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# EDITED TRANSCRIPT

ENB.TO - Enbridge Inc. Annual Meeting of Shareholders

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## CORPORATE PARTICIPANTS

**Allison Love** *Enbridge Inc. - VP - Corporate Secretary, Chief Compliance Officer*

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

**Tyler Robinson** *Enbridge Inc. - Senior Manager - International Business Development*

**Colin Gruending** *Enbridge Inc. - VP - treasury & Tax*

**Debra Poon** *Enbridge Inc. - Senior Legal Counsel*

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

**Max Chan** *Enbridge Inc. - Manager - Corporate Finance*

**Tanya Garcia Eaton** *Enbridge Inc. - Legal Counsel*

## CONFERENCE CALL PARTICIPANTS

**Julie Folco** - *Shareholder*

**Brent Bouchez** - *Shareholder*

**David Foss** - *Shareholder*

**Darren Cleveland** - *Shareholder*

**Mark Boise** - *Shareholder*

**Terry Major** - *Shareholder*

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

**Brenda Bullock** - *Proxy Shareholder*

**Gerald Amos** - *Haisla Nation Councillor*

**Maryam Adrangi** - *Proxy Shareholder*

**Trevor Jing** - *Proxy Shareholder*

**Karen Tam Wu** - *Proxy Shareholder*

**Frank King** - *Proxy Shareholder*

**Miriam Drengagen** - *Proxy Shareholder*

## PRESENTATION

**Allison Love** - *Enbridge Inc. - VP - Corporate Secretary, Chief Compliance Officer*

Good afternoon, ladies and gentlemen. My name is Allison Love, and I am the Vice President and Corporate Secretary of Enbridge, and I would like to welcome everyone who is here today.

Before we get started with the meeting, and advise the Chair of the Board of Directors to come to the podium, I'd like to review a few safety and process matters.

First, at Enbridge we begin many meetings with a safety moment and we will do that here today as well. The emergency exits are at the back of the room, so in an emergency you should exit the same that you came in. Washrooms are also located in the lobby area.



I would like to advise you that this meeting is being video recorded for Enbridge's records. However, we ask that you refrain from using personal cameras or video recording devices during the course of our meeting. In addition, like they say when you go to the theatre -- please take this opportunity to turn off your cell phones and paging devices.

There are three parts of our meeting, the business portion which will be conducted by Mr. Arledge, then the Chief Executive Officer's address to shareholders provided by Mr. Monaco, and the question-and-answer portion of the meeting, which will follow Mr. Monaco's address.

If shareholders have additional questions that we are not able to respond to during the question-and-answer period, we will be pleased to respond to you in writing, so please complete your question card, and leave it with us with your name and address on the back.

To provide all interested shareholders with an opportunity to ask a question, we ask that each shareholder limit themselves to one question, and if you have more than one question then, time permitting, you will have an opportunity to ask another question once all shareholders who wanted to ask a question have done so. In this regard and out of respect for the other shareholders we ask that you sit down after you've asked your question and wait until Mr. Monaco welcomes follow-up questions at the end of the session before lining up again.

Thank you. And I'd now like to welcome Mr. Arledge to the podium.

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

Good afternoon, ladies and gentlemen. My name is David Arledge, and I am the Chairman and a member of the Board of Directors. It's my pleasure to welcome you to Enbridge's Annual Meeting of Shareholders, which I know call to order.

As provided in our bylaws, I will act as Chairman of the meeting, and Allison Love, will act as Secretary.

And I would also like to introduce Al Monaco, our President and Chief Executive Officer, who is seated with us.

The Board and Management sincerely appreciate your interest and your attendance today. As our meeting is being audio-cast live, I would like to welcome those shareholders in our Internet broadcast audience. A TV monitor providing real-time captioning for the hearing-impaired is available today and located to the right of the stage. Several shareholders have volunteered to move or to second resolutions, which are identified in the Notice of Meeting for this -- as today's business.

Any shareholder or proxy holder with a question on a specific item of business is welcomed to ask it when that item of business is being considered. If you wish to make a general comment or to ask a question not directly related to the matter under discussion, I would ask that you raise the question during the general question period that has been provided for this purpose, after the close of the formal part of the meeting.

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

The meeting has been called as an Annual Meeting of Shareholders of Enbridge, Inc. We'll deal with a number of items of business as specified in the Notice of the Meeting. First we will consider the minutes of the last meeting of shareholders held on May 9, 2012.

Shareholders will then be asked to address the formal annual business of receiving the financial statements, the election of directors, and the appointment of auditors for the coming year.

Shareholders will be asked to use the ballots given to them to vote on the resolution for the election of directors. Following that, we will deal with one item of additional business, as referred to in the Notice of the Meeting. Shareholders will be asked to use ballots given to them to cast an advisory vote on our approach to executive compensation.



Following the termination of the formal part of the business, Mr. Monaco will update you concerning the progress of the Company in the past year and comment on our future plans. A general question period will follow, during which you may address your comments and questions, other than those relating to the items of business handled in the formal part of the meeting.

We would also like to invite you to join us for refreshments at the end of the proceedings and meet your Board and members of Senior Management.

I am pleased to report that all 12 of our Incumbent Directors are standing for re-election. Following the election of directors, I will ask the directors to stand and be recognized. We also have in the audience today a number of members of Senior Management of the Company.

Each members of the Senior Management is wearing a silver name tag and each Director is wearing white name tag. Following the meeting, please feel free to approach these individuals to discuss any questions you might have concerning Enbridge.

Representatives of CIBC Mellon Trust Company, our Transfer Agent, have acted as scrutineers at previous meetings of shareholders. Ms. Sandra Evans and Mr. Michael Marasco of CIBC Mellon Trust are in attendance today, and I appoint them to act as scrutineers for the meeting.

I will now ask Ms. Love to read a summary report of the scrutineers.

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**Allison Love** - *Enbridge Inc. - VP - Corporate Secretary, Chief Compliance Officer*

Mr. Chairman, the notice of this meeting was mailed on April 2nd, 2013, to all shareholders of record on March 14, 2013. A copy of the notice and proof of service will be filed with the records of this meeting.

The scrutineers, with respect to attendance today shows 21 shareholders are present in person, and 1,032 shareholders are represented by proxy. A total of 523,949,844 shares, which is 64.73% of the shares outstanding on March 14, 2013, are represented either by shareholders, either personally present or present by proxy. This report will also be filed with the records of this meeting. A quorum is present for the transaction of business at this meeting.

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

I declare the meeting to be properly constituted for the transaction of business. The minutes of the last shareholders' meeting are available, but unless a shareholder requires that they be read, may I have a motion that the minutes of the Annual and Special Meeting of Shareholders taken on May 9, 2012 as now submitted to this meeting be taken as read and approved?

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**Julie Folco** - *Shareholder*

My name is [Julie Folco]. I'm a shareholder, and I so move.

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**Brent Bouchez** - *Shareholder*

My name is [Brent Bouchez]. 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 your approval by holding up your shareholder question card or your hand? To the contrary? Motion is carried.



The next item of business is the placing before the meeting the financial statements and auditors' report for the year ended December 31, 2012. These statements and reports which are contained on pages 93 through 157 in the 2012 Financial Report of Enbridge, Inc., have been approved by the Board of Directors and were mailed as required to shareholders with the notice of this meeting.

The auditors -- the Company's auditors are PricewaterhouseCoopers, and at this time, I would like to introduce Mr. Robert Hawley of PricewaterhouseCoopers and ask him to stand for your recognition. Thank you, Rob. Mr. Hawley will be available during the general question period following Mr. Monaco's remarks to answer any of your questions concerning the Auditors' Report.

The next item on the agenda is the election of directors for the next year, 12 Directors are to be elected at this meeting. At this point, I would like to open the meeting for nomination of shareholders to serve for the following year.

