



## NEWS RELEASE

### **Enbridge to Undertake \$7 Billion Mainline Replacement Program**

**CALGARY, ALBERTA; HOUSTON (March 3, 2014)** – Enbridge Inc. (TSX, NYSE: ENB) and Enbridge Energy Partners, L.P. (NYSE: EEP) today announced they have received shipper support for a \$7 billion investment in their Canadian and U.S. mainline system running from Edmonton, Alberta to Superior, Wisconsin. The Line 3 Replacement (L3R) Program will complement the existing Line 3 segment replacement program and include all remaining segments of Line 3 between Hardisty, Alberta and Superior.

The L3R Program is targeted to be completed by the second half of 2017. Mainline shippers have agreed to support surcharges on all barrels moving on the mainline to provide an appropriate return on the additional capital required. It will be subject to customary regulatory approvals.

Under the L3R Program, all segments of the line between Hardisty and Superior will be replaced with new pipe using the latest available high-strength steel and coating technology. Long-term integrity costs to maintain the line will be substantially reduced and the reliability of service will be enhanced.

“The Line 3 Replacement Program is an important project for our customers and for Enbridge and aligns very well with our strategic priorities,” said Al Monaco, President and Chief Executive Officer of Enbridge Inc. “We work closely with our customers to understand their needs now and into the future; the L3R Program will provide high reliability and flexibility to accommodate the level of throughput we expect they will require. The increased reliability of throughput on our system will provide our customers with assured service to key markets.”

Added Mr. Monaco, “The L3R Program will be the largest project in our Company’s history and will serve to significantly extend our industry-leading earnings per share growth rate well beyond 2017. We now stand at \$36 billion of enterprise-wide commercially secured investments which will all be generating additional earnings and cash flow by 2017.”

Initial development work is underway to support the regulatory applications that will be submitted in late 2014. This includes an extensive public consultation process with landowners, Aboriginal and Native American communities, municipalities and counties and other stakeholders along the Line 3 right of way. Further information on the project will be shared with the public in the near future through mailouts and public meetings.

The Canadian L3R Program, between Hardisty and Gretna, Manitoba, currently is estimated to cost approximately \$4.2 billion and will be undertaken by Enbridge’s wholly-owned subsidiary, Enbridge Pipelines Inc. The U.S. L3R Program, between Neche, North Dakota and Superior, is estimated to cost approximately US\$2.6 billion. The U.S. Program will be undertaken by Enbridge Energy Partners, L.P. (EEP) with funding provided jointly by Enbridge and EEP at participation levels to be finalized and approved by the EEP Special Committee. The Program

will result in the elimination of \$1.1 billion of Line 3 integrity capital which would otherwise be required by 2017, as well as elimination of additional post-2017 integrity capital.

The surcharge on barrels moving on the U.S. mainline will be set to recover a return on and of the incremental U.S. L3R capital. The surcharge will be based on EEP's existing Facilities Surcharge Mechanism cost of service methodology. A separate surcharge will apply to all barrels moving on the Canadian mainline at the Canadian local toll, and another surcharge will apply to the international joint toll (IJT) applicable to all barrels that travel on both the Canadian and U.S. mainlines. The IJT surcharge will be set at a level that will cover the U.S. surcharge plus enough, together with the Canadian local toll surcharge, to provide an appropriate return on the incremental Canadian L3R Program capital.

The capital costs on which the surcharges will be based will reflect detailed estimates to be finalized in the first quarter of 2014. Shippers will have the option to cancel the L3R Program in the event that the detailed cost estimate exceeds the current preliminary estimate by more than 15 per cent. In the event of such cancellation, all development costs incurred to that date would be recoverable from shippers.

Guy Jarvis, President, Liquids Pipelines for Enbridge said the L3R Program provides a very attractive solution to Enbridge and our shippers. "In the long run it is the most efficient way to maintain the line," Mr. Jarvis said. "It also improves the reliability of the system, with less down time for inspections and repairs and more operating flexibility. The IJT surcharge structure for the Program is designed to provide Enbridge with a solid return on its incremental investment."

Mark Maki, President, Enbridge Energy Partners said, "The U.S. Line 3 Replacement Program will provide a significant attractive investment opportunity for EEP, enhancing our distributable cash flow growth rate. The funds anticipated to be released through projected drop downs of additional interests in our natural gas gathering and processing business to Midcoast Energy Partners, will expand the Partnership's ability to undertake a significant participation level in this program."

