needs of 2.6 million homes. Second, it's easy to think as many do, I would imagine, of Enbridge as an old economy company, a low tech business as they say. Well, we're not Apple that's for sure but we are applying technology to our business.

We're using the same technology as you can see in the far left here that NASA uses to map the surface of Mars to identify the safest possible pipeline routes. We're using highest strength steel, state-of-the-art pipeline coatings and highly specialized welding tools. And we're investing -- improving out new and exciting concepts including the smart pipe that's shown on the far right here and there's actually a display of that outside.

On pipeline inspections, this is the middle picture here, we're using medical imaging technology. Very similar to what you would have visiting the doctor who would give you a leave to do an MRI. So, we can see every millimeter of pipe underground from several different angles. Those inspection tools are the most sophisticated in the world. And our company is the largest user of those tools in the world.

Let me conclude by highlighting the three priorities that are going to guide us in the future. So by now you've probably guessed that our first priority is safety and reliability.

Our focus on this priority is relentless. We're building a culture that believes that all incidents are preventable and we're backing that up with investments. Over the past three years, we have undertaken the most expensive inspection and preventative maintenance program in the history of North American pipeline far exceeding once again any regulatory requirement.

In 2013 alone, we invested \$2 billion in safety and integrity of our systems. That is commitment. We've strengthened in safety leadership with several actions. Certainly at the Board level, they have oversight through the Safety and Reliability Committee. Our Operations and Integrity Committee which I chair is the most important committee that we have at Enbridge. And our Operational Risk Management program, that's the shown here is our roadmap in these six areas to achieve industry-leading performance.

Our operational reliability review, we're proud of this, is available today for you to take away and shares the actions that we're taking and how we measure up. But more importantly, it goes through each of our businesses and outlines how we actually go about making our systems safe, so people can understand what it is we're doing. And the other important thing it highlights the people that I was referring to earlier and the pride they are taking in keeping the system safe.

It also explains many of the measures that we hold ourselves to account to.

I think this is just an ideal place to just pause to acknowledge and thank all of our staff across our company especially for their focus and dedication on keeping our systems operating safely.

Our second priority is the sound execution of the massive capital program I was talking about earlier. Key to the success, we'll be delivering projects on time and on budget. This is the team that you see here that is taking charge of the projects that we're working on.

The major projects execution capability gives us confidence that we can deliver projects on time and on budget whether it's in that offshore Gulf of Mexico or elsewhere in North America. How we fund or how we raise money for this capital is also critical. Enterprise wide, we raised \$10 billion last year alone.

Also important is ensuring we have the right people to make all of this happen, not just the people in the front row that are doing the work. The real work is done at the field level and all of the people who are making these projects come to fruition.



Part of that actually has been our ability to attract talent and being one of top, the Canada's top employers is certainly helpful. The point of this is that if we execute well, we'll be able to deliver 10% to 12% average annual EPS growth through to 2017. In other words, we'll be able to extend that chart into the future that we saw earlier that show the history of earnings per share. And that will also come with increasing dividends.

Third priority is to extend and diversify our sources of growth beyond 2017. We continue to develop our natural gas businesses and we see good opportunities to build the footprint there. Additional growth will come from new platforms, power generation, electricity transmission, international and energy services. We are bringing those new platforms on at a measured pace given all the other opportunities in the other parts of our business that you saw earlier on. But they will play, we think, a bigger role in the future.

So in conclusion, 2013, as you saw was a solid year that extended our track record of industry-leading performance. We have great assets, strategically located that enable us to capture the opportunities created by the change in supply and demand fundamentals that we saw. And I think that's best illustrated by that \$41 billion in capital that we talked about earlier.

We're sticking with the triangle, the proven business model that has delivered superior returns for our shareholders. And we expect to continue to deliver growing earnings, cash flow and dividends.

Back to the other side of the coin though and the need for balance. The tremendous opportunity that we have in front of us requires that we retain the trust and confidence of the public and the stakeholders generally. Ultimately the lives that we live take energy, we need all forms of energy, but we need to be able to move it towards from where it's produced to the people who need it.

Listening to a range of perspectives, not just our views, finding common ground and striking a balance among competing interest is something that I believe is a critical part of our job and today it is critical to success.

The team will tell you here, I'm not in the business of making predictions. I certainly don't have a crystal ball, but I will make one. Ten years from now, we will look back at today and acknowledge how the intense scrutiny that we're under today by the public has pushed our industry to get better. For Enbridge, this focus only strengthens our resolve to not just meet the regulatory standards, but to exceed them and lead industry.

As CEO, this is responsibility I take very seriously. I began this discussion today by mentioning the strength of our team and the staff and Enbridge overall. Our Board of Directors is also a very key ingredient to this mix. I want to thank the Board of Directors and Dave Arledge, our Chair in particular, who provided us over the last year with excellent direction, great support, advice and oversight on behalf to the shareholders.

Thank you for listening to my remarks and we'd be glad to take some questions.

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## QUESTIONS AND ANSWERS

**Chief Na'Moks** -- *Proxy Shareholder*

(Inaudible), I'm Chief Na'Moks for the Wet'suwet'en I am here under proxy . I have a comment and a question for the President and CEO, Mr. Monaco.

In April of last year, as Na'Moks I banned all pipelines on the territory of the Wet'suwet'en. Because of the Enbridge approach that you've had with our people the disregard you had for our voice, our authority, we're here to remind him that the Gitksan and the Wet'suwet'en and the (inaudible).

We spent 20 years in court for the (inaudible) in the nation of Canada to prove that we have rights and title , that we have authority on the land. I was wondering if you had shared this with your shareholders that if you do not listen to the Wet'suwet'en that we will bring you to court, we will be there for over 20 years. The money that is invested in the Northern Gateway project will not be used.

And if the courts fail us, the JRP said that the government will make a decision. We are the government. I am Na'Moks. I am one of the highest ranking chief of the Tsayo of the Wet'suwet'en, that is the law that is older than Canada., These laws that we make and they must be upheld as we

as people must be held. You spoke earlier of respect I want to ask, will you respect our decision or will you force us to go to court or use all means at our disposal to keep the Northern Gateway proposed project off our territory?

