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EDITED TRANSCRIPT

ENB.TO - Enbridge Inc Annual Shareholders Meeting

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CORPORATE PARTICIPANTS

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

Gregory Lorne Ebel *Enbridge Inc. - Non-Executive Chairman*

Tyler Wade Robinson *Enbridge Inc. - VP & Corporate Secretary*

CONFERENCE CALL PARTICIPANTS

Matthew A. Akman - *Shareholder*

Robert Thomas Schwartz - *Shareholder*

Tara Houska

Mark Dubeau - *Shareholder*

Dennis McDermott - *Shareholder*

PRESENTATION

Tyler Wade Robinson - *Enbridge Inc. - VP & Corporate Secretary*

All right. It's 1:30, so if everyone who has not already done so could please take their seats. We will get started. Good afternoon, ladies and gentlemen. My name is Tyler Robinson. I'm Vice President and Corporate Secretary of Enbridge. Thank you for joining us today.

Before we get started, I'd like to review a few safety matters and process matters. All emergency exits are clearly marked with illuminated exit signs in the building. In an emergency, you'll be notified via the public address system. An alarm will sound at the first sign of a problem. Please stand by for further instructions. If an evacuation is required, it will be announced over the sound system, and you will evacuate the hotel immediately in a calm and quiet fashion via the nearest emergency exit, as shown on the screen.

Once outside, please proceed across the street when it is safe to do so to the base of the Calgary Tower. You will be advised if and when it is safe to return to the building. Washrooms are located outside the meeting room. If you're having difficulty locating them, please just ask one of our volunteers, and they will direct you in the right direction.

This meeting is being video recorded and transcribed for Enbridge's records. We ask that you please do not use still or video cameras during the meeting.

Also, out of a courtesy to your fellow shareholders, please take a moment to now turn off your phone or other electronic devices if you have not already done so. This is particularly important today as the CRTC will be testing the emergency alert system today at 1:55 p.m. And during that testing, any cell phone, tablet or any other device that is connected to a network will receive an alert that sounds much like an ambulance siren, or if you're on vibrate, it will vibrate for about 8 seconds. So if you could turn that off, that would be fantastic. Thank you.

A TV monitor providing real-time captioning for the hearing-impaired is available today and is located to the left of the room. If you require but are unable to see the monitor from where you're sitting, please again ask one of our volunteers and they'll help you find alternative seating so that you can see it.

There will be 3 parts to today's meeting. First, the formal business portion of the meeting, which will address the matters to be voted on today, and it will be conducted by our Chairman, Mr. Greg Ebel. Next, our President and CEO, Mr. Al Monaco, will deliver his remarks to the shareholders. And finally, we will open the floor for a general question-and-answer session for shareholders and proxy holders.



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For the question-and-answer session, we ask that you please limit your questions to 1 question or comment at a time. Time permitting, if anyone has additional questions or comments, they will be given the opportunity to raise them once everyone who wishes to speak has had the opportunity to do so.

If you prefer, you can also write your question on the space provided on the back of the shareholder admission card you received when you registered and hand it to one of our volunteers. If you have additional questions that we're not able to go to during the question-and-answer session today, we will be pleased to respond to you in writing if you provide us with your contact information and your question, all of which will be kept confidential.

Thank you. And I now welcome to the podium, Mr. Greg Ebel, Chairman of the Board of Directors of Enbridge, to call the meeting to order.

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

Thank you very much, Tyler, and good afternoon, ladies and gentlemen. My name is Greg Ebel, and I have the honor to be the chair of the Enbridge Board of Directors. And it is my pleasure to welcome those of you in attendance today as well as those who are listening to our live webcast to the Enbridge 2018 Annual Meeting of Shareholders. And I now call the meeting to order.

Today is your opportunity to take part in decisions affecting Enbridge's future, and we sincerely appreciate your interest and participation. As chair of the Enbridge Board of Directors and in accordance with our bylaws, I will act as Chair of today's meeting. Tyler Robinson, who you've already met, Vice President and Corporate Secretary, will act as secretary for the meeting. And Al Monaco, our President and Chief Executive Officer, is seated here with us as well.

On behalf of Enbridge and the Board of Directors and senior management, I would like to acknowledge that today's meeting is being held within the traditional territory of the Treaty 7 First Nations. In order to ensure that the business of today's meeting proceeds according to schedule, certain shareholders and proxy holders have kindly volunteered to move and second the proposals relating to the business identified in the notice of meeting. Any shareholder or proxy holder with a question or comment on a specific item of business is welcome to address it at the time that, that item of business is being considered. If you wish to make a general comment or ask a question not directly related to the business currently under discussion, we will ask that you please wait until the general question-and-answer period following the conclusion of the business portion of the meeting.

As a reminder, only registered shareholders or proxy holders are entitled to vote, ask questions or take an active part in this meeting. When asking a question or either making or seconding a motion, please state your full name and confirm your status as a shareholder or a proxy holder. This will assist us in correctly recording the outcome of this meeting.

