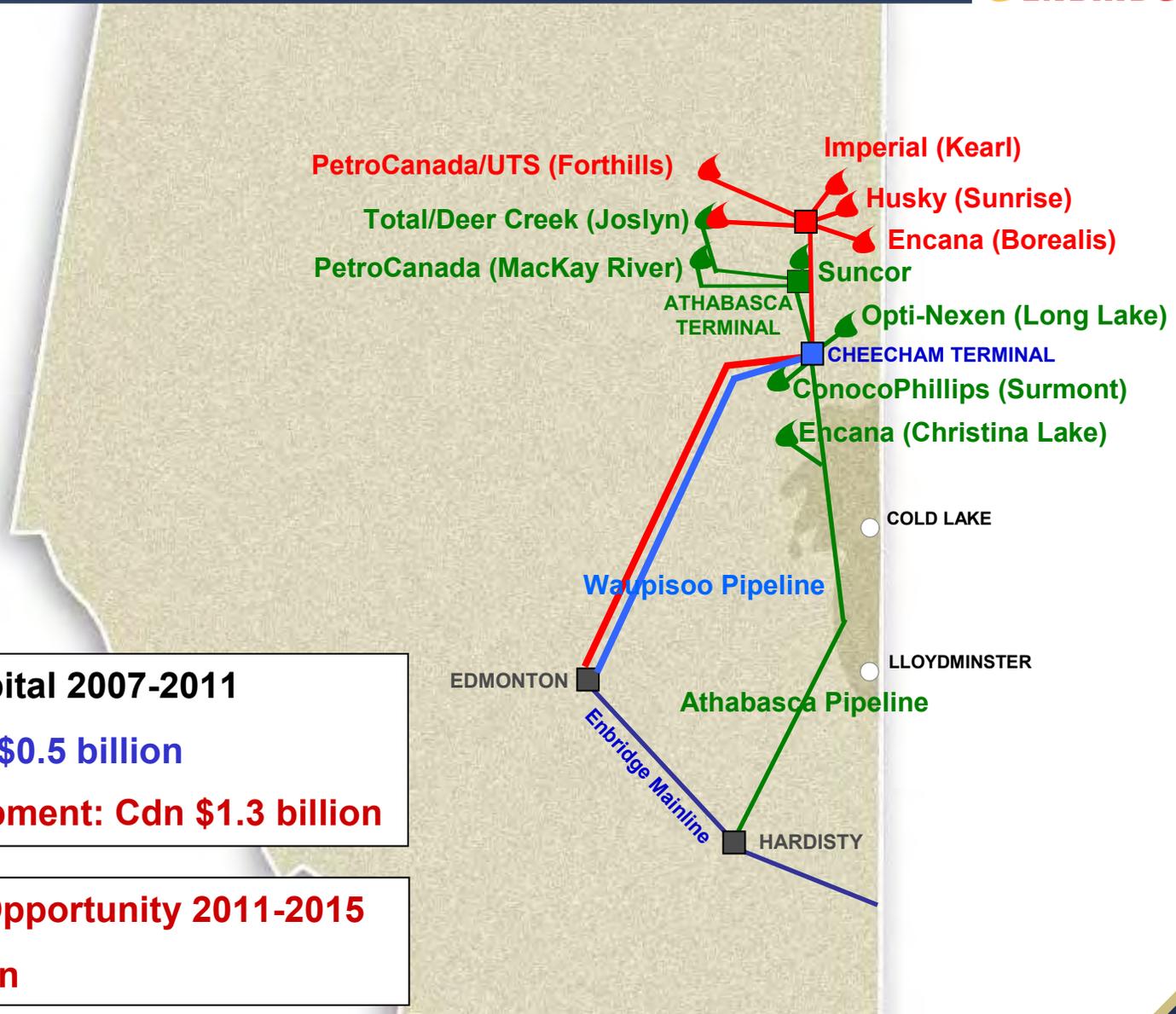


Regional Pipeline Development



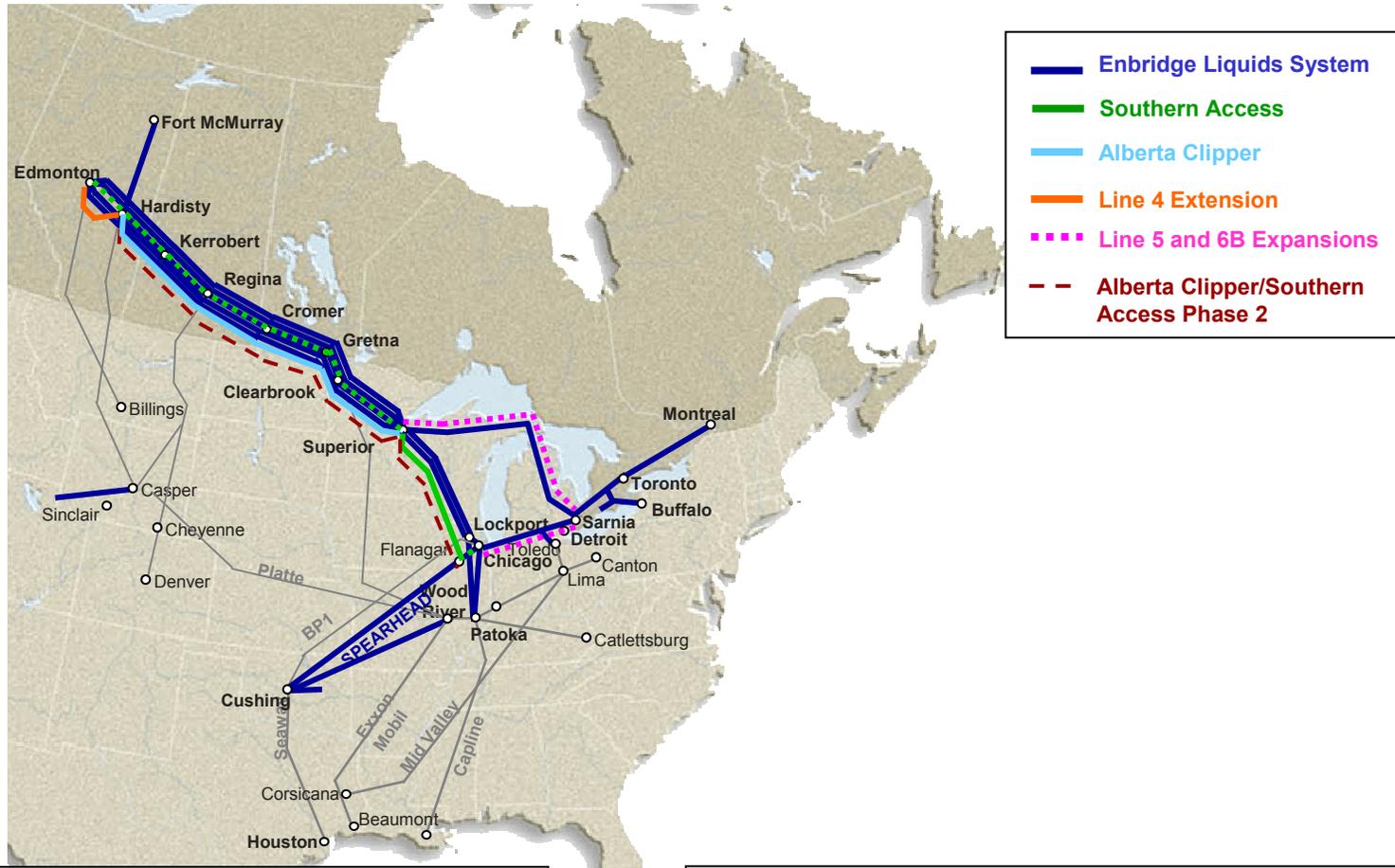