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

Thank you, Chief and we appreciate your attendance today and sharing your views. We do appreciate it, I can assure you the First Nations connection and dependence to the water in the land. You raised legitimate concerns and frankly that's why the issues you've expressed, we're committed, as I said in my remarks to not just meet the requirements but exceed them.

As far as court challenges and the approach overall, as far as what we've done in the past, I think you mentioned that there were some element of disrespect. I think that we all as people have made mistakes in the past. I do hope that we can re-engage to have a discussion about how we can improve along the way. As far as your comments around the court challenges, I certainly hope that it doesn't come to that. I would sure appreciate the opportunity to continue the dialogue and hopefully, we can come to some kind of accommodation. And if not, we will have tried and we may simply have to agree to disagree, but as I said, I'm hoping we can sit down and have a dialogue about the issues that you're concerned about.

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**Gerald Amos** - Haisla Nation

Thank you. I am (inaudible) of the Beaver tribe of the Haisla people. And I want to preface my comments and my question Mr. Monaco with this explanation if you will of our culture and where we come from. In translating our -- part of our law one of the most important part of this states that when you come to visit us we're bound to make you welcome unless, of course, there's this threat to our land and waters and to the people and their culture which is where we find ourselves today. As you no doubt know there are two First Nations' declarations in British Columbia in relation to your project. They are the Fraser River declaration and the Coastal First Nation's declaration. Those in part banning your proposed pipeline and the resulting traffic of very large crude carriers in our waters.

Should there be a favorable decision from the federal government for you proposed Northern Gateway project it will put many of us First Nation's people and our -- those that's support us in a very, very bad spot. Many of us have already made it known that we will do everything in our power to push back on that development that threatened our culture and the lands and the waters that sustain it. We want you and your company to know that we are prepared to be civilly obedient to our ancestral laws embodied in the declarations I referred to.

So my question is, how is your company going to deal with the fallout of the conflicts that will arise so the federal and perhaps even the provisional governments not deal with the disparity and the lack of resolutions between our ancestral laws that Na'Moks spoke of and those of the new governments to Canada.

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

Thank you. Well, first of all I'd like to make a point about the federal government decision that's upcoming. Regardless, of that decision and regardless of what the Joint Review Panel indicated in its recommendation to the federal government the goal here is to continue to engage. That's what we want to do. I don't think you should expect that you're going to see shovels in the ground if the Joint Review Panel's recommendations are accepted by the government. The first priority we have and we've said this many times is to continue to work with First Nations communities in the area.

I think what's behind your question though is really the fact that you're not supportive at all with the project or similar projects perhaps but I think we have to also remember that there are many other individuals whether they're First Nations, whether they're Metis, whether they're communities that do support project.

So I think that we have to have some more room for dialogue. We are holding out our hand to have further engagement in a respectful way and we hope that we can demonstrate to you that we can build trust without looking at our calendar or our watch overtime we're hopeful that we can get to a better place on this issue. Yes.

**Art Sterritt - Coastal First Nations**

Thank you. Mr. Monaco, I was really impressed with the presentation that you and the Chairman made and the way that you conduct business and the objectives that you have. It's rather unfortunate that perhaps over the last eight or nine years we couldn't have grown somewhat closer so that we could understand each other a little better. And I felt as a spokesperson for Coastal First Nations that I rarely ever wear my headdress. I'm not a chief but I'm an official spokesperson trained by people in our culture to speak on behalf of our tribes.

And I thought it was only appropriate that as we approach what we're kind of calling D-Day, Decision Day by the federal government ironically coming almost 70 years after the last D-Day we saw from my father and my uncle, and Chief Na'Moks father landed on the beaches of Normandy to fight for the freedoms that we all enjoy in this country. My father's 101-years-old, I want to tell you that because just by a way of warning he's still driving, he's up and around the Hazeltons and Kitimat. But he drives well.

What I really want to pass on and I appreciate the opportunity to talk here with your chairman and your board so you understand a little bit of where we come from and what our frustration is. You and I talked somewhat AI and I talked to your predecessor and we tried to restart a conversation with you folks on a number of occasions only to be rebuffed somewhat by that.

And so I thought it'd only fair as we approach this important decision that really is going to change our lives significantly the way that we respond to that. And I thought that was important for your shareholders to understand the road that we've been on for nine years.

When your people first came to us eight or nine years ago and suggested that you would like to put a pipeline in to Kitimat and run tankers off of the coast, Coastal First Nations didn't have a position. We spent three years of investigating whether or not a project like that would be something that we could accept that it could live within constraints of our economy, a very good economy whether it could be done safely. We investigated the oil spill cleanup technology from Alaska later on. [Gerald] the last fellow to speak over in the other side and I were in the Gulf of Mexico and we've been to Norway, we've been all around the world trying to find out whether or not this project could work.

At the end of the day Coastal First Nations unanimously agree that this project could not be done because the technology did not exist that would be able to cleanup an oil spill on the Coast of British Columbia. And all be it, we recognize that you were trying harder than ever before to make your industry safer than it's ever been and all likelihood it is. We give you that. But the reality is and your company over this past while has demonstrated to us that human error still exists and it is causing us anxiety and all parts of the country in places just like the Kalamazoo and the Gulf of Mexico and what we saw in Alaska.

We don't think that this industry has been responsible that they need to put the money into the technology to clean up the messes that they make and may continue to make. And then whether there'll be made by your company or others, we think that until the day comes when they can actually clean up their mess that we can't even have a conversation about whether or not to run a pipeline into the middle of the Great Bear Rainforest 25% of the world's coastal temperate rainforest an area that we cherish, we live in, we have an economy, we have 30,000 jobs and \$3 billion a year in revenue that come out of that, that we're not about to jeopardize that for the project you're proposing.

So I wanted your Board to know that over the years we have taken counsel from you. You said that if we didn't agree with that, that you wouldn't deliver. Not you personally, but your company. So we made our decision and we announced the tanker ban and you said, "Well, hold on guys you're just a bunch of few First Nations on the Coast of British Columbia, there's other nations." And I heard you say it here again today Mr. Monaco that there are other people who support this project in British Columbia. Well, let me clear the record a little bit for your shareholders.