This meeting has been called as an annual meeting of the holders of the common shares of Enbridge Inc. This afternoon, we will deal with the items of business specified in the notice of meeting and proxy statement, which has been prepared in compliance with the disclosure requirements under the rules of the United States Security and Exchange Commission as well as the applicable Canadian disclosure requirements. Shareholders will first be asked to consider the minutes of last meeting of the shareholders held on May 11, 2017. They will then attend to the regular business of receiving the annual financial statements, together with the accompanying report of Enbridge's auditors. Shareholders will then be asked to elect directors and vote on the appointment of the auditors for the next year as well as authorize the directors to fix the auditors remuneration. As has been the case in prior years, shareholders will be asked to cast an advisory vote on the compensation of our named executive officers, which is commonly referred to as say on pay. This year, in accordance with the United States requirements, shareholders will also be asked to cast a vote on an advisory basis on the frequency by which say on pay votes are to be held.

I am pleased to report that 12 of our incumbent directors are here today. Mr. Dan Tutcher was unable to be with us today due to an already existing conflict. 12 of our 13 directors are standing for reelection, and the number of directors to be elected today has been fixed at 12 by the board. Rebecca B. Roberts was appointed to the board on May 15, 2015, as serving as a long-time director on the board of Enbridge Energy Partners. Ms. Roberts is not standing for reelection due to demands on her time with other commitments, and I'll speak further about Ms. Roberts near the end of this meeting.



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We also have, in the audience, a number of members of our senior management team. Each member of the senior management team is wearing a silver name tag, and each director is wearing a white name tag. Following this afternoon's proceedings, we will have an informal gathering with refreshments at the back of the room, and I encourage you to approach these individuals to discuss any questions or comments that you may have regarding Enbridge.

Ms. Sylvia Stake and [Ms. Robyn Hall], representatives of the corporation's registrar and transfer agent, AST Trust Company in Canada, are in attendance today, and I appoint them as scrutineers for the meeting. Could the scrutineers please identify themselves by raising their hands? So at the back of the room there. Thank you, Sylvia and [Robyn]. I will now ask that Tyler Robinson, for him to confirm that proper notice of the meeting was given and that a quorum is present for the transaction of business.

Tyler Wade Robinson - *Enbridge Inc. - VP & Corporate Secretary*

Thank you, Mr. Chairman. The notice of this meeting was mailed on April 5, 2018, to all shareholders of record at the close of business on March 12, 2018. A copy of the notice of meeting and proof of service on registered shareholders will be filed with the records of this meeting.

The scrutineers' report with respect to attendance at the meeting shows 19 shareholders in attendance in person and 4,870 shareholders represented by proxy. A total of 1,216,519,115 shares, which is 71.37% of the shares outstanding on March 12, 2018, are represented either by shareholders present or by proxy. Based on the scrutineers' report on attendance, I confirm a quorum is present for the transaction of the business of this meeting.

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

Thank you. An example of something easier done than said. I declare this meeting to be properly constituted for the transaction of business. Today's voting on the election of directors, the annual say on pay advisory vote and the advisory vote on the frequency of say on pay, votes will be conducted by ballot. Each registered shareholder who has not previously filed a proxy and each proxy holder in attendance today will have received a single ballot card containing these 4 items of business when they registered today. Tyler, will you please explain the ballot procedures to be followed today?

Tyler Wade Robinson - *Enbridge Inc. - VP & Corporate Secretary*

Certainly. Each registered shareholder who has not previously filed a proxy as well as each proxy holder must complete their ballot card in order to vote their shares. You will be given a moment after each matter is brought before the meeting to cast your vote by marking an x either for the motion or, depending on matter being considered, to withhold, vote against or abstain from voting as the case may be. Following completion of all items of business, you will be asked by the Chairman to sign your ballot card and hand it to one of our scrutineers who will tally the votes. The results of the balloting will be announced at the end of today's question-and-answer period. Many shareholders present today will have already filed their proxy with the company. If you have done so, you will not need to complete a ballot since your shares will be voted in accordance with your existing proxy instructions. Unless the ballot is demanded as permitted by law, voting on all other matters before the meeting will be conducted by a show of hands.

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

Thank you, Tyler. The minutes of the last Shareholders' Meeting are available, but unless a shareholder requires that they be read in their entirety, may I have a motion that the minutes of the Annual Meeting of the Shareholders Meeting held on May 11, 2017, are now submitted to this meeting as to be taken as read and approved.

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

Tom?



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Matthew A. Akman -- *Shareholder*

Mr. Chairman, my name is Matthew Akman. I'm a shareholder, and I so move.

Robert Thomas Schwartz -- *Shareholder*

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

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

Thank you, Matthew and Tom. Ladies and gentlemen, you have heard the motion, which has been seconded. Will those in favor please indicate their approval by raising their right hand?

(Voting)

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

Contrary?

(Voting)

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

Deem the motion carried. The next item of business is the placing before the shareholders the financial statements and the auditor's report for the year-end December 31, 2017. The financial statements and the auditor's report for the year-end December 31, 2017, are contained in the company's 2017 annual report. The financial statements have been approved by the Board of Directors and are available on the company's website.