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**Tyler Robinson** - *Enbridge Inc. - Senior Manager - International Business Development*

Mr. Chairman, my name is Tyler Robinson. I'm a shareholder and I nominated David A. Arledge, James J. Blanchard, J. Lorne Braithwaite, J. Herb England, Charles W. Fischer, V. Maureen Kempston Darkes, David A. Leslie, Al Monaco, George K. Petty, Charles E. Shultz, Dan C. Tutcher, and Catherine L. Williams for election as Directors of the Company to hold office until the close of the next annual meeting, or until their respective successors have been elected.

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

Are there any further nominations? There being no further nominations, I declare the nominations closed.

I will now entertain a motion respecting the election of directors.

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**David Foss** - *Shareholder*

My name is [David Foss]. I am 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, Al Monaco, George K. Petty, Charles E. Shultz, Dan C. Tutcher, and Catherine L. Williams be -- and they are hereby elected Directors of the Company to hold office until the close of the next annual meeting, or until their respective successors have been elected.

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**Darren Cleveland** - *Shareholder*

My name is Darren Cleveland. I am a shareholder, and I second the motion.

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

We will conduct a vote on this motion by ballot. And I'll ask Ms. Love to explain the voting procedure.

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**Allison Love** - *Enbridge Inc. - VP - Corporate Secretary, Chief Compliance Officer*

Would each registered shareholder who has not previously completed a ballot, please take a moment to locate the blue ballot that was provided to you when you registered for the meeting today? When you examine the blue ballot you will see that you are to vote for election of directors, by marking an X either for or withhold for each director. Please then sign the ballot with your usual signature.



Many registered shareholders who are present today will have already filed their proxy with the Company. Please note that if you've already filed your proxy you do not need to complete a ballot as your shares would already have been voted in accordance with your instructions expressed in your proxy. And then, please hand your completed ballot to the scrutineers.

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

I've received confirmation that the 12 Nominated Directors have been duly elected. Accordingly, I declare the resolution carried. We will provide the percentage of votes for or withheld for the directors at the end of meeting, and the exact number of votes for or withheld for each Director will be filed on SEDAR and made available on our website.

I declare that the 12 persons nominated have been elected Directors of the Company to hold office until the close of the next Annual Meeting of Shareholders or until their respective successors shall have been elected. I'd like to express, on behalf of the Company, our thanks to all of the Directors for their advice and counsel that they have provided over the past year.

I would ask that each Director stand as your name is called, so that you may be recognized, and please remain standing until all directors have been introduced. I would also ask that you hold your applause until all Directors have been introduced.

James Blanchard, Lorne Braithwaite, Herb England, Charles Fischer, Maureen Kempston Darkes, Al Monaco, George Petty, Charles Shultz, Dan Tutcher, Catherine Williams and myself, David Arledge, David Leslie --

David Leslie, another elected Director, attended the Board Meetings held prior to this Annual Meeting, but unfortunately had a prior commitment and was unable to join us today.

The next item of business is the appointment of the company's auditors. PricewaterhouseCoopers, or its predecessor, Price Waterhouse, have been the auditors of Enbridge for the past 15 years and of the Company's public predecessor since its formation in 1949. The Board of Directors on the advice from the Audit, Finance and Risk Committee of the Board recommends their reappointment.

Since the auditors are to be appointed by the shareholders, may I have a motion that PricewaterhouseCoopers be appointed auditors of the Company 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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**Colin Gruending** - *Enbridge Inc. - VP - treasury & Tax*

Mr. Chairman, my name is Colin Gruending. I am a shareholder, and I so move.

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**Debra Poon** - *Enbridge Inc. - Senior Legal Counsel*

Mr. Chairman, my name is Debra Poon. 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. Will those in favor please indicate your approval by holding up your shareholder question card or your hand? Contrary? Carried. I declare that PricewaterhouseCoopers has been appointed as auditors.

The final item of business is Say on Pay. The Company is asking shareholders for an advisory vote on the company's approach to executive compensation. Although the vote is non-binding, it gives shareholders an opportunity to provide important input to the Board of Directors.



May I have a motion that the resolution to accept the approach to executive compensation, the text of which is set forth on page 20 of the Management Information Circular for this meeting, be and is hereby approved?

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**Mark Boise** - - *Shareholder*

Mr. Chairman, my name is [Mark Boise]. I am a shareholder, and I so move.

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**Terry Major** - - *Shareholder*

Mr. Chairman, my name is [Terry Major]. 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. Is there any discussion or question on this motion? The resolution must be approved by ordinary resolution of the common shareholders, and ordinary resolution has passed if it is approved by at least a majority of the votes cast. We will conduct this vote by ballot.

Ms. Love will explain the voting procedure.

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**Allison Love** - *Enbridge Inc. - VP - Corporate Secretary, Chief Compliance Officer*

We would like to ask each registered shareholder who has not previously filed a proxy to take a moment to locate the green ballot that was given to you when you registered for the meeting. When you examine the green ballot you will see that you are to vote by placing an X either for, against, or you may abstain from voting on the motion to be voted upon. Please then sign the ballot with your usual signature.

Again, many registered shareholders will have already filed their proxy with the Company. If you have already submitted your proxy, you don't need to complete the ballot because your votes will have been voted in accordance with the instructions you previously provided. Please hand your completed ballot to the scrutineers.

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

I have received confirmation from the scrutineers that the resolution has passed. Accordingly I declare the resolution carried. The Company would like to thank the shareholders for their support of our approach to executive compensation. In the next year the Board of Directors will discuss how often to ask shareholders for their vote on our approach to executive compensation.

We will provide you with the percentage of votes for, against or abstained at the end of the meeting and provide you the exact number of votes for, against or abstained through our filing on CEDAR.

We have now completed all the scheduled business, and I want to thank you for your strong show of support by attending the meeting. I now declare the formal part of the business meeting to be completed.

At this point I want to thank the shareholders for the opportunity to serve as a Director and Chair the Board. I would also like to thank my Fellow Directors for the advice and wisdom, and the Management Group for their fine leadership.

I am now pleased to proceed to the Chief Executive Officer's remarks and the general question period. And I will as Al Monaco, our President and Chief Executive Officer, to review the Company's operations over the past year and comment on our future activities.

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

Thank you Mr. Chairman, and good afternoon, everyone. Welcome to this Annual Meeting.

Let me begin by recognizing the contributions of Pat Daniel who retired as Enbridge's CEO last September. I don't think Pat is in the audience, are you, Pat? No, I know he's still a shareholder. Pat has built a very strong foundation for our Company with many accomplishments on his tenure. Our goal now is to build on that success. We wish Pat all the best and thank him for his dedication and significant contributions to Enbridge.

Now, it's a regulatory requirement that I advise you that I will be using forward-looking statements and information. Today what I'll do is recap our 2012 accomplishments and first quarter results. Then I'll speak to the changing North American landscape and how we are positioned to capitalize on the energy future. I'll conclude by outlining our key priorities going forward.

Before I do that, let me highlight two points to put my comments into context. First, the importance of the role that Enbridge plays in the energy market. We operate the most complex crude oil pipeline system in the world, delivering 2.5 million barrels of oil each and every day. We transport 53% of US-bound oil exports and Canada is the largest oil supplier to the US, making up more than 25% of their imports, so more than Saudi Arabia. Our natural gas gathering and processing and transmission systems run from Northern BC to the Gulf of Mexico, we are the largest natural gas distributor in Canada heating over 2 million homes.

Where Canada is the largest generator of solar energy and the second largest wind power generator, if you look at the map in essence we provide and all important connection between providing between energy supply and the people who need it, 24/7, that's to heat homes, fuel vehicles, generate electricity and provide the source for many day-to-day products like plastics, synthetics and tires, et cetera.

We're an engine of economic growth, helping to provide jobs and benefits that support our social infrastructure. And we're an important part of the communities we operate in, across North America, enabling investments in their health and safety, arts and culture, education and the environment.