There are over 200 First Nations in British Columbia, the Union of BC Indian Chiefs and the First Nations Summit -- they speak on behalf of all of those First Nations. There are three or four First Nations along this pipeline route that have expressed support for what you're doing. We have brought that to your attention and you've said, "Okay, yes there some First Nations are against this." But the reality is there are other people, there're municipalities and non-native communities that are out there as well. So we went -- we met with all of those people. We've met with the Union of BC Municipalities and they passed the motion almost unanimously opposing this project.





We have cities like Terrace, and Prince Rupert, and more recently Kitimat who have voted against this and still you carry on trying to do this. You say that you have support Coastal First Nations tanker ban; we have been doing surveys of that tanker ban now for going on six years. And every survey that comes back we have 80% support of British Columbians on that tanker ban on the Coast of British Columbia. So when D-Day comes, if the federal government approves this project that we fully expect them to do that, there will be 80% of British Columbians that will be opposing that. And all of the things that you've heard my colleagues talk about whether it'd be legal action or people directly confronting this project, this project will be stopped.

And I want you people to know that. I want you to know that because I think you should mitigate the damage to your own investments. You need to do that. And I think I have a responsibility to share that with you. So I thank you for listening to me Mr. Chairman and Mr. CEO. Thank you very much for this. Appreciate that.

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

Thank you, Art. And by the way, I'm glad you're shareholder today or maybe a proxy holder I'm not sure which. But, you know, you mentioned a few things that I just like to address right off the bat. You mentioned the words D-Day. As I said earlier we're going to take a very a prudent approach to the project from here regardless of the federal government's decision. Our first priority is to keep opening up a dialogue which I'll come back to in a moment.

You mentioned that there had been some elements of disrespect, we apologize for that and I will do that personally.

On that point though Art, we've all made mistakes. Everybody in this room has. And if there's something that we can improve upon that's what we would like to do as far as building respect. I can understand your passion for this issue. And I don't live in BC but I travelled enough in BC to -- and along with my family to appreciate its natural beauty and we have that at the forefront of our mind. But I think you have been very effective voice in ensuring that we are listening. As I said earlier in my remarks I think all of that is going to make it better.

What I would prefer to do and maybe this is where you and I differ a little bit is that I would prefer to not throw in the towel, to see if there is an opportunity to reengage. You mentioned that it's quite clear the technology is not there yet. Let's work on that. You've got some great ideas around technology and how to study it. The Joint Review Panel and it's analysis over the last four years with global experts in this area have commented on the exact issues that you're raising concern over. We have the same concerns.

So what I encourage us to do after looking at their analysis is let's see what else we can do. Is there anything further that we can do to mitigate the risk? If you look at the project on the coastal water's perspective we are living up to what I said in my remarks. We've reduced tanker [speeds], we've had travel ban restrictions for bad weather in cases where that would happen, we've implemented escort tugs, tethered tugs that are powerful enough to manage risk and those tugs will now come with emergency response capability. It's a huge amount of progress. We have three times more emergency response equipment that will be located along the shores to ensure that if there is an incident that we can react to it very quickly. We've made a number of changes to the project to further enhance it as I mentioned earlier on the terrestrial portion of the project.

So I guess my point is I would prefer to sit down with you and others in the Coastal First Nations to see if there're some further improvements that we can make to the project.

And there's one other thing you mentioned which was Kitimat and I think your implications was that that was a very telling decisions by the people of Kitimat. We very much thought that that was an excellent process. In fact, there was 42% of the people that supported, 58% were against and that's fine. I look at that and say, "There is an opportunity here." This is the first time we've had people stand up for the project and for the future in terms of jobs, education but also standing up and saying, "This project can be done safely." I think that's a very good accomplishment after a number of years where I can bet you that figure would have been much lower.

So we are making progress. We are getting the information out there and hopefully overtime we'd be able to build a better dialogue in this project.



You mentioned one other thing about legal suits and so forth. I'm not looking forward to that point yet. What I'm more interested in doing today is continuing to try to build the trust with people that we haven't been able to do that with so far on this project.

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**Patricia Lange** -- *Proxy Shareholder*

Hello. My name is Patricia Lange I'm a proxy--

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

Hello, Patricia.

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**Patricia Lange** -- *Proxy Shareholder*

Shareholder.

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

Hello.

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**Patricia Lange** -- *Proxy Shareholder*

And I represent Douglas Channel Watch small of group of concerns citizens from Kitimat who voted recently 'no' in that plebiscite. I'm a first generation Canadian. I'm a teacher. I'm a Baptist. I'm a grandma, and four generations of my family live in the Kitimat area. And we love it there.

I help to lead the door-to-door campaign in Kitimat everyday in the rain, sleet, snow and we're kind of use to persevering in difficult situations. And we didn't get to every door in our known to exporting undiluted raw bitumen sort of like technology. Unlike, Enbridge you did sweep the community. You flushed out by telephone poles, by numerous door-to-door campaigners and strategies -- marketing strategies that our little group only found out after the fact. And so we were incensed at the sign that Enbridge produced that said, "Vote for Kitimat" or your slogans, "Gateway to Our Future" and really that strategy cause the "no vote" to grow in Kitimat.

You know we locals we grew up with Uncle Al- Alcan and we understand what it means to give social license to a big corporation. We understand industry. We're not hipsters or unemployed radical activists looking for a fight. In fact Douglas Channel Watch turned away numerous renowned environmental organizations who are chomping at the bit to fight this project culminating in my home.

I don't think you will ever gain social license in our community. They told me at the doorstep, "Hell no," that's what they feel about risking our clear, pure waters. We cannot be bought. Our parents and grandparent they fled [war-torn] Europe, they withstood the isolation and harsh climate of a coastal rainforest and they fell in love with our pristine waters.

Our roots in the area are not as deep as the First Nations cultures and tradition but we will stand alongside the First Nations to block this project. I feel that Enbridge has spiraled sort of to the lowest level of social license in BC and in fact our little vote which was just a little blip we know on the radar has galvanize at people in BC. And they're sending us messages to our little group saying that those standby us and, they come and stand in front of your bulldozers. I think you underestimate the people of BC are attached to their coastline like it's a religion.

So in light of all of this as a representative of Kitimat what will it take for you to stop trying to push through this project when our social license is clearly with held? And I should add that in our results , you mentioned, 58, 42 had the Haisla participated assuming they would vote no and had the people been taking off of the voter's list which are district of Kitimat Bureaucrats told us we're no longer living there. It would have been 80% vote and almost 80% people voting which is an unusual record in all of Canada. So in line of that my question --



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

Okay. Okay.