The corporation's auditors are PricewaterhouseCoopers LLP. And at this time, I would like to introduce Ms. Shannon Ryhorchuk of PricewaterhouseCoopers and ask her to please stand and be recognized. Ms. Ryhorchuk will be available during the general question period, following Mr. Monaco's remarks to answer any of your questions regarding the auditor's report.

The next item on the agenda is the election of directors for the year. 12 directors are to be elected at this meeting. May I please have a nomination for the election of 12 directors to serve on the Enbridge board for the upcoming year. I would ask that each director stand as their name is called and remain standing until all directors have been nominated and elected.

Matthew A. Akman -- *Shareholder*

Mr. Chairman, my name is Matthew Akman, I'm a shareholder, and I nominate Pamela L. Carter, Clarence P. Cazalot Jr., Marcel R. Coutu, Gregory L. Ebel, J. Herb England, Charles W. Fischer, V. Maureen Kempston Darkes, Michael McShane, Al Monaco, Michael E. J. Phelps, Dan C. Tutcher and Catherine L. Williams for election as directors of the corporation to hold office until the close of the next annual meeting or until their respective successors have been elected.

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

Second?



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Robert Thomas Schwartz - - *Shareholder*

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

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

Thank you again, Matthew and Tom. Ladies and gentlemen, you have heard the motion, which has been seconded. We will conduct a vote on this motion by ballot. Please take a moment now to vote for the election of directors by making an X either for or withhold for each director on your ballot card, which will be collected following the last item of business today.

(Voting)

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

The next item of business is the appointment of the corporation's auditors. PricewaterhouseCoopers or its predecessors, Price Waterhouse, have been the auditors of Enbridge for the past 24 years. The Board of Directors on the advice from the Audit, Finance and Risk Committee of the board recommends their reappointment. May I please have a motion that PricewaterhouseCoopers LLP be appointed auditors of the corporation to hold office until the close of the next Annual Meeting of Shareholders at such remuneration as shall be fixed by the Board of Directors?

Matthew A. Akman - - *Shareholder*

Mr. Chairman, my name is Matthew Akman. I am a shareholder and I so move.

Robert Thomas Schwartz - - *Shareholder*

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

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

Thank you again, gentleman. Shareholders, you have heard the motion, which has been seconded. As a ballot is not required for this matter, will those in favor of the motion please indicate their approval by raising their right hand?

(Voting)

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

Thank you. Contrary?

(Voting)

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

The motion is carried. The next item of business today is an advisory vote for the compensation of our named executive officers, commonly known as say on pay. Although this vote is optional and nonbinding, it gives shareholders an opportunity to provide important input to the Board of

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Directors. So may I have a motion that the resolution to approve the compensation of the named executive officers of Enbridge, the text of which is set forth on Page 25 of the proxy statement for this meeting, be and is hereby approved?

Matthew A. Akman - - *Shareholder*

Mr. Chairman, my name is Matthew Akman. I'm a shareholder and I so move.

Robert Thomas Schwartz - - *Shareholder*

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

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

Thank you again. You've heard the motion, which has been seconded. We will conduct this vote by ballot. Please take a moment now to vote on this proposal by placing an X either for or against the motion on your ballot card. Alternatively, you may also abstain from voting on this matter if you so choose.

(Voting)

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

The next item of business today is an advisory vote on the frequency of say on pay. Although this vote is optional and nonbinding, it also gives shareholders an opportunity to provide important input to the Board of Directors. The ballot provides shareholders with 4 choices: 1 year, 2 years, 3 years or abstention. May I have a motion that the resolution for an advisory vote on say on pay every 1 year be and is hereby approved?

Matthew A. Akman - - *Shareholder*

Mr. Chairman, my name is Matthew Akman. I am a shareholder and I so move.

Robert Thomas Schwartz - - *Shareholder*

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

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

Thank you again. We have a motion, which has been duly seconded. We will conduct the vote by ballots here as well, so please take a moment now to vote on this proposal by placing an X in the appropriate box on your ballot card.

(Voting)

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

We have now completed all scheduled business. For those registered shareholders and proxy holders, who have completed ballots on the items of business being considered here today, please sign your ballot where indicated and raise your hand so that our scrutineers can collect the cards.



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And while we wait for the scrutineers to tabulate and confirm the results of the ballot, I would like to take this opportunity to recognize Rebecca Roberts, who is with us today and is not standing for reelection.

Ms. Roberts has served on the Human Resources and Compensation Committee, the Governance Committee and the Safety and Reliability Committee of your company. We sincerely thank her for her dedicated service to the board and to the shareholders. You'll be very much missed, Becky.

I would also like to recognize another one of our directors, Ms. Pamela Carter. Pamela has been awarded and will receive the Sandra Day O'Connor Award for Board Excellence in October of this year by Direct Women. This prestigious award is bestowed upon a female lawyer, who has served with distinction as an independent director of public companies and has worked hard to advance the value of diversity in board positions. The award is named for retired U.S. Supreme Court Justice, Sandra Day O'Connor, who became the first woman justice in the U.S. Supreme Court's history. We congratulate you, Pamela, on a great achievement and your commitment to board diversity.