So, the way we look at it, energy delivery is our prime social responsibility, one that supports the prosperity and quality of life for millions of people. It's a big responsibility, and one that our staff lives every day. Our central role also provides a unique window on the energy landscape, and I'm going to get back to that in a minute.

The second thing is -- given the transition in leadership last year, that I talked about earlier, shareholders will rightly ask whether anything is going to change. The answer is yes, we will change and evolve depending on the challenges that arise, that's our job. But let me assure you that our disciplined approach and the principles that made our Company successful are not going to change.

So, what does that mean? It means safety and operational reliability of our systems will be more important than anything else that we do. It means we'll always be guided by finding value-added solutions for our customers. We'll always think first about growing organically, as opposed to large acquisitions. It means maintaining our financial discipline and strength, so we can continue to grow. And, we'll focus on the long-term sustainability of our people through our assets, but also throughout the organization in developing those people.

Most important, we are not going to won't mess with our value proposition, which combines three things -- a reliable business model, industry leading growth, and increasing dividends.

The combination of these three things should continue to generate superior returns for our shareholders. With that context, let's look back for a moment at 2012.

In short, it was a very good year. Adjusted earnings came in at \$1.62 a share, 11% over 2011, which extends our record of growth. Based on that result and the confidence in our long-term outlook, we increased our dividend by 12%, the 18th consecutive annual increase. A remarkable record and one that illustrates the strength of that three-point business model I referred to.



Total shareholder return was 16%, well in excess of the broader market. Our ten-year annual total return is 19%, more than doubled the 9% TSX return. Last year was not without challenges. Low natural gas prices and natural gas liquids impacted the US gathering and processing operations. We also wrote down part of our Gulf Coast offshore assets. That said, with two large new and profitable projects coming on-stream next year, we expect this business to improve considerably.

In terms of future growth, 2012 was our most successful year. We bed down \$15 billion of new investments, which brings our current inventory of secured projects to \$28 billion. Importantly, these aren't just ideas or concepts in our mind, they're real projects that we are going to put into service over the next few years.

In 2012, we brought on four projects, all on-time and within budget. And we're in good shape to bring on 17 more this year. We are the busiest company in our sector.

To make those projects a reality, we welcomed nearly 1,500 full-time people to the Enbridge team, and more part-time in contract staff. Our finance staff, and not to single them out necessarily, cost-effectively raised \$11 billion in capital, the largest funding program in Canada.

And, as you can see from this slide, while all of this activity was going on, we were recognized for our outstanding efforts in corporate and social responsibility. I'll get back to that in a moment.

All in all then, 2012 was an excellent year, and we are off to a good start as well this year. Earlier today, we announced first quarter results that position us to achieve our full year annual earnings per share guidance range of \$1.74 to \$1.90. If we achieve the mid-point of that range, we'll grow earnings per share by another 12%.

As they say, that is history, so let's talk about how we're positioned for the future. To do that, we need to start with what's changed in our business environment. The energy landscape is undergoing dramatic and rapid evolution, we've seen that. It was only a few years ago that North America was facing declining oil and gas production and the need for massive imports of both oil and gas. Today, North America is on the road to energy self-sufficiency.

US oil production is forecast to double to 12 million barrels per day over the coming years, that will happen in Canada as well, to 6 million barrels per day. That would put Canada in the top-four producing nations globally.

There are challenges, there always are. The robust outlook for oil and gas production is resulting in significant pipeline bottlenecks between huge supply growth, and the key continental and global markets. There is a well-developed pipeline infrastructure in place, but there's not enough of it, and it's not in the right places given the location of new unconventional reserves.

This has serious implications for Canada because our resources don't have good enough access to the deepest US and global markets. Translation, Canada is a [price-taker] and receives less than it should for its valuable resources.

Let me illustrate this problem with this map. This chart captures regional oil prices for the first quarter of this year. If you look at the price received for Canadian light crude in Western Canada, that's in the orange circles, it was \$27 a barrel less than the world price, and that's measured by Brent, traded on East Coast of the US or the Gulf Coast.

Now look at the grey circles, which show the price of heavy crudes in North America. Canadian heavy is priced \$36 below a similar quality crude oil in the Gulf as measured by [mining] crude. The difference between these two markets should rightly be about \$8 to \$10 a barrel, not \$36.

It gets worse when comparing Canadian heavy oil to Asian prices where the gap widens. What you see on this chart is not just an energy industry problem, it's a problem, a big one, for all of us in Canada. In Alberta for example, a third of our revenues are made from oil and gas. Nationally, Canada is the most export-dependent country in the G-20, with almost \$100 billion annually in exports last year.

The oil and gas industry is the largest investor in the Canadian economy, \$60 billion in 2011. It represents 25% of the TSX, it creates work for more than 550,000 Canadians, and billions in Federal revenues each year. Simply put, the oil and gas industry is a lynchpin of the Canadian economy, and drives investment and job creation, not just in the West, in Central and Atlantic Canada as well.

Clearly, the stakes couldn't be higher, today, because of the price discount that we saw, Canadians are leaving some \$25 Billion on the table annually because we don't have good access to markets.

Thankfully this is a problem that can be solved, but it will take a change in the North American pipeline grid, where crude will move inland to the coasts. Enbridge is right in the middle of this transformation. We recognized these challenges we talked about some time ago. Put simply, our goal is to provide new market access for our customers by connecting growing supply with key markets.

First, I'm going to run through these individually. Our Eastern Access program, that's the blue lines in the pie there, expands and extends our existing systems to the US Midwest and Eastern Canadian markets, part of that will happen this year and then the rest next.

Importantly, Eastern Access provides barrels to Canadian refineries in Ontario and Quebec, protecting their viability and safeguarding Canadian jobs. Then, by mid-2014, our US Gulf Coast Access program, that's what you see there in the green, will add some 600,000 barrels per day of capacity. I like to think of this connection as a perfect marriage between growing Canadian oil supply and the largest refining market in North America, 9 million barrels per day of processing capacity, a market frankly that is screaming for Canadian crude.

Then in 2015, as part of our Light Oil Access initiative, we will add 300,000 barrels of capacity to serve the PADD 2 market and more capacity into eastern Canada. And finally, we're developing the Eastern Gulf Coast project, which provides a pathway for heavy and light crude from the US Midwest to the Eastern part of the Gulf Coast.

Now, two things about that project -- the Eastern Gulf is an ideal market for Canadian and Bakken crude, and, importantly, the project makes use of existing pipe to minimize the footprint, get oil moving sooner, and at a lower cost than a new build.

To facilitate these market extensions we're also expanding our mainline. So as you can see by this map, this bill chart here, we haven't exactly been sitting on our hands. All told, we've committed some billion dollars -- billions of dollars in capital to add roughly 1.7 million barrels per day of new market access. That capacity is going to put a real dent in the pricing problem I described earlier.

And as you know, to connect growing supply with robust Asian demand, we are also proposing to build Northern Gateway to the Pacific Coast. Now there's no doubt that Gateway would be a game-changer, diversifying Canadian energy markets, and maximizing the value of our resources and spurring development, but I will talk a little bit more about how that's possible going forward.

Our regional pipeline strategy will also move more volume. In the oil sands corridor, we're investing over \$3 billion to expand our system. Over the last two months, we've announced two separate deals to provide additional pipeline and terminal services to producers. This brings to nine the total number of projects that are connected to our oil sands corridor, and it illustrates the competitive strength that we have in this region.

In March we brought our Bakken Expansion Program into service, and overall, we continue to pursue solutions, both pipe and, where it makes sense, rail loading facilities for reliable access to the new markets.

It's important to note our other businesses are growing as well. We focused a lot of time there on the liquids pipelines. In natural gas, we are working on the Texas Express Pipeline, which will give us access to the premium NGL market at Mont Belvieu, Texas.

Through our Alliance and Vector pipelines and Aux Sable plant near Chicago, we've capitalized on the liquids-rich growth in northeastern BC and the Bakken.