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**Patricia Lange** - *Proxy Shareholder*

My question.

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

I will respond. Thank you for your question and statements. Let me just make a point off the bat around your comment on bulldozers and standing in front of them. I sure hope that it does not come to that. The last thing that I think we want as society is to go down the road of let's call it civil disobedience or passion for the issue to the point where we put people's lives and safety at risk that's certainly not would any of any of us want.

But getting back to Kitimat plebiscite -- and by the way you mentioned you're first generation Canadian so am I and my roots also come from Europe so I think I have some perspective on this as you have described. I think the Channel Watch did a tremendous job of talking about the project from your perspective. I think we accept that. We are very proud of our people that went knocking door-to-door. And the people that volunteered from the community to have their pictures and their quotes on signs and so I'm not going to apologize for that part.

Our job is to make sure the information is out there so people understand the project. In this case this is a very complex project. And the reason for that is we have several things at play. Certainly oil as one, the First Nation rights and title, we have tankers, we have coast, I don't think we should expect in our environments today that any energy project is going to receive 100% authority.

My guess would be that it would be hard to see higher than 50% regardless of the energy project that you're talking about. In fact in our country if you go back historically in Canada whether it's the natural gas pipeline that originally got constructed back in the 50's; whether it's a Saint Lawrence Seaway there's always been debate around these major energy projects.

So we expect that we just should expect that as a country. Nothing is going to be straightforward in this regard. To be honest with you we welcome more plebiscites to give us a chance to get our message out and talk about how we believe in the project and how we believe that we can do it safely. We'd like that opportunity.

My last comment is on social license. It's a very fuzzy concept. In some people's minds it means that we have one group or potentially other groups that have a [veto] over to the project. Social license to me means that we need to ensure that we're doing everything we can to make sure the information is there, to exceed regulatory requirements, to do what it is we need to do to give people comfort over safety and environmental protection. That's how we're approaching social license. And then, as they say we see what the outcome will be, but that's my thoughts on your commentary.

Okay. Yes.

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**Nikki Skuce** - *Shareholder*

Hi, my name is Nikki Skuce and I'm a shareholder. I'm also a Smithers resident and with Forest Ethics Advocacy who are one of the groups that have a judicial review launched against the energy's recommendation for Northern Gateway.

During the JRP oral hearing several people have committed to doing what it takes to stop this pipeline and tanker project. In the transcript one Smithers resident stated, "I strongly believe that once all this government red tape and public hearings are complete the Northern Gateway project will be approved and it will be left to residents along the pipeline to revolt, blockade, to occupy Enbridge."



A resident in Vancouver also noted in the transcript said, "Even if you, the panel don't we will stop it. Whatever happens we will take this issue to the streets and the ballot box. If it comes down to it, we will put our bodies on the line."

The last month the BC Civil Liberties Association was invited by local groups to get presentations about "Know Your Protest Right" across the northwest. And a union also active in the northwest gave out information about protest rights to all of their union members that are along the route. We've heard from our First Nations neighbors who have committed to upholding their laws.

And although Enbridge was ignorant before coming into the region you must now be aware of our history in resolve to stop bad development projects like this from the [inaudible elders] blockading Shell's access the sacred headwaters for coldbed methane and eventually permanently kicking them out. To over a decade ago there were hundreds of commercial fisherman who blocked an Alaskan ferry in Prince Rupert over accusations of over fishing and these are just a couple of examples from the Northwest, for people who do what it takes to protect our wild salmon. So should Enbridge attempt to proceed with building Northern Gateway despite such opposition.

Or if we agree to disagree and you push this through, I'd like to imagine a scene in the future where protestors then set up at one of Enbridge's work sites along the right of way, you've got an injunction, cameras are rolling and old ladies, some unbuttoned blankets, others wearing solidarity are being dragged away by the RCMP in handcuffs. The phone calls start coming in to you, CEO Albert Monaco, not only from the media around the globe, but from the BC government, shareholders, your Board of Directors, potentially some of your employees, asking you what you're going to do about this.

And so, what will you answer? What will you do about that?

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

Well, first of all, I'm not going to speculate today on what might happen, particularly when it comes to what's almost sounding like a bit of a threat around civil disobedience and violence. But I don't think it's appropriate for me to comment on that. But I will say a few things. I would invite you to help us make this project better and acceptable to the community.

You know, there are going to be difference of views. I just explained my perspective on the fact that energy projects today don't get 100% buy-in. We can't expect that to be the case. When we have those situations in our country, we have a process that we go through.

The regulatory process, in this case, has been the most robust that this country has ever seen, with global experts, thousands of pages of evidence, a four-year period of review. And I invite you to read that Joint Review Panel recommendation, even just the summary. And what they are concluded, what they have concluded in there is that Enbridge has gone beyond regulatory requirements to take into account the project's risks in several areas, whether that's going to be marine, the design of the project itself, safety aspects in other areas, including land, vessel risks, emergency response, Aboriginal consultation and economics of the project that we have gone beyond what is normal for any type of project of this nature.

So I would invite you once again to engage in a conversation with us about how we can make things better. And I think that will be the best way we can make some progress, at least for the interim. And, as I said before, I'm not looking past the Federal Government decision right now. What we're focused on is continue to have this dialogue, and I invite you again to do that.

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**Jasmine Thomas** - *Proxy Shareholder*

The (inaudible).

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

Sorry? Oh, yes, go ahead.



**Jasmine Thomas** -- *Proxy Shareholder*

Okay, thank you. My name is [Jasmine Thomas] and I am a proxy holder. I come from Saik'uz which is located in the heart of what is known as British Columbia. Our community is affiliated with the Yinka Dene Alliance. And we're a coalition of First Nations opposed to Northern Gateway, who have never signed any treaties or a federal land claim agreement with Canada or the province.

We, the Yinka Dene Alliance, are no strangers to your annual general meetings or on this issue. Some of you here might remember the historic Freedom Train that the Yinka Dene Alliance took in 2012. We embarked across the country to address your Board and shareholders at your meeting in Toronto. We stopped in communities all along the way there. We built long-lasting relationships that have fortified the unbreakable wall of opposition to this project that has been sparking up across this country. Because this people in this nation who see that its corporations and its government is trying to steamroll over Aboriginal rights and titles in just one area of this country like in BC. It could happen to anybody, non-First Nations as well, all the way across.