Finally, I'd like to thank the Enbridge management group for their fine leadership and hard work, and also our shareholders for giving me the opportunity to serve as a director and your chair of the board and for taking time out of their day to be with us this afternoon either in person or on our webcast.

So I will now announce the results of the balloting. The scrutineers have confirmed that PricewaterhouseCoopers has been appointed auditor of the corporation for the upcoming year, and that all nominated directors have been duly elected, and that the shareholders have approved the compensation of the named executive officers of Enbridge, and that the shareholders have approved the frequency of the vote on compensation of these named executive officers.

Accordingly, I declare each of the resolutions considered at today's meeting in respect of the matters as carried. And we will provide you with the percentages of votes for each of the balloted resolutions following the general question-and-answer session, and the exact number of votes cast in respect of each matter will be filed on EDGAR and SEDAR and made available on our website.

Thank you again for your strong show of support and interest and continued loyalty by attending today's meeting. As all business matters have been addressed, I will now ask for a motion that the meeting be terminated.

Matthew A. Akman - - *Shareholder*

Mr. Chairman, my name is Matthew Akman. I'm a shareholder and I move that this meeting be terminated.

Robert Thomas Schwartz - - *Shareholder*

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

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

Thank you. Will those in favor please indicate your approval by raising your right hand.

(Voting)

Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

Thank you. The motion is carried, and I declare this meeting has concluded. I will now call upon Al Monaco, your company's President and Chief Executive Officer, to deliver his remarks and conduct the general question-and-answer period. Al?



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Al Monaco - Enbridge Inc. - President, CEO & Director

Thanks, Greg. Good afternoon, everybody. 2017 was a very pivotal year for Enbridge, and our industry had a lot going on with it as well. Today, I want to focus on 3 things: the importance of the Spectra transaction and how well it diversified us and positioned us for the future; I'll recap the year, including progress on strategic priorities in our 3-year plan, and I'll talk about the disappointing share price, which underperformed our expectations and yours; and then I'll talk about the North American energy advantage, the opportunity for this continent to become a premier energy global supplier.

Before that, I want to take a moment to talk about our 15,000 people across the United States and Canada and their shareholders as well. Our people work tirelessly to make sure operations run smoothly and reliably. And with constant headlines in our business, our people and their families are often under pressure for working in this business and working for our company. But our people are committed and they are proud of what they do, and I am proud of them, especially for the work that they do in communities, like supporting others during the hurricanes and the Fort McMurray wildfires. Finally, it has been a year of tremendous change at Enbridge for our people, and that's been stressful on them.

We started the year as 2 separate companies, but now we're 1 team working toward a common goal of building the best energy infrastructure company in North America. So to our people, thank you for your hard work and dedication to Enbridge and our industry.

Now this map here that you see tells the story of how we've transformed Enbridge from what was primarily a liquids or crude oil pipeline company to the largest energy infrastructure company on the continent. The Spectra deal, how we see it, was a onetime opportunity to become the dominant player in our industry by diversifying, increasing our scale, and expanding our reach. It rebalanced our portfolio with the premier natural gas assets because we believe gas will be even more critical in meeting energy needs of the future, whether it's here in North America or globally. We now have exactly what we want, 3 best-in-class businesses: liquids pipelines and terminals, natural gas transmission storage and natural gas utilities, all under 1 roof.

We've also built a strong renewables franchise. I'm not sure if you can see them on the map here, because all sources of energy, we believe, are going to be required in the future to meet global demand. So together, when you look at the picture, these franchises are unmatched in the energy infrastructure world. They fit squarely within our value proposition, that's the figure on the right there, which has served us well over the many decades, stable, low-risk businesses that enable growing dividends for shareholders. The assets, as you can see, are strategically located. We directly connect key supplier regions to demand centers to energize homes, cities, towns and communities.

Our roots, as many of you know, are as a Canadian company, but our perspective has to be North American. And when you look at the map, you can see how these newly acquired gas transmission assets fit extremely well now within the Enbridge family. Today, we believe we're stronger, better balanced and we have more opportunity to grow. And besides that, people look at the numbers when you talk about transactions or the maps, but we also acquired a huge number of excellent people from Spectra. Closing the deal and integrating the assets was the biggest accomplishment for last year, but let me turn to what else happened in '17.

So I'm going to start with our #1 priority: safety, reliability and environmental protection. We had another exceptional year, and we continue to lead the industry. Now we don't like to crow about these numbers and results because we can't let our guard down. We're focused on getting even better, and that's the approach that you need to take in this business today. We put \$12 billion of assets into the ground last year. Think about that. \$12 billion, 16 projects, in the toughest permitting environment ever. That says a lot about the people who made that happen. These 16 projects, by the way, are going to generate a lot of cash flow. I'm going to talk about that later.