We've advanced our Canadian midstream strategy with our acquisition of the Peace River Arch assets in the Montney play. And we've announced the single largest capital project in Enbridge Gas distribution's history, \$600 million of our franchise in the Greater Toronto Area.



Our Green Energy Power Generation business continues to grow with the completion of the Silver State North Solar plant in Nevada, start-up of the Neal Hot Springs geothermal project in Oregon, and our investment in the Massif du Sud wind project in Quebec.

Last month we added to our power generation portfolio with a 50% interest in the 300 megawatt Blackspring Ridge Wind Project, located here in Alberta. While a relatively small part of our asset base today, we think it's important to invest in renewable energy as we move to a lower carbon-intensive economy over the next few decades.

Complementing our renewable generating assets, our first power transmission project will be operational this year. This 300-megawatt tie-line runs from Great Falls to Lethbridge. As you've seen we have a massive inventory of secured projects and many others that we are working on, investments that generate a very strong outlook for the Company. They also though, support economic growth in North America and in the case of our liquids pipelines projects as you saw, they help to ensure Canadians receive fair value for their resources.

We're very excited about our future. To assure our success, we will be intently focused on three priorities going forward, priority one is the safety and operational reliability of our systems. Why, because safety and reliability enables everything else that I've talked about. We know that pipelines remain the safest, most efficient way to move large volumes of energy, but, our focus is on further improvement, to get better, to prevent accidents and to reduce the overall environmental footprint.

The goal is simple, to be the industry leader in key operational areas. Let me give you some examples of what we are doing to get there. We've established an Operational Risk Management Plan focused on being top-quartile in six areas. As part of that, we've undertaken the most extensive integrity management program in the history of the North American pipeline industry, there's a little clip here of how this works, more than 200 in-line inspections in just three years.

We are utilizing the most advanced in-line inspection tools that incorporate medical imaging technology, very similar to an MRI that you're familiar with, so that we can see every millimeter of pipe in the ground from every angle. You can see one of the inspection tools actually, we have in the lobby.

We've opened a new operational control center that monitors our entire system by the second, adding staff and enhancing training. This is truly a world-class facility. We've established a corporate-wide Operations and Integrity Committee, which I lead, bringing together our senior operational leaders across the business. We've created a dedicated Emergency Response Group, conducted a thorough assessment of our preparedness, and we are investing in even more emergency response equipment.

Second priority, given the size of our capital program, good execution will be central to assuring success. We need to get projects completed safely, on time and on budget. We've developed a very experienced Major Projects execution team that oversees thousands of field staff to execute our current slate of activity.

We think of project management as a core competency, and frankly, a competitive advantage. This group employs rigorous processes to ensure we get it right, from design and engineering, regulatory applications, supply chain management and stakeholder consultation, through to safe construction as well, and importantly, with respect for the environment and the landowners.

Third priority is to strengthen our core businesses and build new investment platforms so that we can extend the growth rate well into the future. These new platforms include expansion of the natural gas business, electricity generation and transmission, and international where, when and if it makes sense for us. These areas will help to diversify earnings in businesses that fit well with that value proposition I mentioned earlier, reliable business model, superior growth and increasing dividends.

Let me conclude with some comments on another area, and an equally importantly area that Enbridge is leading on.

We don't operate in a vacuum. All the activity I've mentioned is happening against a backdrop of heightened public awareness. That means to build and operate the energy infrastructure we need -- we've got to meet the evolving public expectations of governments, regulators, landowners,



shareholders, and communities, as well as the general public. We are doing that by focusing even more attention on understanding and resolving stakeholder concerns.

That starts with listening very carefully to what the public and their communities are saying. The Gateway Community Advisory Board is one example of how we are doing that. That discussion is not just talk it's resulting in real changes. For example, we took the opportunity to alter the pipeline route a number of times to reflect the excellent input that we got from communities around safety. And we've added safety measures that exceed regulatory requirements to give residents an extra measure of comfort.

I think we need to look at First Nations as partners and help develop sustainable communities, and we are doing that. Through those partnerships, we've provided contracts to Aboriginal businesses and employment worth almost \$90 million last year. And already this quarter, we are at \$29 million. We are proud of this result.

Since 2009, we've granted \$3 million to 61 unreserved schools and urban Aboriginal partnerships as part of our School Plus Program. This program has benefited over 10,000 students in communities along the right-of-way.

Last year we invested \$13 million in more than 550 charitable, non-profit organizations. Why are we doing this? Because we believe that when we work in a community, we are part of it and that means you have to invest in the community. We also need to reduce our industry's environmental footprint. That's why our first choice is always to use existing infrastructure where we can, to reverse pipelines, repurpose pipelines, or expand along existing rights of way to minimize our impact on communities and on the environment.

As we grow, we remain committed to sustainability through our Neutral Footprint program we are right on track for exceeding our goals as you can see here. Planting a tree for every tree we remove, conserving an acre for every acre we permanently impact, and generating a kilowatt hour of renewable energy for every kilowatt hour of additional power that we consume.

As a good operator, we also want to reach out to emergency response organizations located near the pipelines that we operate. Through our Safe Community program, we provide grants to local first-responders to help with equipment and training. And that's because in many cases you have fire department that are volunteers that we help out that. We recently launched an online portal offering customized training on products -- on the products we move, and the best way to respond to a pipeline emergency.

So to sum up, there's no doubt the energy landscape is undergoing dramatic change, creating both opportunities and challenges. We, Enbridge, we are playing a critical role in safely and reliably delivering energy to the best markets. The fact is our continent and the world's energy needs are increasing. That means we need energy infrastructure to move that energy to the people who need it.

We're excited about our future, well-positioned to expand and to extend into new markets, enabling us to create value for customers and shareholders. As you saw, we have a large inventory of commercially-secured projects, \$28 billion that will start to come into service this year and over the next few years.

Because of that, we have confidence that we'll be able to maintain our industry-leading growth over the next several years, at least, but, I want to underscore that the safety, reliability and environmental sustainability is the foundation of everything that we do.

Growth requires public trust, based on the confidence that we'll do everything in our power to respect and protect the communities and environment, and we're committed to doing that.

Finally, I want to say thanks to the Enbridge staff across North America in all of our locations, locations across the continent, who work tirelessly to keep our systems operating safely. I really want to thank them because they do deserve a lot of credit.

I also want to thank our Board of Directors who have provided excellent support, advice and oversight, on behalf of Shareholders over the last year. I thank you for your patience, and I certainly welcome your questions.



## QUESTIONS AND ANSWERS

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

So, I will start the Q&A, and if you could come up to the microphone to ask your question, or do we have roaming mics as well, Allison? Yes, we do, so hopefully you will get a mike.

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

(Inaudible) Good afternoon. I'm Chief Na'Moks for the Wet'suwet'en, and I'm here by proxy. You had spoken earlier about First Nations' involvement, and I'm talking specifically about a proposal, the Northern Gateway project, is that Enbridge had made statements in the past and an example being in 2009 at the Annual General Meeting, that Enbridge does not want to proceed on a project that First Nations are opposed to. Canada is party to Universal Declaration on the rights of the Indigenous peoples, which legally requires First Nations, free, prior informed consent to projects that affect their lands. You have already heard that over 160 First Nations do not consent to the Northern Gateway Project.

On April 20th, I, as Chief Na'Moks hosted a feast in our traditional Feast Hall, to put into law that declares a ban on all pipelines on Wet'suwet'en territory. In Wet'suwet'en we have five clans, and I am Chief of the Tsayo of the Beaver Clan. The other clans stood up in support and they will host the same feast that I initiated on behalf of our people, our nation, our 22,000 square kilometers of unseeded, non-treaty, undefeated lands.

My question is, and there will be a follow-up to this one as it was stated earlier, I will line up again for the second portion of this. Is Enbridge willing to break Wet'suwet'en law and face the consequences, the consequences being an example of civil obedience and court action. The last time that the Wet'suwet'en went to court we were there for 20 years. Are Enbridge's investors, willing to go to court, and have their money sit still for 20 years (inaudible)?