So people are recognizing the threat. It doesn't only impact us in BC, it impacts civil liberties all across this country.

So we've been very active. I'm sure you've been aware. We attended international forums as well as your shareholder meetings, taking these issues, as far as the, United Nations, attending the climate negotiations, making our submission to the Committee of Elimination of Racial Discrimination, and making the world know that what is being proposed is totally unacceptable.

So over 130 First Nations have signed on to the Save the Fraser Declaration that Gerald mentioned, which is an outright legal ban on your project based upon our indigenous laws, which supersedes the laws of Canada as well.

We have already delivered our formal reasons for decision to Canada as to how and why this project has been banned under our laws. But it doesn't matter what Canada decides. We will continue to uphold our legal ban against this project and we will assert our Aboriginal rights and title to the fullest extent possible.

And, Mr. Monaco, it seems that when anyone refers to being, let's say, civilly obedient to our laws, you almost in turn flip it around as violence or civil disobedience. But why do you have to be civilly disobedient to assert our Aboriginal rights and title, to express our concern for our environment? That is totally unacceptable.

So we will continue to uphold our ban. And we will do so under all and any means necessary that has been mentioned, under Canadian Law, under International Law, and under our indigenous laws as well.

So whether Canada or your company decide to move forward with this pipe dream despite all surmounting opposition, thousands upon thousands of Canadians have committed to hold the wall with us and stand in front of those bulldozers that have been mentioned numerous times over again, if that time comes. But we don't want that time to come. Who wants violence? We've never advocated for that; creative non-violent approaches. It doesn't have to be put around that we're terrorists. We're eco-radicals or whatever. We're just people who are concerned about their lands and our waters.

I'm still being taught the traditional medicine of our territory, ancient knowledge that is still being passed down. And what your company is proposing not only threatens this goal that I'm trying to continue, to keep passing on my culture is being threatened by every time you try to push for this project.

We don't want to relook at a revised project. It's just not going to happen. And so, my question to you, Mr. Monaco, and to your Board of Directors sitting there who I can't look in eye which I could, will Enbridge walk away from this project? And if not, is Enbridge prepared to come to our communities, to my community, look our people in the eyes and say, face to face, that Enbridge does not believe our nations have the authority to say, no, to your unwanted project in our unseeded territory? (Spoken in foreign language).



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

Thank you. Welcome back. And certainly, you've made some passionate comments and I commend you for that. The short answer to your question is yes, I will be prepared to come to your community if I'm invited and you will have me, if you'll agree to have a discussion and allow me to provide my views to your community as well. So I will commit to that.

You mentioned something that concerned me, which was the assertion that, somehow, Enbridge has trampled on Aboriginal rights. And I want to just challenge that premise because I think that it's very clear, when you look at the Joint Review Panel report, which was very detailed, as I alluded to earlier. They said we could have done some things better; there's no doubt about that. However, they did also acknowledge that we did adapt our approach to First Nations' consultation. We did take every opportunity there was to address concerns and provide information. And we made changes to the project that reflected people's concerns.

They also said that we have broken new ground in several areas. Not just in design, but how we're approaching First Nations' issues, particularly when it came to how we took input through the CABs and the offer to be partners in the project that would provide stewardship opportunities for First Nations.

So, I guess that's my response to you around our views on how we conducted ourselves. Obviously, we could always improve, and I look forward to the opportunity to visit your community.

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**Dave Core** - *Shareholder*

Is this mic on?

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

Yes, it is.

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**Dave Core** - *Shareholder*

Okay. Good morning. My name is Dave Core and I'm CEO and Director of Federally Regulated Projects for CAEPLA, the Canadian Association of Energy and Pipeline Landowner Associations and I'm also a shareholder of this company. And I want to say -- I just have to mention -- that CAEPLA, our organization, represents landowners affected not just by the Northern Gateway but by Line 3, Line 9, all the pipelines across Canada, and we represent landowners and landowner associations across Canada. And I'm going to bring a little bit different perspective to what I have to say here than what we've heard so far.

As a shareholder, I am here today for the same reason you are - out of concerned for the bottom line and the reputation of this company. My concern and the concern of many farmers, ranchers and landowners who are members of CAEPLA and who also own shares in Enbridge is that this company and this industry have become overly reliant on the current regulatory system.

The regulatory system I speak of is one that makes the industry subject to the National Energy Board or the NEB. Though it never worked for landowners, the NEB seemed to work quiet well for the energy transport industry for decades. These days, however, the system is not working very well for pipeline companies anymore, either. And that's because the regulatory system has been hijacked by anti-pipeline activists, anti-oil activists and anti-capitalist activists.

They now use the system that stole land for pipeline companies from landowners to stop pipeline. As a result, this company, the industry and the North American economy have lost, literally, billions of dollars due to regulatory strangulation, to projects delayed and denied by politicians and bureaucrats.



Before, it was only the landowners that lost billions of dollars due to the liabilities, risks and cost of pipelines enforced on our land. It is time to do business another way, to move away from regulatory processes in favor of the discipline of business agreements and contract law with landowners. It is time to abandon expropriation or right of entry or eminent domain -- whichever you want to prefer to call it -- of landowners and to embrace us as business partners and, more importantly, as public relations partners.

Partnership with property owners will permit pipeline companies like this one to win the political and PR battles that get projects done for the good of the bottom line, shareholders and the economy.

I'll leave you with a question I and many landowners often wonder about. Why does the pipeline industry force farmers and ranchers to subsidize investors? Why aren't the legitimate cost like historical contamination, rent and [aging] a pipeline's, liabilities, why are they passed on, not passed on to the customers, producers and consumers of oil and gas, as any viable business, especially monopolies, would do?

Why does the industry think it is right to leave farmers with risks, liabilities and costs that belong to you, and me, and shareholders of this company? Why does the company not pay rent? I think a lot of people don't understand that pipeline companies are not paying rent for the land that they use to transport oil and gas.