And I'm not going to go through all of them, but I do need to mention a few. Sabal Trail. Yes, there it is. It must be 1:55. Sabal Trail, a new natural gas system, serving the U.S. Southeast, displaces coal. The Wood Buffalo line in Alberta moves Fort Hills volumes right through our mainline system. The Bakken Pipeline System gives us another line into the Gulf Coast, a huge strategic push from our company. The Dawn-Parkway Expansion in Ontario supplies low-cost gas to millions in Eastern Canada. And last but not least, the 250 megawatts Chapman Ranch wind power facility in South Texas provides 0 emissions energy to 65,000 homes.



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Construction on our Line 3 replacement project, I'm sure you've heard of that one, is about 40% complete in Canada. Great progress here, but we're also proud of the collaboration that we have had with indigenous communities, true partnerships that respect the culture, the environment as a first priority, but also generate economic benefits. So, so far, we've created \$87 million of opportunities for indigenous nations and groups, along the Line 3 right of way. Now what's more striking is that we could ultimately see that number grow to \$300 million for a single project. That is real benefit.

Equally important is our relationship with landowners, CAEPLA and David Core, who is in the room today, have held us to a very high standard and then some. Now these kinds of successes are not the ones that you're going to see in the headlines, but they are very important. And it shows that working together can make projects better.

Now the size of that program I went through requires a lot of new funding. And last year, our Finance Team did a marvelous job in raising \$14 billion of capital and then another \$2.5 billion was raised through asset sales.

We've been focused on improving efficiency, taking care of our costs and optimizing the assets. We're likely to exceed our synergy target that we set for the Spectra deal. More broadly, though, from '15 to the end of this year, we'll have reduced \$1 billion in costs to ensure we remain competitive for the years to come. Our 2017 results came in at \$3.68 per share in distributable cash flow. That's about 2% less than we had targeted. We sanctioned \$4 billion of new projects last year, which again is going to add cash flow into the future. And finally, we increased the dividend by 15%. That's the 23rd consecutive dividend hike that we've seen.

So lots of accomplishments in that list there, but they were, I would say, overshadowed by our share price. So let me talk about that.

First of all, you entrust us to maximize the value of your investment, and we don't take that responsibility lightly.

Just as you're disappointed, the management team, the board and our people are too. This is a bit of new territory for us. I'm usually up here talking about how we've outperformed the peers and outperformed the broader market. We've been impacted by some of the things that affected the entire energy space, not just Enbridge. One, being rotation from energy into other sectors like cyclicals. And whereas in the last decade, we had declining interest rates, we're now in a rising interest rate environment, which doesn't favor stocks like ours.

These are the factors that are at play in that sector, but even more salient for us, and let me just describe those. A very challenging regulatory and permitting environment means large projects, like our Line 3 projects in particular, carry more uncertainty than in the past. We've seen this with our competitors and with Line 3, particularly in Minnesota.

And a recent FERC decision, this is a U.S. regulatory body, to disallow tax recovery in the rates we charge customers, which by the way is a complete reversal of their long-standing policy. That's another factor that impacted the sector. In our case, our U.S. MLPs are affected by that FERC decision. For the Enbridge group, overall, we don't believe that factor is going to be large and material to our consolidated outlook, but it certainly does add uncertainty to those MLP vehicles that hold our assets in the U.S.

Two final things on this. I want to ensure shareholders that the management team, the board and the staff are very focused on shareholder value. And as part of that, though, we are going to remain disciplined in managing the business, and that means operating safely and reliably and serving our customers well. That's the lifeblood of the industry and our business; executing projects on time and on budget and working well with communities as I described earlier; being efficient and keeping costs in check; building for the future and being disciplined in how we're allocating capital amongst projects and other opportunities; and continuing to value and develop our people, so they have great opportunities at Enbridge in the future.

Along those lines, let me outline our 3-year plan, which is focused on the things I just mentioned. Executing on our priorities should deliver 10% compound annual growth in distributable cash flow per share, which is going to support further dividend. We have 6 priorities that you see here. I'm going to focus on a few specifics, though. We're modifying the asset mix to a pure pipeline utility model, namely the 3 core franchises that I talked about earlier. These businesses generate low-risk, predictable cash and it's where we have our competitive advantage. As part of that, we set a target of selling \$3 billion in assets this year that don't fit that broad criteria. And earlier today, with the sale of our U.S. gathering and processing



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assets and a 49% interest in some of the renewables assets, we took a big step towards that pipeline utility model. Those assets mean that we've now already completed the \$3 billion targeted for '18.

The combination as well of asset sales and growing cash flow from those projects I talked about is going to make sure as well that we hit our targeted leverage metrics for this year, which is also an important factor in the market today. Another priority is to deliver the \$22 billion capital program. That includes Line 3. Also, though, NEXUS, which moves gas from Marcellus to the Dawn hub and the Valley Crossing line that exports gas to Mexico.

And with the new gas transmission assets that I was talking about and a large utility platform that came along with it, we'll have plenty of opportunity to grow.