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

Thank you for the question, Chief, appreciate your comments. At this point, Chief, our major focus is to work through the regulatory process. Right now we don't have an approved project. But our desire, for sure, is to listen very carefully, you can imagine in my position coming in to this role, which obviously I take very seriously, in terms of what communities are saying, and First Nations are saying, obviously, very important to me and the rest of our Company.

So, what I would say is, I would hope that we can engage in further discussion. Certainly as the regulatory process evolves, I would hope that we could have more discussion on this very important issue. I think that's where we are today, I think what's important here is that there are going to be different views. The thing that we have to balance as developers of energy infrastructure which I described earlier, is that we have competing views.

There are lots of First Nations communities, generally communities, in BC and Alberta who are very supportive of the project and the need for infrastructure, so what we are trying to do as the business is ensured that we are engaging with First Nations and we hope to engage more with you, I don't think we've had that much of a good discussion so far in this project. So we are hopeful to be able to do that in the future.

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

I'll come back with the second part of my question after the first round.



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

Thank you.

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

Yes?

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**Brenda Bullock** - *Proxy Shareholder*

Hi.

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

Hi.

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**Brenda Bullock** - *Proxy Shareholder*

I'm [Brenda Bullock], and I'm a proxy holder, and like Chief Na'Moks I have a number of things that I'd like to ask you, but I would like to defer my questions for the moment, because I traveled here with a group of people two of whom had proxies assigned to them, by a lawyer who has done this numerous times in the past, and for some reason we are still denied access to your meeting at the door. One of them, [LuAnn Roth], lives in Prince Rupert, she traveled 10 hours just to come to this meeting, over 1,000 miles, and she's very disappointed not to be able to be here to talk to you herself.

She edited this book, it's called The Salmon Recipes and she brought a copy to give to each of the Board of Directors. This book was created by 100 volunteers in Prince Rupert, and it's a testament to their commitment to the health and beauty of their coast. LuAnn is a fisher, a commercial fisher, she goes out on a 42-foot boat and in one catch she can feed thousands of families in BC and Alberta on lean cod, and I know she's waiting outside and she would like to each of you and give you a copy of this book, and I don't want to misrepresent what I think she wants to say, but what she asked to convey is that waters of the North Coast, produce about 200 million kilograms of clean, healthy seafood every year and that is sea food and health that will be put at risk when there is an oil spill.

And if the Northern Gateway pipeline is built there will be an oil spill or perhaps many small oil spills. In any case, the amount of wild capture fish and shellfish produced in BC in the area of the Valdez spill, is a significant portion of the world's supply. And LuAnn would like to ask you how can we replace that, once it's contaminated, when there is an oil spill, where will human kind find an alternative to that? So that's her question. Thank you.

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

Okay. Thank you, Brenda. First of all let me say I was briefed on the issue around the access to the meeting. I believe, obviously, the rest of your delegation was allowed in and they had proper proxies. Obviously in respect of all of the shareholders, there are process and rules we have to follow. And I'm sorry that we couldn't have the others in, but perhaps there will be another time when we can meet.

As far as your question, I'm glad that you have asked these tough questions, we certainly understand the concerns that are being brought forward from you and others along the same lines. My point on this would be that, I think we've got to start talking about the main priorities of the project more often. I think you heard about the economic benefits earlier, those are very clear, but I think we have to start talking more about safety and environmental protection.



So, we appreciate the tough questions, this is exactly the kind of conversation we need to be having. Safety and reliability as you heard in my commentary, is definitely number one for us, if something wasn't safe or not environmentally sound we wouldn't be standing up here talking about it.

I think what we have to focus as well on is making sure people understand what we are doing that the lengths we are going to, to ensure a safe as possible project in the case of Northern Gateway. So, I think we've got to talk more about that and make sure that people are understanding what we are doing. A great example of that is the initiatives we took, I guess announced a couple of years ago now, around measures that would add additional protection to the environment, whether it's crossing rivers or whether or not it's manning stations, or providing additional strength in our pipes.

A number of things that we are doing to minimize the risk as best that we can, so I guess maybe, I would take a little bit of exception with the notion that there will eventually be a spill, I don't think that's necessarily the case. If we take -- undertake the appropriate measures, and that's what we are focused on doing.

Next question?

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**Gerald Amos** - - *Haisla Nation Councillor*

Good afternoon, Mr. Monaco.

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

Good afternoon.

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**Gerald Amos** - - *Haisla Nation Councillor*

My [Fifa] name is [Gagum Deuce] which means -- one who gets up early. My given name in English is Gerald Amos. Gerald in the Germanic language it came from means wielder of a bloody axe handle with hair on it. And I often say that I don't [of] either name.

First I want to say that I'm a hopeful person, I have faith in my fellow human being that we will in the face danger do the best that's possible for our families, and I am currently a Chairperson for the coalition called the Friends of Wild Salmon, based in the North Coast of British Columbia, and this coalition was brought together, comprised of many municipalities, First Nations and the average folk living in that area who are concerned about the area. And initially it relates to protect salmon in the Skeena River from the advent of -- and the move to put fish farms into most of the Skeena River. We won that battle there's no fish farms.

And currently the focus is on your project, the Northern Gateway project, for the same reasons, for concerns about salmon. Through the joint review -- the review process, surely you've heard from many, many groups and individuals such as the Yinka Dene Alliance on the coast of First Nations, who have expressed their distrust and their -- of your project and fear for their collective future. I am here today on behalf of the Friends of Wild Salmon to let you know that we share this distrust and the fear for our future. We support fully the position of the Yinka Dene Alliance in the Coastal First Nations.

Salmon are critically important to the people of BC as you've surely heard, also in terms of the commercial fishing industry, and as a food source, for our people in the First Nations, salmon isn't only a food service, but a critical part of our ancestral traditions, and their very identity. Residents of the area that I come from are deeply concerned about the Gateway Project and how it will affect their livelihood and our ability to feed ourselves going into the future.

The commercial fishery in BC is still -- it still employs about 16,000 people, sports fishing, fish processing and the commercial fishing generate close to \$1.7 billion combined each year. The North Coast Crab Fishery supports 41 commercial vessels that fish (inaudible) crab in the Hecate Strait,



in this fishery alone \$20 million worth of crab just caught and its employees 145 people on these boats, and 250 shore workers make their livelihood because of it.

Your Company has said that it cannot guarantee that there would not be a major oil spill. Given this inability to provide the guarantee, combined with your Company's numerous recent incidents, please tell us why we should put our trust in the flawed and comprised Joint Review process, and your Company's assurances that our future is safe in your hand?

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

Thank you, for your question, welcome. I also have a hope, Mr. Amos, that we can engage in further discussion on this. I think to this point we haven't been able to do that as much as what we would like. First of all let me say that we are trying our best to understand all of the issues, and I say, trying, because we don't profess to be experts and necessarily all aspects of culture in the things that are important, but we do appreciate your fears, we understand them. We are focused on understanding your traditions, we all agree that the things you mentioned are extremely important.

You mentioned that there's no guarantee that we will have -- not have an incident. I think that's true. Just the same as I can't guarantee when I drive home this evening that I won't get into an accident, but if my car is well maintained, and I look after it, and I drive safely, then there's a very good chance that there won't be any incident on my way home. My view is that, what our goal should be is mitigate the risk as best we can. We can't guarantee absolutely that nothing ever will happen, but our job is to put those risk mitigation measures in place.

And I'm proud of the risk mitigation factors that we've incorporate into this project, right from the strength of this deal, the crossings and other things that I mentioned earlier. We are doing our level best to make sure that doesn't happen. With regard to the Joint Review process -- the Joint Review Panel process that you mentioned, maybe you and I have a bit of a different view on this, because this is the most rigorous process that we have ever seen in this country in terms of reviewing a pipeline.