Compared to costs of paying market rates for land used to all the costs associated with PR and regulatory processes and to the billions lost on projects delayed or rejected, I and our membership forewarned this company and others of the situation this company finds itself in today. And we were ignored. I think this is something to think about the next time a land agent threatens a farmer or a rancher with expropriation.

And, again, I need to repeat that the farmers are not being paid rent, and that we represent landowners on Enbridge lines right across Canada. Thank you very much.

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

Thank you Dave. I appreciate your comments and your question.

First, maybe I should say that, with respect to, I think you referred to it as eminent domain, certainly, for us, that is a very, very last resort. In fact, if I go back, there may be two or three instances when we've actually had to use that right in Canada to access property that we didn't have an agreement with the landowner.

So our going in approach close to 100% of the time and we actually get this affected is to work closely with land owners. We have a tremendous respect for our land owner partners. And our strong preference in every case is to have an agreement with those land owners.

So we as a company do not want to employ the right of eminent domain. There are cases however, where we do see individuals or certain groups holding up an entire project, we certainly have to look to the regulatory authority in those few cases to ensure that number one, we can get access particularly when we're dealing with an emergency situation.

You mention compensation of course you know well that we do provide compensation for the initial access to the land. I think maybe you're issue is the whether or not that that's enough, that's a separate question. We do provide compensation for temporary work space use, and we do provide compensation if we do some damage while we're accessing and I think you're experience that area.

With respect to liabilities from abandonment concerns, the industry has taken that on. We have now come to what looks like pretty close to final terms for allowing us to put aside funding to make sure that that's available to address abandonment issues in the future. And that funding will be put aside, it would be governed by a separate trust agreement so that we can make sure the money is there if we need to with respect to abandonment or other liabilities that may come up in the future.

Yes, (inaudible).



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**Ken Habermehl** - - *Shareholder*

Good afternoon, Mr. Albert Monaco --

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

Hello.

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**Ken Habermehl** - - *Shareholder*

-- Board of Directors, I am Ken Habermehl. I'm a farmer, rancher from Saskatchewan, I drove seven hours to be here. I'm a shareholder, I'm a member of CAEPLA, I attended Enbridge's abandonment workshops, I attended the abandonment cost hearing in Calgary. I've been very involved. And as of March 4, we got notice of the line three replacement projects in Saskatchewan. We are not bracing ourselves for another round.

The term is decommissioning of this pipeline, line three in our lands, we are scared. We cannot -- we took our environmental farm plans, we cannot leave the very fuel station or a septic tank in our lands. And yet, as decommissioning leaving a pipe in the ground with my name on title is scaring every land owner from Hardisty all along the 1,600 km of pipeline. We're not going to accept it. There's going to be -- we're organized and hard, and we're going to have confrontation.

That risk to clean up a pipeline, large diameter, if it isn't cleaned up, big machinery we will crush over that pipe. We're liable under section 112 of the NEB Act to clean up one-quarter section is about \$500,000 to \$1 million, we can't afford that. So we're saying let's take -- Enbridge take the pipe out of the ground, you cannot protect us from that.

Now, there's other issues too coming. We have to -- society makes us produce good safe quality food, I produce beef, and I produce canola, wheat, good crops and there are standards we have to make, and we have a bio security project protocol in our lands to protect from invasion of invasive and noxious weeds. Pipeline companies and the oil and gas industry want to come all over our land. And we're scared of this spread of club root, that is huge. And then in the pastures, it's scentless chamomile and leafy spurge. We are signing a lease agreement with the provincial government taken over the PFRA pastures, but we're liable to the spread of that disease.

So there's major impacts that affect us all the time, and the energy, the pipeline company industry is not in our standards. So that's one thing we got to reach. One of the points I'm here to say is last time we're irrigators in the McCorry district. We have an irrigation district, there's 12 farmers, there's a canal supplying water for irrigating high value crops. The construction of the Alberta Clipper project and I spoke here before on it four years ago, we were laughed at. The drillers came along and said, we can directional drill under this canal no problems. Well, July 3, a hole collapse in the bottom of the canal. That means, we had to shut down all the irrigation, all are high cost of input, and we were laughed at.

Now, it took me a trip to Calgary to talk to Pat Daniel and letters to the NEB for that mitigation to be taken care off. The other thing in this canal system, we have bridges, wooden bridges that were built for farm equipment. And when a construction project comes through, and I got pictures of it, they hit it with high speeds and heavy equipment, something has to be done, maybe something proactive by Enbridge putting proper culverts in for your industry construction so that we can run over slowly with farm equipment afterward.

There's lots of issues but we're farmers, we're Canadians. And yes, one other thing, farm credit here, if we want to mortgage our land or if we want to sell our land, we got to fill out an environment declaration, and we have to declare that there's a big pipeline on our land. Is it decommissioned, we got to write that down. We're responsible for abandonment or decommissioning of pipes in our land. That's not -- that shouldn't be that way.

So the shareholders should know this. Thank you.



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

Okay. Thank you. First of all, thanks for driving seven hours to get here. And thank you for being a shareholder. There's a couple things that you said that concern me and that I would like to make sure we chat with you about after. You said you were scared, that's concerning me because as land owners and as Canadian as you point out, we want to make sure that we don't have a situation where the people that we are partnering with effective doing the work on their land are afraid. That's not good.

You also mentioned that you are laughed at, and that's not acceptable either. So we're going to have to get to the bottom of that which we promise to do. With regard to taking the pipe out of the ground on line three, we have five pipelines in the ground for most of that right of way that we're talking about here around line three. The reason why we don't take the pipelines out of the ground -- well, there's a couple, the first one is we need to make sure we're maintaining the integrity of that land so that the other lines don't end up collapsing. So ensuring the integrity of the right of way is a primary concern, the last thing we want is for something bad to happen on your land.

Secondly around safety of decommissioning pipelines, of course it's a well-accepted practice and I think you would be aware from a regulatory point of view, it is -- it is certainly safe to maintain the line. Let's not forget that just because there's no crude flowing through it, we are obligated as the company to maintain and we do maintain the lines regardless of whether they're moving crude or natural gas. So we're responsible to do that and we'll live up to that.

So what I'd like to suggest is that we take the specific issues offline. You've articulated them well. I'd like you to chat with Byron Neiles who should be here today. I can't see him exactly, but hopefully you can have a chat with him after in case I'm not available to speak with you so we can address the specific concerns.