Line 3 is a 1,031 mile (1,660 kilometres), 34-inch diameter pipeline that has been in safe and reliable operation since 1968. It is one of six crude oil pipelines that make up the Enbridge mainline system.

## **CONFERENCE CALL**

Enbridge Inc. will hold a conference call on Tuesday, March 4, 2014 at 9 a.m. Eastern Time (7 a.m. Mountain Time) to discuss the Line 3 Replacement Program. Analysts, members of the media and other interested parties can access the call toll-free at 1-800-708-4540 from within North America and outside North America at 1-847-619-6397 using the access code 36772471#.

The call will be audio webcast live at <http://www.media-server.com/m/p/te36pkob>. A webcast replay and podcast will be available approximately two hours after the conclusion of the event and a transcript will be posted to the website within 24 hours. The replay will be available at toll-free 1-888-843-7419 within North America and outside North America at 1-630-652-3042 (access code 36772471#) until March 11, 2014.

The conference call will begin with a presentation by the Company's Chief Executive Officer and Chief Financial Officer, and the President of Liquids Pipelines followed by a question and

answer period for investment analysts. A question and answer period for members of the media will immediately follow.

### **About Enbridge Inc.**

Enbridge Inc., a Canadian Company, is a North American leader in delivering energy and has been included on the Global 100 Most Sustainable Corporations in the World ranking for the past six years. As a transporter of energy, Enbridge operates, in Canada and the U.S., the world's longest crude oil and liquids transportation system. The Company also has a significant and growing involvement in natural gas gathering, transmission and midstream businesses, and an increasing involvement in power transmission. As a distributor of energy, Enbridge owns and operates Canada's largest natural gas distribution company, and provides distribution services in Ontario, Quebec, New Brunswick and New York State. As a generator of energy, Enbridge has interests in 1,800 megawatts of renewable and alternative energy generating capacity and is expanding its interests in wind and solar energy and geothermal. Enbridge employs more than 10,000 people, primarily in Canada and the U.S. and is ranked as one of Canada's Top 100 Employers for 2013. Enbridge's common shares trade on the Toronto and New York stock exchanges under the symbol ENB. For more information, visit [www.enbridge.com](http://www.enbridge.com). None of the information contained in, or connected to, Enbridge's website is incorporated in or otherwise part of this news release.

### **About Enbridge Energy Partners, L.P.**

Enbridge Energy Partners, L.P. owns and operates a diversified portfolio of crude oil transportation systems in the United States. Its principal crude oil system is the largest pipeline transporter of growing oil production from western Canada and the North Dakota Bakken formation. The system's deliveries to refining centers and connected carriers in the United States account for approximately 17 per cent of total U.S. oil imports. Enbridge Partners is recognized by *Forbes* as one of the 100 Most Trustworthy Companies in America.

### ***Forward Looking Statements***

*Certain information provided in this news release constitutes forward-looking statements. The words "anticipate", "expect", "project", "estimate", "forecast" and similar expressions are intended to identify such forward-looking statements. Although Enbridge and EEP believe that these statements are based on information and assumptions which are current, reasonable and complete, these statements are necessarily subject to a variety of risks and uncertainties pertaining to operating performance, regulatory parameters, weather, economic conditions and commodity prices. You can find a discussion of those risks and uncertainties in our Canadian securities filings and American SEC filings. While Enbridge and EEP make these forward-looking statements in good faith, should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary significantly from those expected. Except as may be required by applicable securities laws, Enbridge and EEP assume no obligation to publicly update or revise any forward-looking statements made herein or otherwise, whether as a result of new information, future events or otherwise.*

**For more information please contact:**

**Enbridge Inc.**

Graham White  
Media  
(403) 508-6563 or Toll Free: (888) 992-0997  
graham.white@enbridge.com

Adam McKnight  
Investment Community  
(403) 266-7922  
adam.mcknight@enbridge.com

**Enbridge Energy Partners, L.P.**

Terri Larson, APR  
Media  
(877) 496-8142  
Email: usmedia@enbridge.com

Sanjay Lad  
Investment Community  
(866) EEP INFO or (866) 337-4636  
Email: eep@enbridge.com