And it should be because this area is very critical to BC, obviously critical to First Nations, but as I was referring to, I've never seen in my history, in my 30-plus years in this business, any kind of a process that even comes close, and I include the McKenzie Review in that. So it's very clear that they are doing their best, they are entertaining people's views. They are talking about issues. We are being tested, we have been tested significantly, and we hope that we are answering the questions that are being raised.

We welcome further input, and we hope that you have some other ideas that will help us address some of the risks that you're concerned about.

I think we are over here this time. Yes?

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**Maryam Adrangi** - *Proxy Shareholder*

Hi. My name is Maryam Adrangi. I am a proxy holder.

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

Hello.

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**Maryam Adrangi** - *Proxy Shareholder*

Hi. And I was just sort of reflecting on some of the things you were saying around safety and to just -- thinking about -- as well as what you were talking about in your presentation about community engagement and giving back to communities and donations. And I wanted to refer to an article or an image in the Montreal Gazette which supported that there are at least, so at least 18 communities that receive between \$10,000 to





\$25,000 from Enbridge since 2011, and I want to note that there still quite a bit of mounting opposition against the Line 9 project -- Enbridge's Line-9 project, and I know that you're in BC there have been add campaigns and also donations to communities.

And also just wanting to highlight that even with all of that, there's still mounting opposition so, you know, all that into what seems like buying support -- with all of that there's still quite a bit of opposition, and then I think that's even going to raise -- and continue as more people find out about, particularly with Line 9, how BC broke that -- Enbridge had failed to comply with over 100 safety regulations that NEB was hoping that Enbridge would comply with.

And I think they gave about a year to Enbridge to comply with those, so I'm wondering what -- how much Enbridge is actually willing to put into an ad campaign versus actually complying with the safety regulations and what trust the communities in BC coming here from BC myself, can have in Enbridge, if already they are showing that they're failing to comply?

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

Okay. Thank you for your question. First of all let me just respond to the reference you made to, I think it was "buying support" and you linked it to the donations that we made in communities. I'm not going to apologize for that because the fact of the matter is that, as I said in my remarks, when we work in a community, it's very important that we invest in it, and when I look at the good that comes out of those investments we, as a Company, are very pleased and it fits with the values of the corporation.

So, we'll continue to do that, my only hope is that we are hitting the right spots, and making sure that we are actually helping people along the way. You mentioned the opposition that's true. We have opposition to the project, however we also have a lot of support. That support ranges from across Canada, there is support in the other provinces across Canada, not just Alberta, certainly in Ontario and in other provinces as well.

We have a lot of support from First Nations. My recent tour is part of trying to listen to what people are saying in my new role, recently came away with a view that in terms of First Nations, there are a number of First Nations that are very supportive of what we are doing and encouraging us through the process. Now, they don't always, necessarily agree with everything and we appreciate their input when they don't agree with what we are doing. And we take that input and try and work with it.

So I would say, we do have a good degree of support, and I think there's always going to be opposition, and that's the balance that we are trying to work with. With respect to your comments around the recent NEB issue that came up online and you referenced Line 9 in that as well. Just a couple of points on that, first of all this is not a new issue, we've been working with the NEB since we determined this was something we had to address way back in May 2012. I will say, and I think the NEB would agree that these stations are safe today, there's no question about that.

The key is that there's a reference to us not having backup emergency power, that's not the case, we do at every station, and both Enbridge and the NEB have reviewed that. It became through the process and lasted a while that we needed to have more backup power as a redundancy. So we have a number of measures already in place with respect to making sure that we can deal with grid power failures which is the topic that was being discussed, so we are happy that we have those mitigations in place.

What we are talking about here is, I think, probably our learning by the entire industry, where we can provide some additional mitigation, some additional redundancy that will offer even further protection.

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**Trevor Jing** -- Proxy Shareholder

Mr. Monaco, good afternoon.

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

Hi.



**Trevor Jing** - - *Proxy Shareholder*

I'm [Trevor Jing], proxy holder.

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

Hi, Trevor.

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**Trevor Jing** - - *Proxy Shareholder*

I come from the Laksilyu or the Small Frog Clan of the Wet'suwet'en Nation. Chief Na'Moks here is one of my hereditary chiefs. I come here today, speaking as an Aboriginal youth residing along the proposed routes of the Northern Gateway Pipeline project, but before I touch on that I would like to touch on something that somewhat relates to your community engagement speech there.

I'm not a regular competitor in the Canadian Aboriginal writing challenge that Enbridge is their major sponsor, now when I was 16 years old I was fortunate enough to win the first year that I entered this writing challenge, and at this point in time I lack the proper maturity to have a full understanding of who Enbridge is. Upon the award reception, actually in this very city, I was greeted by Company representatives for different photo opportunities, but preceding the awards reception itself, I took part in a photo shoot where, following this event my face was used in an Enbridge print ad, that ran across the country.

Now the reason that I'm telling you this is because I have entered the challenge this year and I'm now in the adult category, and I will continue to harness my writing talent until I'm past the age of 29. However, I stand here today with my Chief here, to inform that I will never allow you to use me the way the Company did previously, and that I will never allow you to make me your token -- made a poster boy again. I felt that that was an embarrassment on myself, and more importantly my clan, my family and my nation.

Lastly, I reiterate, Chief Na'Moks' speech there that's the first -- the Wet'suwet'en Nation has officially banned pipelines on our traditional territory along the proposed route of the Northern Gateway, and before my question I would like for you to consider the fact that my great-grandfather was instrumental in settling the [Delga Mook] Supreme Court Case precedent that [John Redko] here, spoke of earlier. That land claims court case took over 20 years to complete and today I stand here at 20 years old.

So, this leads into my questions for you, Mr. Monaco, this afternoon. Are you willing to risk extensive legal battles against immense opposition of First Nations and [Knots] until my generation and I are in our 40s?

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

Thank you, Trevor.

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**Trevor Jing** - - *Proxy Shareholder*

Thank you.

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

Well, firstly, congratulations on your original achievement, for your writing and your challenges, and certainly best wishes for the future on that. I'll apologize now if we didn't gain your consent to have you in the photo, we probably should have done that, so please accept my apology for that. Obviously we had no intention to create any concern on your part.

In terms of your question around the legal battles, I think that it's premature, honestly, for us to discuss what might happen on the legal front. We are in the middle of -- well probably not the middle, maybe three-quarters through a very in-depth regulatory process. We don't have approval to proceed with the pipeline at this time. We are working toward receiving that approval, so I think it's premature really to get into what might happen from a legal perspective. We hope to avoid that, obviously, by having further discussions with you, if you would see yourself to that, but at this point I think it's simply premature.

Shall we -- I think you were first, so go ahead.

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**Karen Tam Wu** - - *Proxy Shareholder*

Good afternoon, Chairman, and other shareholders. My name is [Karen Tam Wu]. And I'm here as a proxy shareholder. I also have a question of my own, but I'm with a delegation where we did have some of our members denied entry, and so I would like to defer my question and raise this question on her behalf.

So this is the question from [Candice Kerr] who is a landowner from Fort St. James, and she said -- "People living near the pipeline are deeply concerned about the likelihood of a spill, particularly given the damage done by such spills at Kalamazoo, Michigan, and Mayflower, Arkansas. I am particular disturbed by news yesterday that Enbridge is not in compliance with the safety regulation at the majority of its pump stations. My house is 800 meters for a proposed pump station site. The Union of BC Municipalities have come out with two resolutions against expansion of tankers on the Coast. My family and many other landowners are prepared to fight the pipeline every step of the way, even though we will not find out the exact pipeline route until after the pipeline has been approved."

So, her question is, how do you plan to deal with landowner opposition to the pipeline and have you calculated for your shareholders the additional cost associated with litigation and hearings with landowners?