Let me now turn, finally, to how we see the future of the energy business. Yes, the space, the energy space, has been very challenged recently, and you saw a bit of that as you came into the hotel today. But looking forward, I'm very optimistic about the future because the fundamentals of energy are still very, very positive. Here's why. North America has unmatched resources, skills and technology compared to anywhere else in the world. Commodity prices, as you've seen, have stabilized nicely and the industry's cost structure has improved dramatically. All of this means North America has a tremendous competitive advantage in energy. In fact, we have an opportunity, as a continent, to be a major global energy exporter.

Now the one thing that can mess that up is our struggle to build energy infrastructure. Listening to and watching the North American energy debate can be very frustrating. But there's an important silver lining that I see. In Canada, the pipeline challenges are framed as a national crisis. I'm sure you've heard that on the evening news. But that debate is also changing the game as we speak because it's making people think about why energy matters to them. The importance of energy to society is now finally resonating strongly. We all agree that the energy should be developed sustainably. Most people don't need convincing about it anymore. But today, the people in the middle are asking what happens if we can't develop our resources and get them to market. I'm hearing that more and more every day. They're saying energy in the environment can go hand in hand, but they're not mutually exclusive. People are starting to believe that North America can lead the way, that we have a unique advantage on this continent that we have to capitalize on. We need to maintain the momentum that we're seeing recently and encourage not just the industry leaders but governments, communities and everyday people in speaking up about the merits of energy. What are those? They're economic, they're environmental and they are social. Let me say this not as the CEO of a North American pipeline company but as a Canadian. We should be proud of the world-class resources and capability and how we balance economy with the environment. Let's think about how energy should be as part of what drives economic growth, just like we do in manufacturing, aerospace, medicine, agriculture and cutting-edge technology. Let's look at those the same way.

Our energy resources enhance the competitiveness of these other industries. They can help grow the economy, add jobs and fund social programs, the ones that we want. What could be wrong with that? We should be proud of our environmental record and we should be excited about how the energy industry is creating and using technology to reduce GHG intensity. And we need to remember that stalled projects have real-life consequence. It matters. For example, the pipelines to the United States Northeast, the lack of them, means that people pay multiples higher in energy cost than the rest of the continent for their supply. And what is to be the biggest irony ever on that one, having to rely on coal power, and Russian gas imports in the U.S. Northeast to get through peak day requirements. That simply makes no sense.

It matters that natural gas is being stranded in Canada, gas that should be supplying global markets right now. And it matters that indigenous communities are forced to wait longer for real development opportunities, opportunities that also respect their culture and the environment. In order to realize this competitive advantage I've been talking about, we need to start pulling in the same direction. What's interesting is, you've all heard about the NAFTA discussions, and on that discussion you can see that everybody respects the power of energy and how both countries, north and south of the border, have to work cooperatively. We have to find the same path forward within Canada.

Before I conclude, at last year's AGM, we committed to provide even more transparency on our approach to indigenous issues. We're going to soon release a report outlining how we integrate indigenous rights and sensitivities into our investment decision-making process and day-to-day business. We're doing that because success in our business today depends on our ability to build trust with communities near our projects and near where we operate.



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So in closing, there've been a few factors overhanging our sector. And our own share price performance didn't meet our own executions. But we've been through cycles before and we have structured this business to withstand those cycles. After Spectra, we're more resilient, given our size and scale, financial strength and the quality of our customer base and markets and our people. This is a long-term business with very long-lived assets that are critical to society and to the North American economy. We believe very firmly that we have the best assets and strategic position in the business. Again, go back to the map. In fact, where new infrastructure is more challenging to build today, these assets are worth more not less than in the past. That's simply because they are virtually impossible to replicate. We believe that the future for our company is bright and the true value is going to be recognized in the market. Our assets do generate very strong and predictable cash flow, and the chart to the top right here illustrates that. In 2018, the outlook looks very robust for EBITDA, going from \$10.3 billion to \$12.5 billion or 21% increase. And as illustrated on the bottom, we have strong growth prospects in each of our 3 franchises plus renewables to sustain the growth through our future. All of this, what I've just described here on this last picture, is the reason why my own investment in Enbridge shares is increasing.

Finally, thank you to the directors, talented and very dedicated group to Enbridge. They're focused, I can assure you, on overseeing this business on behalf of the shareholders, and they do hold management to account. In particular, just as Greg noted, 2 highly accomplished people. I'd like to just mention this on behalf of management and the employees. Becky Roberts has had a very strong influence on our staff. Her commitment to operational excellence has made a big impact and focused our attention on safety more than ever. Thank you, Becky. You'll be missed around the board table for sure, but also by the leadership team and our people across the organization. And Pamela Carter, Sandra Day O'Connor Excellence Award. Pamela receiving this award is a huge inspiration, not just to the women generally and in the company, but all of us at Enbridge. Congratulations.

In closing, I'll come back to where I started. The people at Enbridge are very passionate about purpose and what they do. They're owners of the business, just like you and I, and they're committed to keeping communities and the public safe. Most important, they live our values: safety, integrity and respect each and every day. So with that, I would like to open up the floor to questions.