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**Ken Habermehl** - *Shareholder*

Thank you for your time.

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

Thank you.

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**Nikki Skuce** - *Shareholder*

(Inaudible), I'm Nikki Skuce, I'm a shareholder.

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

Hello.

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**Nikki Skuce** - *Shareholder*

The BC government rejected Northern Gateway in the final arguments of the [joint review panel]. You talk about trust, but Enbridge's lack of adequate responses perhaps not according to the National Energy Board. But as a result [in the BC government] saying trust us isn't good enough. Premier Clark has set out five conditions before accepting heavy oil pipeline through the province. But I would just like to know if Enbridge is currently meeting with or lobbying the BC government, and what is Enbridge doing with regards to meeting the two conditions around spill response?



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

Thank you. Well, we're certainly not lobbying them but we will -- we do in fact meet with members of the BC government as you would expect to get behind these five conditions in greater detail so that we can understand them. And we may have a difference of view on the BC government's position. I believe their position is that they will not accept crude oil pipelines without meeting those five conditions. Our objective and we believe we can accomplish it is to meet those five conditions. And when we meet with governments over time and we gain more clarity in terms of our great understanding of what that means.

Obviously we've gone through a massive exercise with a national regulator that's comprised with the National Energy Board and the Environmental Agency who spent many, many months reviewing evidence. So that is -- that is solid. But if there are additional things that we can do to further protect safety environmental aspects of the project, then we'd certainly like to hear them, and that includes from the BC government.

Yes.

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**Bruce Hopkins** - *Shareholder*

Bruce Hopkins from Outlook.

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

Hi, Bruce.

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**Bruce Hopkins** - *Shareholder*

I'm a land owner and a shareholder from you guys, so.

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

Good. Thank you.

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**Bruce Hopkins** - *Shareholder*

I have concerns about this land or line three abandonment you're talking about like -- one of my first questions would be is how many lines would you abandon before we start take them out? Like if there is 51-line to 59-line, and your 69-line which you're abandoning or you guys call that warm and fuzzy word decommissioning? But how many of those lines would you take out or decommission before you would rip them out of the ground? Would you -- two, three, four like you got six there now, and you guys shouldn't be saying you're replacing line three, you're putting in line seven and leaving three in the ground ?

But my question is, is that you guys got to take that number three line out like I don't if you put it in there, you guys should have the technology to take it out, okay? Because -- and this is what coffee talk meeting the other day, I get talking to the plant manager, and I said, "Okay, what was that line pumping when it was in good shape? 900 pounds, what do you have today? 400.

The reason they're decreasing the pressure in that line is [it's hooped]. Now, we have great restrictions that when we cross that -- those pipelines with our machinery, they're right on the line. Now, I don't care what you do to that line because it's in poor shape, it's going to get worse and worse and worse, are you going to have a bunch of farm accidents before you take it out or what are you going to do?

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

Okay.

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**Bruce Hopkins** - *Shareholder*

And my last question is, is how in the hell are you guys getting away without taking that line of the South Saskatchewan River, the one you're going to decommission? 43% of the population of Saskatchewan, gets their water out of that river, and you guys are going to leave an old slobbering oil line in there?

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

Right.

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**Bruce Hopkins** - *Shareholder*

I don't think so.

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

So I don't think it's a question of having the technology to remove the line. As I said earlier, what we're trying to do is maintaining the entire right of way. And it's very important that the line remain in place. But the root of your question really is can that be safe? And as I said earlier, whether it's a line that has not moving crude or one that's moving crude or natural gas, we treat it the same from a safety and environmental protection point of view. So we're out there, we're checking it for corrosion and other factors that can often effect the lines.

As to your comment about reducing it to 400 pounds of pressure, yes, we did that. And the reason is because when we do our engineering assessments, we look at the integrity of the line and we determine that it's best to reduce the pressure of the line. It doesn't necessarily follow from that that is not a good line, it's running at a lower pressure. And based on all the engineering studies that are done, and based on consultation with our regulatory agency, it's appropriate to run at that lower rate.

I can't address your question around South Sask River. I would ask that we maybe take that offline for -- after the meeting and we'd love to sit with you and talk about that one specifically. But I thank you for your question.

Okay. So we are -- how far are we into the Q&A session? Pardon me?

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**Tyler Robinson** - *Enbridge Inc. - VP and Corporate Secretary*

10 minutes over.

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

Okay. So we're a little bit over, but let's take -- let's take one more question if there is, if not --

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**Patricia Lange** - *Proxy Shareholder*

Thank you.



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

Yes.

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**Patricia Lange** - *Proxy Shareholder*

Proxy shareholder. In a big company like Enbridge, you're used to planning and I saw that today your excellent presentation, using superlatives like the longest, the biggest, the largest, the most, when you're describing your projects like the Northern Gateway, and as the most expensive industrial project in modern Canadian history, you're marketing claim is it's more than a pipeline, it's a path to our future. But you are a giant foreign funded corporation, who are here to make money for your shareholders here, and that's in opposition to the value of most BCers when it comes to the environment.

We recognize our coastal waters as a unique place of superlatives too. The only place on earth where wolves rely on salmon, the only place where five species of salmon fertilize and feed the trees creating the biggest stretch of temperate rain forest on earth, some of the oldest trees on earth, the greatest biomass density of any ecosystem in the world, the largest population of grizzly bears in the world, the largest concentration of Kermode bears. I and the neighbors that I met in the door to door plebiscite campaign who voted against the future you claim would be ours, understand that no amount of money will ever compensate for an oil spill. Your largest tugs on earth cannot 100% guarantee the protection of our values. A risk of even a few percent is too high. I paddled over the sunken BC ferry, it's a very poignant moment because that sunk due to human error. And a maximum of 10% clean up at best of an oil spill is an impossible risk for those of us in BC.

Our little environmental group just regular people reflect the values of BC citizens and first nation. We cannot be bought with little donations and million dollar promises. Imagine my 89-year-old mother rickety, and my pregnant daughter and me being arrested. We talked about this at the dinner table and with our friends, because we are willing to go and we're tough, we really believe that if it comes to it, we are willing to stand and hold the line.

So I guess I'm asking you how can you look our family in the eye and say that the risk is worth it.