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

Thank you. With respect to your question on compliance, I can assure you the design has already been incorporated to make the change that was required. I described earlier the circumstances around that -- how that occurred and the fact that both the NEB and ourselves had a view on the power station, the backup power suitability. We agreed for a very long time, that circumstance has changed, and we are now reacting to that, and in fact the NEB has approved our plan, to remediate in the fastest possible fashion. With respect to landowners, we have not commenced any sort of work towards acquiring lands here.

As I said, we need a regulatory application approved, and a Certificate of Public Convenience and Necessity before we engage landowners, but I can assure you, in BC we would approach landowners in negotiations and discussions the same we do across the rest of our -- the rest of our projects. A great example of that was with Albert Clipper, just two to three years ago we had extensive discussions with landowners, very productive, and we arrived at some -- some good balance. So that's the same process we will undertake here.

Yes?

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**Brenda Bullock** - - *Proxy Shareholder*

Yes, and thank you, Mr. Monaco. Brenda Bullock, again, proxy holder. And I understand that you've referred several times to the fact that you're still within a regulatory process that will not end until the end of this year. Nonetheless, when you made your presentation, as is common for corporate CEOs, you made reference to forward-looking statements by the Corporation which must be undertaken with caution by potential investors and shareholders.

Really what you're here for is to talk to your shareholders about the health of your Company and you're your bottom line. And you've touched on issues, like resolving stakeholders' concerns with regard to the Northern Gateway process, but what we've seen, and when I say we I mean people

who live in British Columbia, as I do, is a rising tide of opposition to that project that has galvanized groups across the province in a way that nothing has since possibly the war in the woods of the '90s.

So, there are a lot of unresolved concerns regarding your process and they come from fishers, they come from landowners, they come from union members, they come from First Nations, they come from ordinary people, and some of those stakeholders have different legal means available to them. We've had reference from Gerald Amos and Chief Na'Moks of the -- and also from Trevor Jing, of the court cases that they have been engaged in, in the past, and their potential to slow down and derail things regardless of what happens at the end of the regulatory process that you're in.

So, what I would like to know is given that there is only a paragraph-and-a-half, or two paragraphs on page nine of this publication that went to shareholders from the Corporation. How are you planning to deal with the cost of delay, resulting from oppositions and potentially litigations around the Northern Gateway process, and have you informed shareholders of the possibility of unviability of the project because of that delay?

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

Great. Well, let me hit that first and go back, Brenda. We fully disclose the various risks around projects, particularly Northern Gateway, there's quite a lengthy discussion in our management discussion in the analysis section. I'll also refer you to our Corporate and Social Responsibility Report, which goes through a lot of detail. Our views on these matters and what is important I'm terms of our values.

I guess, first of all, I'm glad to know I'm a common CEO, nice to her. In terms your comment though, the health of our Company and what's good for shareholders, also includes what's good for the environment and communities. So I can assure you and the Board will agree, I'm positive, that we don't look at things just from a shareholder's perspective. We look at things from a stakeholder perspective, and that's -- that makes sense, because to be successful and ensure the Company moves forward you need to engage all of those stakeholders and you need to communicate and take their views.

So we are not just looking at things from a shareholder perspective. In terms of the opposition you refer to, I think you're right, as an industry we have to adapt to the environment that we are in, and I think it's right to say there's more concern. What we are trying to do is address those concerns and be more proactive. So, in terms of the bigger -- the bigger issues and the legal challenges as I said before I just can't really address that at this point, I think it's premature, but obviously, getting back to the original questions, the shareholders have been communicated with and they understand the risks.

Yes?

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**Frank King** - *Proxy Shareholder*

Mr. Monaco, thank you for taking my question. My name is [Frank King], I'm a proxy shareholder. I am a Chemical Engineer, and I do have one question with respect to pipeline safety. Clearly you're doing a great job to take advantage of all the latest technology in terms of design, pipeline flexibility monitoring and so on.

My question is, are you taking advantage of the -- and researching, and discussing with other successful worldwide pipeline uses with respect with specific cases, and specific instance where you could learn maybe some things that you had hadn't thought of, in other words taking advantage of worldwide experience. Thank you

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

Thank you for your comment and your question. The short answer is, yes, definitely. Part of -- part of what we go through as a company is thinking about how we learn from incidents, and certainly we've had our incident back in 2010, and since that time we've done whatever we can on various fronts to learn more about that -- not just that incident, but how we might as you referred to improve our understanding. So certainly we engage



with associations across North America. I speak with my counterparts at other pipeline companies around North America, as do our staff here, and leaders.

So we are continually trying to learn more about the pipeline business and making it safer including worldwide expertise.

Yes, sir.

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**Gerald Amos** - - *Haisla Nation Councillor*

I just want to follow up on my original comments and question. Mr. Monaco, first of all, it's probably and most likely, the sentiment is in this room, with people who are listening to me and my colleagues, and my friends and we come here to express our concerns and distrust for the pipeline coming through the bread basket of the North Coast, and the region that we live in.

If you choose to look at the history of the problems of British Columbia for instance, the forest industry, as we know it today, the commercial fishing industry as we know it today, was built on the backs of my people, coast wide. Some of the best commercial fishermen, bar none, came from my community, and from the [Hyda] and from others on the coast, and there's a sentiment that suggest that First Nations are a drain on society that we are opposed to development and that we need to get in line.

Well, we've done that. I think our communities have done their utmost to take part in this new economic model, only to be forced out of these industries when the going got tough. And at the end of the day we've been asked to rely on what I call the [flood] process, and I'm sure you understand this and I'm sure you're getting the best legal advice on this front. However, my community, I know they speak because I was on the Council at the time, spent six years attempting to work with the Federal Government to ensure that the Joint Review process fell in line with -- was in keeping with the law of the land.

It didn't work, that's why we call it the flood process. And I've recently seen a letter from our legal counsel which is part of the -- it's open information it's part of the joint review process, which called on the panel to deny something that your company had made application for to move ahead in spite of the lack of decision on this project. I'm not sure where that's going to lean, but the reason that that's happening is because the process has put the cart before the horse in terms of our community rights and responsibility.

So I think that's what leads us to talk about the flood process and it's going to impact your community or your Company's movement on this project going through the territory of First Nations' people in general.

So I guess my question is -- if, as you profess, that you are concerned about working out a better relationship, is your company prepared to take a look at this flood process in light of the legal letters that are going between your -- between the Joint Review process and the Company. I don't know where your company is at on that, and it's -- it would be if I were a shareholder it will be, kind of, concerning to me that my company that I'm investing in is seeing this type of a response from First Nations people, and the law seems to be quite clear to me that free, prior and informed consent is part of the order of the day these days.

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

Well maybe I'll just start this way. You mentioned distrust early on. I appreciate that we haven't built up that trust yet. My objective is to try and build that trust by listening to your views. Hopefully you'll listen to our view as at the same time, and focusing on the things that you're concerned about, particularly around safety and environmental issues.

You made a reference to industry and specifically advancing on the backs of First Nations, that's by far what we do not want to do as a company. Our interest is on working cooperatively. And I think we have proven over the last 65 years that we can work cooperatively, not just with First Nations, but with communities along the right of way. We have a lot of experience, and we've had a lot of success frankly in that area.



We have offered a partnership to participate along business activities for the project. We've offered ownership in the projects, so there are a number of efforts that are being made to engage not just on safety but on economic issues.

As far as your comment around the legal challenges, you know, the Joint Review Panel, I think you're indicating, has received your letter with respect to the legal issues that we see. We will -- we will look at that when it comes through the regulatory process. I haven't seen that particular letter, but the Joint Review Panel is structured to entertain those views and they will make a judgment on that. The beauty of the regulatory process in Canada is that they take everyone's views into account. That's the definition of an independent regulator, so hopefully -- hopefully that will help the situation.