Anticipated Capital 2007-2011

- Secured: Cdn \$0.5 billion
- Under Development: Cdn \$1.3 billion

Second Wave Opportunity 2011-2015

- Cdn \$4.8 billion

Mainline Capacity Development



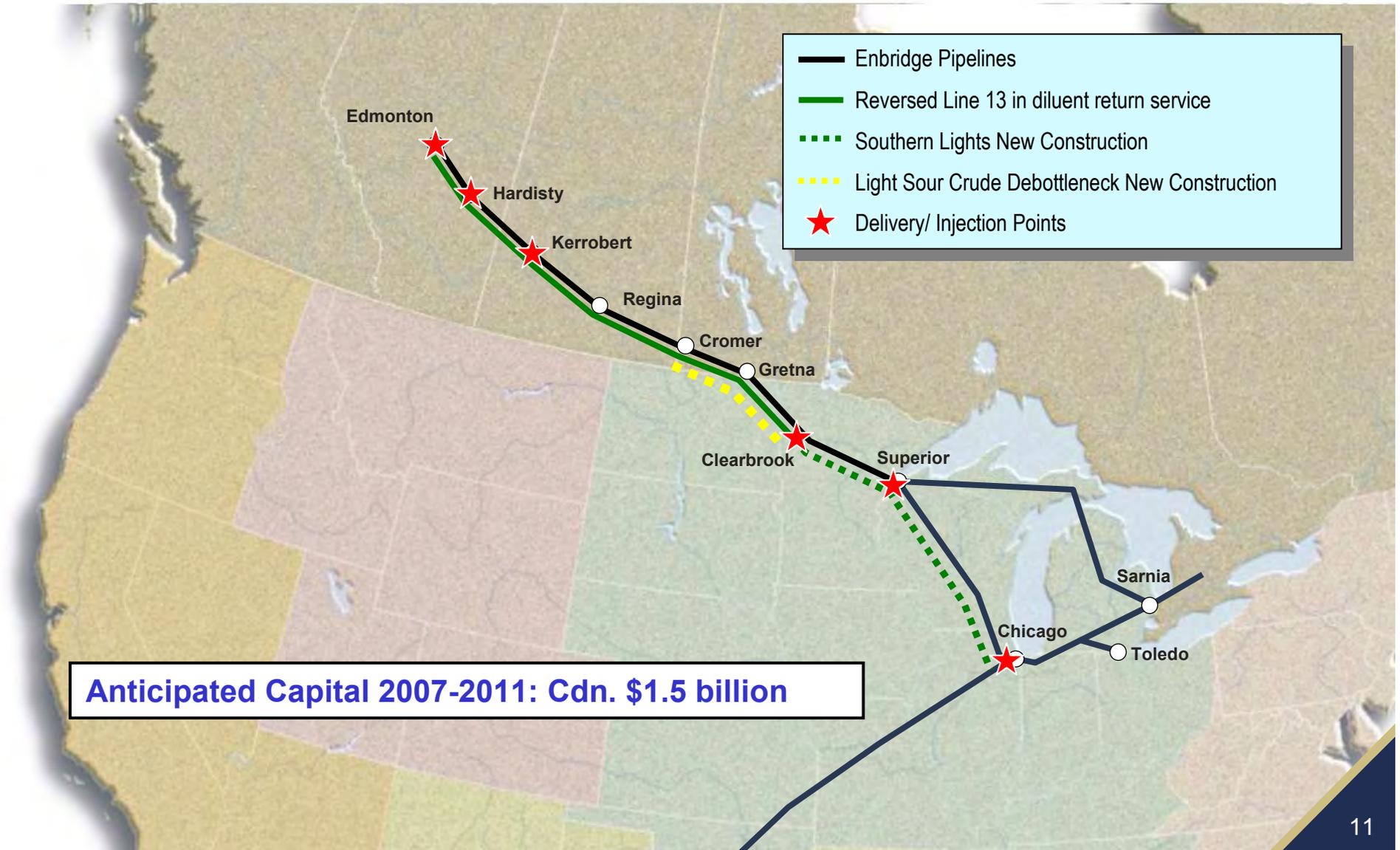
Anticipated Capital 2007-2011:

- Secured: Cdn \$6.0 billion
- Under Development: Cdn \$0.6 billion

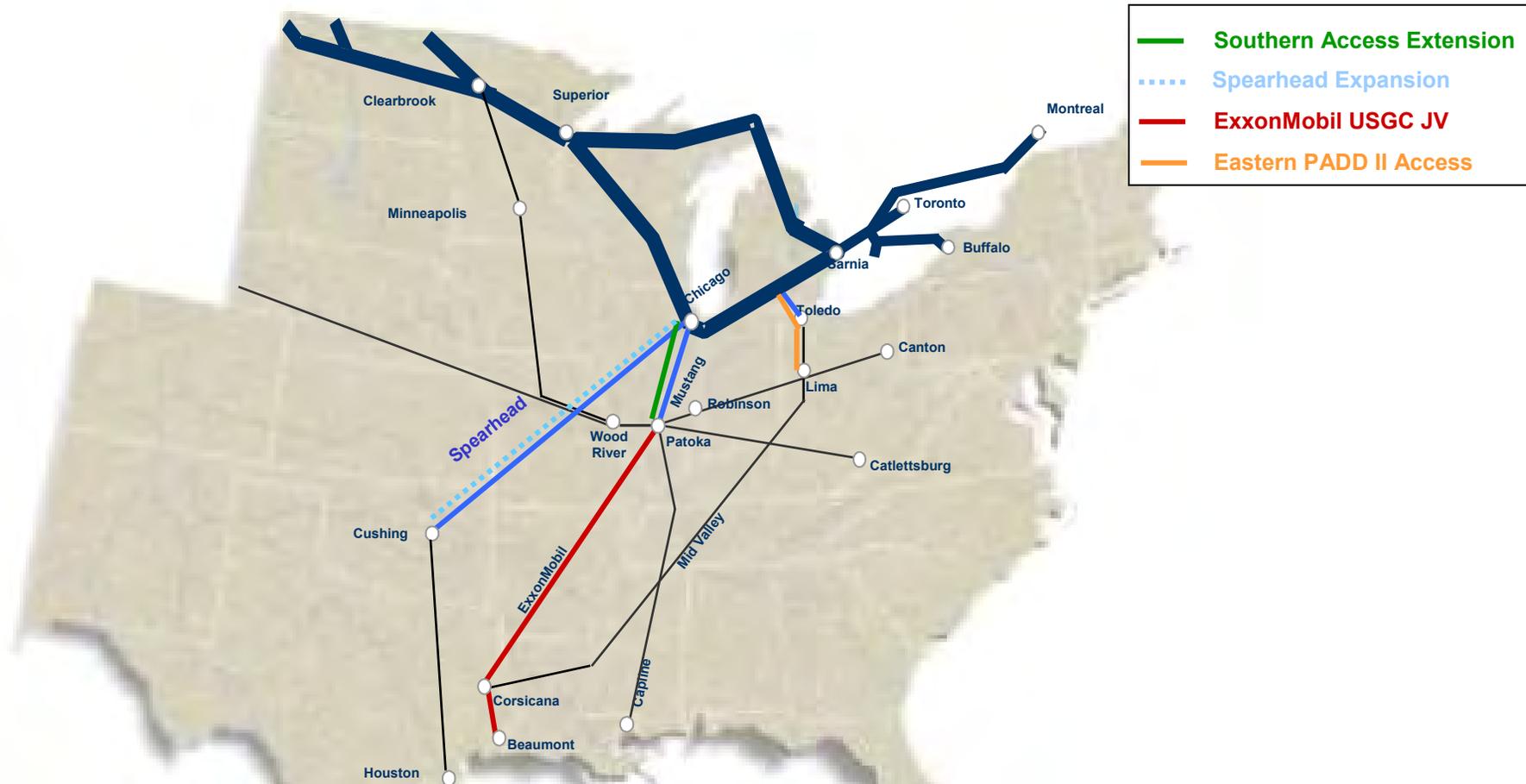
Second Wave Opportunity 2011-2015

- Cdn \$2.3 billion

Diluent Supply Southern Lights Pipeline



New Market Access Mainline Extensions