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

Thank you. Well, maybe I'll just make a couple comments in response. There's a lot to your commentary there. I guess maybe the most important thing is that I think you said that the shareholders are interested in making money and that you're concerned that that was in opposition to the values. I can assure you that I and the rest of the management team, the Board are also very strongly aligned with values. And I think the point of this is that as I described in my remarks, there is no question that we need energy. And everybody in this room including yourself, myself have all benefited from the use of energy. And that's a reality that I think we have to face.

On the comment around the 100% guarantee, I don't think that is possible in life today to have 100% guarantee over anything, even driving to work is not a guarantee. So I guess maybe just in closing, as I said earlier in my remarks, in terms of the social license and that whole issue, our job is to make sure that we are doing the utmost possible to manage those risks. And I think if and I encourage to read the joint review panel and all the evidence that went into that report and over many, many months, they basically concluded two things, the project is safe from an environmental point of view and then Enbridge has gone way above all requirements for this project including noting several times that we had been world class in our approach. And I think that's really what this comes down to.

We want to be world class. And I think if we are that will give people a lot of comfort. The challenge we have is being able to sit down with yourself and others being able to go through that process rather than dealing at the high level get into some of those specific issues. So that's what I would encourage you to do as far as the joint panel recommendation. And I invite you to sit down with us. Thank you.

Okay. We have one more.



**Dave Core** - - *Shareholder*

I would just like to clarify something Mr. Monaco. You mentioned that you use eminent domain as the last effort to get the land. Our point is, is that land owners should have the right to say no to a bad deal. And a bad deal is, is that we bare risks and liabilities that put our investment at risks, put our business at risk et cetera. And the thing that most people on this room don't understand is, is that when you take an easement from us, our name is on title. I was at a meeting yesterday or Friday where Russ Girling he said, if that's a benefit to farmers, we buy -- if we actually pay them for the land and then they get to keep the title of the land and farm it, actually that's worse than expropriation because ultimately it's the title holder who bares all the risk because if your company and companies to become insolvent there's even papers out there written by the NEB and companies that say that they don't know who's responsible if the company becomes insolvent.

Well, the reality is we've hired experts and legal counsel to prove to us as land owners across Canada that we will be responsible because our names are on title. In fact the oil industry knows that too because there's the example of the Imperial Oil in Regina won't sell their gas stations (inaudible) because they know that if contamination is found in the future they're responsible.

And then the other thing is I'm talking about the regulatory process, it's a process that's been there for 55 years or more and it was created back in 1959 by Mr. Diefenbaker and then, yes, it's been a process to get your pipelines built et cetera, and to take our land for your use, but the world has evolved. And the fact is if that land owners are baring a great deal of risk in fact the National Energy Board is tapping laws that are transferring my as a shareholder of this company the responsibility to farmers.

And a couple of those they're restricting our crops. And in fact Enbridge told one of our land owners the other day that he can no longer cross the pipeline with his grain buggy and if nobody knows what that is, I'll tell you what that is. That's a cost to the farmer. He didn't ask for the pipeline, he's not getting an annual rent for the pipeline, we all know what rent is, rent is what we pay to use a house, rent is what we pay for a car, pipelines are not paying rent to the land and refuse to pay it, and it doesn't make any sense. We're in business with you, you call us the first line of defense, well, let's start acting like it. And we have a tagline, land owners want in, we don't want to bare the risk and liabilities and responsibilities of this company anymore.

And the one last thing I'll tell you is that when it comes from abandonment, yes, there is a fund now being collected for abandonment and CAEPLA and Land Owner Associations can take some responsibility for that. But the problem is it's only for 20% removal. It's not for the full removal. And yet we have experts and legal counsel that have told us that the only way we can protect ourselves is for pipelines to be removed.

I and farmers like me and the rest of you cannot leave abandon fuel tanks in the ground. You cannot leave abandoned septic tanks I the ground. Why are these companies, why are we asking land owners to bare all these risks? And all I said since the beginning it, we're not against pipelines, we're against protecting our property rates in our land and we want to do this with this company too. We are pro development, pro pipeline. But until we start addressing these issues, I don't think the industry needs anymore enemies. If you listen to these two gentlemen, you need your partners on side, you need your line defense on side and they should be getting a [realm].

And I'll leave at that and I hope that you all hear me because all of you own property. And you understand the importance of having the title of that property and the importance of addressing the liability and risk that you don't want to carry that don't belong to you. And these do not belong to us. And I'll leave it at that. Thank you very much.

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

Okay. Thank you. You've articulated your thoughts extremely well. It feels like to me, it's not a question I can answer at the moment. I think maybe we have a difference in view. But I think this is a broader issue. I think that's your point. And we need to continue to have some dialogue on it even on the abandonment liability. It seems that there may be a gap there at least from your perspective.



So let's agree to go through the processes that have been set up. And I think you are a great advocate for your position. So we'll hopefully continue to work together on that. And just to reiterate last point, I think the bigger picture here is that we do appreciate your support to make these projects work. And hopefully we can come to some agreements in the not too distant future about how best to do that. Thank you.

Okay. That brings us to a close on the Q&A session. Thank you very much for your questions.

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**David Arledge** - *Enbridge Inc. - Chairman*

Thank you, Al. I've received confirmation that each of the 12 incumbent directors has been elected by at least 97% of the votes cast for the election of directors. The motion to approve the increase of the number of common shares reserve for the issuance under the stock option plans has been approved by at least 90% of the votes cast for that resolution. The motion to amend continue and approve the shareholder rights plan has been approved by at least 98% of the votes cast for that resolution.

And finally, the advisory vote on executive compensation has been approved by at least 96% of the votes cast on that resolution. We have not completed all business scheduled for today's annual and special meeting of the shareholders. Accordingly, I'll now ask for a motion that the meeting terminate.

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**Max Chan** - *Shareholder*

Mr. Chairman, my name is Max Chan, I'm a shareholder. And I move that this meeting now be terminated.

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**Gillian Findlay** - *Shareholder*

Mr. Chairman, my name is Gillian Findlay, I am a shareholder, and I second the motion.

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**David Arledge** - *Enbridge Inc. - Chairman*

For those in favor, please indicate your approval by raising your right hand. The motion is carried. I now declare this meeting terminated, and invite you to join your directors and senior management for refreshments in the lobby area. Thank you.

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