As far as free, prior and informed consent, my view on that, sir, is that you know, in Canada, that we are focused on ensuring collaboration, but if free, prior, informed consent is part of that, certainly not to my knowledge as far as Canadian Law. Having said that, what we'd rather do is sit down with First Nations like we are attempting to do and I hope we can do that in this case. I don't think we've had that much success to date, but I will offer that again, so that we can talk about these issues to see if we can come to some sort of accommodation.

Yes.

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

Good afternoon, once again, Mr. Monaco. Chief Chief Na'Moks here, as a proxy. Earlier I indicated that there were statements from another clan at the Gitdumden Clan, the Bear Clan, and they asked that I read this to you and follow-up question too that they had sent. The letter -- the statement they had sent with me is -- The Gitdumden Clan of the Wet'suwet'en Nation met on May 5, 2013 and reaffirmed their opposition through all the pipelines through the house territories, of the three houses of the Gitdumden Clan, and (inaudible), that represent the unseeded non-treaty, undefeated territories of the Gitdumden Clan.

The House Chief maintain the final authority and responsibility of these house territories which we hold in trust for the future of all the Wet'suwet'en people, and our non-human relatives that reside in these lands. Oil and gas pipeline proposals, pose too much of a risk to our livelihoods thus leaving us with a non-negotiable stand. We support the [Tahi] Clan of the Nation, we have declared their opposition to all pipelines within their governance system, based on our Inuk nu'ot'en, which is our law.

Our plan has confirmed that we too, will make a similar declaration in our Feast Hall, which is our Governance Hall, it is our house of decision-making. As such further trespassing in our territory will not be tolerated. Before entering Gitdumden house territories, permission must be received from the House Chiefs of their respective lands, in agreement with their house members. And this was signed by Chief Madeek, Jeff Brown. Chief [Malhi], [Fred Tom], Chief Timberwolf, Mabel Forsyth, Chief Likh Dilye, Russell Tiljoe, Chief (inaudible), Rita David, Chief [Doonan, Lucy Ganon].

And with that comes the question -- has Enbridge prepared an exit strategy for the proposed Northern Gateway considering with the First Nations and public opposition to this, and the knowledge that after the 14th of this month there will be new political leadership in British Columbia?

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

Thank you. To answer your question, consideration of an exit strategy hasn't been on the radar as at this point. As I said before, we are working through the regulatory process so, no, we haven't considered that at this time. We accept your comments, but we are working through the regulatory process. So that's where we are at this point.

Yes?

**Unidentified Audience Member**

I'll keep this short, I don't want to take time of others, have a right to use as well, but just on the point of the regulatory process. Under Canadian law and regarding the process that has been undertaken today with the Joint Review Panel, whether you think that it's a rigorous process or not. The fact is, they cannot discharge the consultation obligations of the Crown to First Nations fully through that process and therefore the questions that are being raised about First Nations rights and title, and the declarations based on Indigenous law that First Nations have made, saying, we will not allow Northern Gateway pipeline, or associated tankers to our lands and waters.

Those still like outside the regulatory process you continue to refer to, so they're live concerns and I just wanted to say that that's the law. Also -- sure

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

May I just respond, sir. So I would agree with you. In fact, it is the Crown's obligation in Canada to discharge the responsibility of consultation. Once the regulatory process is concluded and if there is a decision that's positive then the Crown will engage in consultation with First Nations.

Go ahead.

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**Unidentified Audience Member**

And the second thing which you referred to an independent process, and just wanted to note that over the past year there has been considerable disclosure to freedom of information or the access to information act, and also through the media of the fact that the oil industry requested many of the legislative changes that were put into place, in the [two on the bus] budget bills that passed in 2012 and changed very much the process and the rule of the Canadian environments with assessment agency in evaluating those projects.

And many people believed streamlining the regulatory process just to make it easier for projects like yours to get through. So referring to it, still as an independent process, that [adheres] clearly from all stakeholders is something that many people would object to and reject.

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

Okay. I note your objection. My only comment is that receiving comments from industries, governments that is, I think it's quite a common process and I don't think the industry would necessarily apologize for that either. Certainly, just like everybody has the ability to input and provide their views to government I think that's an open democratic process.

We are following a process though. If there is concern about its independence, certainly we are relying upon the very detailed process that the government went through with the JRP to establish the process and rules for that Joint Review Panel, so that's something that is in the government's and regulators' hands. Certainly not something that we took a hand in forming, it was an independent process.

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**Karen Tam Wu - - Proxy Shareholder**

Karen Tam Wu, I'm here by proxy, and I have a short question for you.

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

Sure.

**Karen Tam Wu** - - *Proxy Shareholder*

You've become a well-known company in Canada and the US and for other reasons than the ones that you've described in your presentation. Your plan to build Northern Gateway which would bring devastation to BC's coast and also known for the largest oil spill on land in US history. Two BC investors have divested of their shares as well.

And so, Mr. Monaco, you've been quoted as saying that you're prepared and acknowledge the need to seek social license, Enbridge has already spent millions of dollars on public relations and so I'm wondering if you could describe for shareholders how much more has been budgeted to seek public or social licenses for Northern Gateway, and if this information is available, and how was being budgeted, in previous years and for this year, looking forward.

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

Well there's two aspects of that, neither of which I'm going to get specific with in terms of the dollar values, but certainly as part of the project, and as part of our funding partners' commitments, the people that are joining us in the development of this project. There's funds set aside for consultation in other aspects of the project. We as a company also budgeted funds for that purpose. So, as I said, I don't think I can get specific on the numbers at this point.

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**Karen Tam Wu** - - *Proxy Shareholder*

Is there a way to be more transparent about that with your shareholders?

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

We can certainly look at that, however I will say that if you look at the financial disclosure, it's quite extensive. Obviously we won't be able to be specific about every expenditure and every budget, I think we are quite fulsome in our management disclosure analysis as much as we can be without having volumes and volumes, so I think that's the position at this point.

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

Okay. Are there any more questions? No. Okay --

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**Miriam Drengagen** - - *Proxy Shareholder*

For one last question.

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

Yes.

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**Miriam Drengagen** - - *Proxy Shareholder*

This is a short one.

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

Okay.

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**Miriam Drengagen** - - Proxy Shareholder

So I'm Miriam Drengagen, proxy shareholder, here with a delegation of folks and you've heard from a number of us, but just wanted to follow up with a question about potential shippers and Enbridge has referred to a number of proposed shippers including Sinopec, [Synovis], MEG Energy, Nexen, Sanko and Total EP. I'm wondering if any of these shippers have been confirmed and if Enbridge has made potential shippers aware that over 50% of the Northern Gateway project route is within the territories of First Nations that are an unequivocally opposed to the project.

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

It's a short answer, yes. As part of our project management reviews with our funding participants, the ones you mentioned and some others, we review the status of the project every month, and that includes the details that you referred to.

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**Miriam Drengagen** - - Proxy Shareholder

And are they aware of some of the legal challenges that have been brought up?

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

Absolutely aware, yes. Okay. There doesn't seem to be any more questions so I will turn the podium back over to the Chairman.

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

Thank you, Al. I'll now report that I've received confirmation from the scrutineers that each of the 12 Incumbent Directors has been elected by at least 95% of the votes cast for the election of directors. On the advisory vote on the executive compensation, referred to as Say on Pay, has been approved by at least 93% of the votes cast on that resolution, and the exact numbers of each of these resolutions can be obtained from the Corporate Secretary and will be filed on CEDAR, and they will also be made available on our website.

As we now have completed the question period, I'll ask for a motion that the meeting now terminate. We hope you will join the Directors and Management for some refreshments in the reception area immediately outside the room.

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**Max Chan** - Enbridge Inc. - Manager - Corporate Finance

My name is Max Chan. I am a shareholder, and I move that this meeting terminate.

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**Tanya Garcia Eaton** - Enbridge Inc. - Legal Counsel

My name is Tanya Garcia Eaton. I'm a shareholder, and I second the motion.

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

Well, those in favor, please indicate your approval by holding up your shareholder question card or your hand? The motion is carried, and I declare this meeting terminated.

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