QUESTIONS AND ANSWERS

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

Yes, sir.

Mark Dubeau -- *Shareholder*

Mark Dubeau, a shareholder. It seems like Enbridge, as well as your peers, but Enbridge more so than others, have been hit rather higher than last year in terms of your stock price. And when I read the analyst reports, the 3 reasons are, one is your debt, which were addressed now by selling some of your renewable assets, the whole the Line 3 replacement, which is kind of beyond your control right now because of regulations, et cetera. But the other reason is the overly complex corporate structure. With the tax rulings in the U.S. that disallows the deductibility of taxes, what are the advantages of having a master limited partnership structure with Enbridge?

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

Right. So excellent question and great observations about the systemic issues at play here. And just before I get to that, this notion about debt and leverage and so forth, I think that's generally true. And there's a big focus on that in the marketplace. However, I would say that a company like ours that has organic projects, that take, frankly, years to build especially in this environment, is naturally going to have some increasing debt to fund all of that growth. And we always have to remember, those projects are highly economic. So while there's an interim increase in debt, I wouldn't want the shareholders to feel like we're not financially strong. You can tell that from our credit ratings, which indicate that the balance sheet is in very good shape. And as you pointed out, taking some actions around asset sales and the like will certainly help us get there faster. So I think that's a very good observation. Also, very, very true on the complexity, generally. I think, for sure, in the past, these master limited partnerships have been very effective. We've used the master limited partners very frequently in the past. In fact, I think we were one of the 2 first MLPs back in 1991. It's



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very clear, not just with respect to the tax issue that you noted, but generally speaking, the financing that we used to be able to do in these vehicles is much harder to do today economically. So we are looking at that. I think we've been saying from a strategic point of view, it'd be nice for us to be able to streamline the business a little bit more. When we did the Spectra deal, it actually added a couple of master limited partnerships, so now we have 4. And I think most people would say that is complex, as you're pointing out. So it's something that's on our minds and we have a priority on it, and we'll make sure that we look at that very carefully over the next little while. Thank you for your question. Excellent observation.

Tara Houska

Bonjour. My name is Tara Houska. I'm an attorney and director of Honor The Earth, an environmental organization based in Minnesota. I have a couple of questions. One is actually a follow-up from the question I asked last year at the Shareholders' Meeting. It was in regard to the Indigenous People Policy that Enbridge currently has and the fact that the Dakota Access Pipeline struggles, that company Enbridge holds a 28% interest in, wielded attack dog and physically harmed people, unarmed women and children. I'm wondering how your Indigenous Peoples Policy could possibly address something like that when you are still, as a company, invested in that project? Second, I've heard indigenous rights and consultation and outreach throughout your report today. All 5 tribes that are directly impacted in Minnesota have said no to this project and said no to the Line 3 project, just as the Department of Commerce has said no both to the existing Line 3 as well as the new Line 3. I'm wondering how those 2 could possibly be in alignment? And then third, I wanted to get some feedback on the ALJ, to the Administrative Law Judge's recent decision that the route should be on the existing route, which Enbridge has said that they would not build on that route. It's not economically feasible. So are you guys going to hold to that? Or are you looking at other options?

Al Monaco - Enbridge Inc. - President, CEO & Director

Okay, thank you for the questions. Let me start with the last one. I'm not sure you're correct about how you stated our position on the ALJ recommendation and the existing route. The route that's been recommended by the ALJ, which by the way is not a binding decision on the Public Utilities Commission, is, in our view, not as optimal as our preferred route. So we have not said that he wouldn't build that route. That doesn't mean that we should build on the existing right of way. We believe, from an environmental point of view, from a tribal point of view, which has been very clear as you're pointing out, that the line shouldn't go through that area. From a safety point of view, from an economic point of view, we believe that our route is preferred. And we are submitting evidence today, actually, to support that. In terms of the other questions you had around Dakota Access and so forth, before we entered that project, we did a lot of homework, frankly, on how consultation was done, whether or not the environment was being respected. And based on our conclusion and a lot of analyses, including third-party analyses, we determined that the operator, in that case, had done a reasonable job of consultation, seeking input and so forth. And so, obviously, we wouldn't support any kind of violence, whether it's opposing a project or what you referred to. But we're comfortable that what was needed to be done in the project was done. And that's the conclusion we drew. So that's my response to your question.

