



EVRAZ and Enbridge: Proud partners in a Saskatchewan success story

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

March 31, 2015

**EVRAZ North America's \$200-million
Regina operations investment announcement**

EVRAZ Regina Tubular Mill

Regina, Canada

(Check against delivery)

[Introduction by Conrad Winkler, President and CEO of EVRAZ North America]

Thanks Conrad.

First, Premier Wall, let me say how proud Enbridge is to be part of this Province's energy economy.

Our pipelines span North America - and the energy they deliver is critical to our economic and social wellbeing.

But if you look at our system map, it's clear how important Saskatchewan is in making it happen.

To get to market – you go through Saskatchewan.

Premier, I want to thank you for your leadership in fostering sustainable energy development in this Province . . .

. . . but more so by encouraging energy cooperation and unity throughout Canada and the U.S.

We need more strong voices like yours to balance the discussion on North American energy . . .

. . . especially since we've now proven we have the resources, skills and capital to ensure continental energy security.

We have a tremendous opportunity.

Conrad, your announcement today is a great example of the benefits that energy infrastructure can bring to Canada.

Evraz's products are part of the chain that enables producers to reach the best refinery markets.

Ultimately, that means that we as Canadians can get a fair price for our natural resources.

We're part of the story too.

Over the last 7 years, we've put \$23 billion of new energy infrastructure into the ground.

Over the next 3, we'll complete 25 projects representing another \$24 billion in investment.

That includes our \$7.5 billion Line 3 Replacement project – the largest in our history.

Line 3 will create more than 9,000 jobs in Saskatchewan – that's \$650 million in family income . . .

. . . and much more in property and income taxes and spin-off effects.

When you're investing that much capital, you need to get project cost and schedule right.

Yes, there's engineering, construction and other service providers.

But the heart of our business is the pipe in the ground.

We insist on the best steel – and the best made pipe.

That's why we really think of EVRAZ as the gold standard.

Conrad and his team understand our business and share our commitment to safety and quality.

Since 2006, EVRAZ has produced about 2 million tons of pipe . . .

. . . for our Canadian and US projects so that's about 6,000 kilometres of pipeline.

They have proven ability to deliver pipe when we need it.

That helps us meet schedule and certainty demanded by our customers.

Evrax is flexible and responsive and that's what we need.

And they're focused on quality.

That's an imperative for us because there's no room for error in our business. . .

. . . the public is counting on us to deliver energy safely.

I'm pleased to join Conrad in announcing our joint research and development program.

Our initial focus will include:

- developing steel compositions that maintain strength and durability while improving the properties of field welds, and
- developing steel designs with improved performance in permafrost and other challenging terrains.

It's a move that will make today's pipelines even safer and more reliable than ever.

Before I close, I want to comment briefly on a looming challenge to all of this upside:

- and that's opposition to what seems to be all forms of energy development.

We all get the economic benefits of development.

EVRAZ's \$200 million investment is one example of that ...

...by ensuring the long-term viability of this mill and its employees...

It's this kind of investment in new infrastructure that will generate significant growth

....and help ensure our continental energy security.

But today, the economic benefits alone won't cut it in achieving public support for energy development.

I believe our industry needs to focus even harder on the public concerns over safety and the environment.

We need to build more trust.....

.....and the best way to do that is through world class performance. Evrax gets that.

For our part, we've invested more than \$4 billion in the safety and integrity of our pipeline systems.

And we're using the very best in technology to do it.

We're engaging communities earlier and we're using their input to make our projects better.

Conrad, congratulations to you and the EVRAZ team.

We're delighted to be part of today's announcement and to be part of a Saskatchewan success story.