Dennis McDermott - - Shareholder

Mr. Monaco, my name is Dennis McDermott, I'm a shareholder. And I'm asking a question as to why you, the top [sellers] in the industry, aren't trying to do more cross (inaudible) of the people in the East, so the (inaudible) the debates for our present government, and they don't seem to have any idea of the energy industry. And I make this comment in this context. More than -- or a number of decades ago, I went from here to one of the prominent Eastern universities. I'm the only person in my year from Calgary. I think there may be 3 other people. So I took a commerce course, and I took a lot of businesses about the tariff-protected industries of the East that knew nothing about the West, that the West, which has prime products -- agriculture products were all on the world market. And so is energy, it's on the world market. That's why I'm wondering how to get the message out to the East. Because they're using your industry organization, but I think they're very ineffective. And I think you should have some of the people within your company, because I think I'm not here just [for the sale] of the company. I think it's a great company. I think you're being unfairly assaulted by everybody, unfair in so many ways. But I'm wondering if you should have people going to the universities in the East and selling the message about what energy represents, where the people in the East are getting their energy. Because not many people do. I mean, [John Nam], he gave a speech about a year ago, and he said people in his district in Ottawa, which is likely [a process], had no idea that oil and gas was coming from Saudi Arabia and Venezuela. And so the message you've given is a great one, but it's going to enough of an audience. And I'm wondering if there's some way you've considered how you should get to a greater audience and sell the people from the bottom up, because from



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the top up, you're not getting the assistance. For example, I was just at a lecture, where I asked this question. Why isn't the federal government going from the Trial division directly to the Supreme Court? They don't have to go through the Court of Appeals level. And they said because the federal government doesn't want to do so. But I think as more people understood what your issue is, then I think you could get more support in the East, and these pockets that this lady represents, in their nice clothes and like they got here by some means of transportation other than what they have a year -- 150 years ago. So I'm just saying that there's so many ways that industry has to advertise itself. I don't think there's an industry in Canada that has the degree of sophistication and academic consideration as the energy industry. But it's not getting out, and I just wonder if you have any thoughts there.

Al Monaco - Enbridge Inc. - President, CEO & Director

Okay. Well, thank you very much. That's extremely well said. And maybe I could start by saying, I share the frustration sometimes when it feels like the other side of the story is not getting told or perhaps people aren't listening. I guess what I would say is, your absolutely right about the way this is done. I mean, I'll tell you I could probably do 3 speeches a day for the next 6 months, and it probably wouldn't resonate, or it wouldn't resonate for sure, half as much as 1/10 of the effort by a broader set of people. So people in communities, our own employees, which we find are very effective. And I agree with you that the message does need to get out in a better way. I will say, though, that we've learned, and we are learning as we speak. And the way this is coming across best, and you see this, actually, in Minnesota on Line 3, where we have an enormous amount of support in the grassroots. And what we've started to do is look at what we call coalitions of support, people who see energy as part of their day-to-day life and value that energy, and those are the most effective way to get the message out, again, because the credibility that somebody has that lives in the community, is much better than mine. What does that mean? That means community leaders, it means labor, it means academics, like you're point out. I think we are learning. It's a slow process and sometimes frustrating, but it's certainly a big priority. And I think our team is heavily focused on exactly what you're saying. So thank you for raising it for everybody else. Yes, sir?

Unidentified Shareholder

My name is [Mark Cowen], and I'm a shareholder. Do you think it's feasible to build an LNG pipeline to Kitimat, B.C.?

Al Monaco - Enbridge Inc. - President, CEO & Director

Well, certainly from a feasibility point of view, in terms of it being, engineering-wise, doable, can it be done safely with an environmental context, can we get support for it? I think all of those would be a checkmark. And most importantly, it's a key driver, I think, of getting our resources to global markets because of this advantage I'm talking about: low cost, we've got global prices that are much higher, it's a natural fit. That arbitrage works extremely well. I think you may see some projects coming up over the next 2 years to 3 years, 4 years. I think fair to say that we missed that initial window of pipeline projects and LNG export facilities in the last few years, but there is a round 2. And ultimately, with the effectiveness of our resources and our capabilities in Canada, I do feel that we'll be able to get that to market. It's been a little bit slow, but I think we will get there eventually.

Unidentified Shareholder

And do you think there's an issue with, let's say, trying to get the LNG out of Kitimat through ships?

Al Monaco - Enbridge Inc. - President, CEO & Director

That's a good question. So I've flown the channel in Kitimat 2x to 3x, and it's probably one of the safest channels that I've ever seen. It's extremely wide and very deep. And of course, the technology around moving gas on ships is extremely advanced. So I think it's doable. And as I said, I'm sure it will happen here in the next little while. Thanks for your comments. Are there any other questions? Hearing none, Mr. Chairman, back to you.



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Gregory Lorne Ebel - *Enbridge Inc. - Non-Executive Chairman*

Thank you, Al. Well, thank you very much, Al. Well said on all fronts, and thank you for the input from shareholders. On the matters voted upon today by ballot, I have received confirmation that each of the 12 directors has been elected by at least 92% of the votes cast for the election of them. The advisory vote on the compensation of named executive officers has been approved by at least 95% of the votes cast on that resolution. And the advisory vote on the frequency of the vote on compensation of named executive officers to every 1 year has been approved by at least 98% of the votes cast on that resolution. So all those, thank you very much for the support.

And thank you again for attending today's meeting. And please have a safe trip home, and we invite you to join the directors and senior management for some light refreshments at the back of the room. Thank you very much, and have a great day.

Editor

Note to Reader: Final voting results are posted on Enbridge's website, www.enbridge.com, and on the EDGAR and SEDAR websites.

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