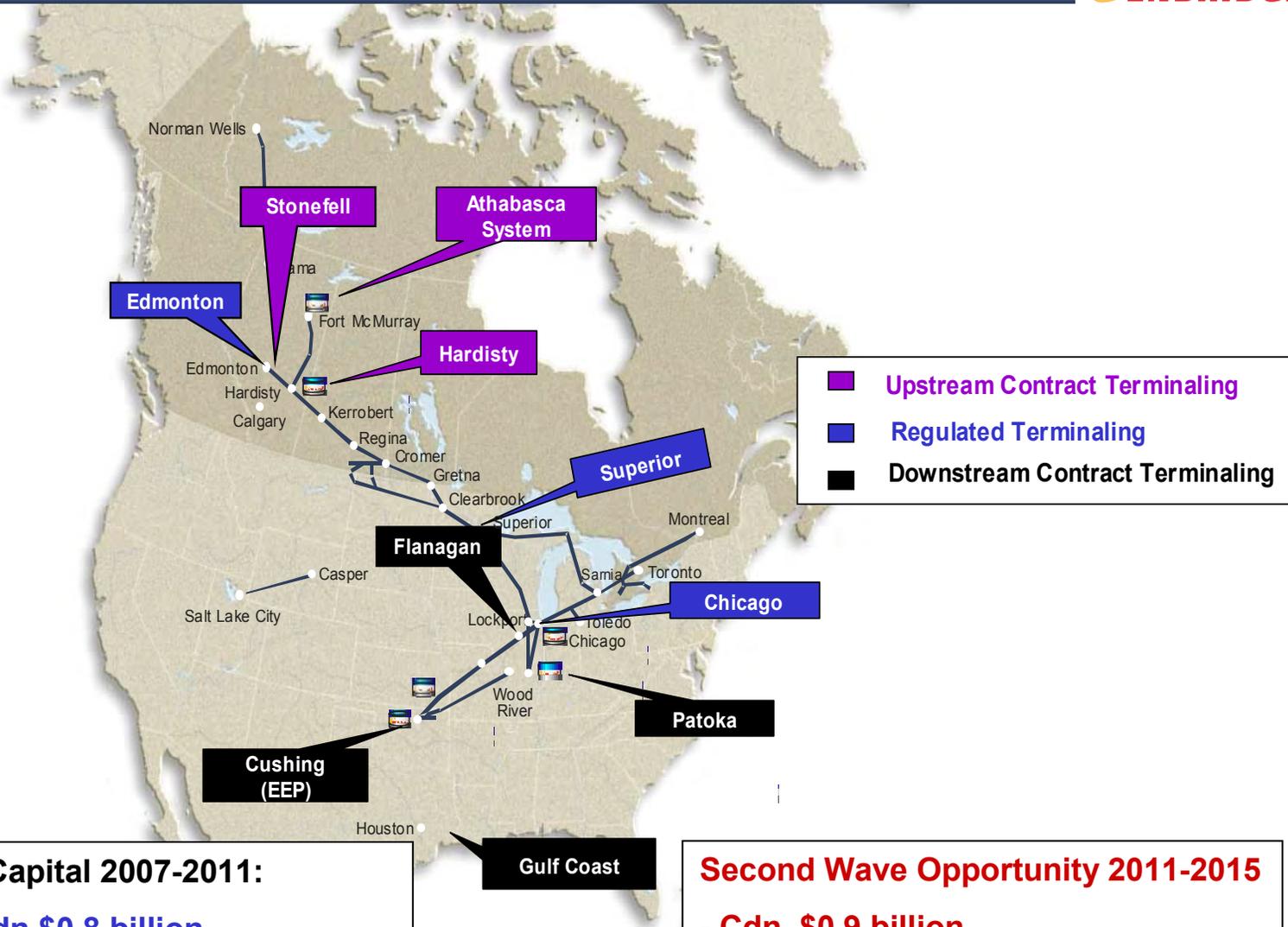
Anticipated Capital 2007-2011:

- Secured: Cdn \$0.5 billion
- Under Development: Cdn \$0.9 billion

Second Wave Opportunity 2011-2015

- Cdn. \$2.9 billion

Terminaling and Storage



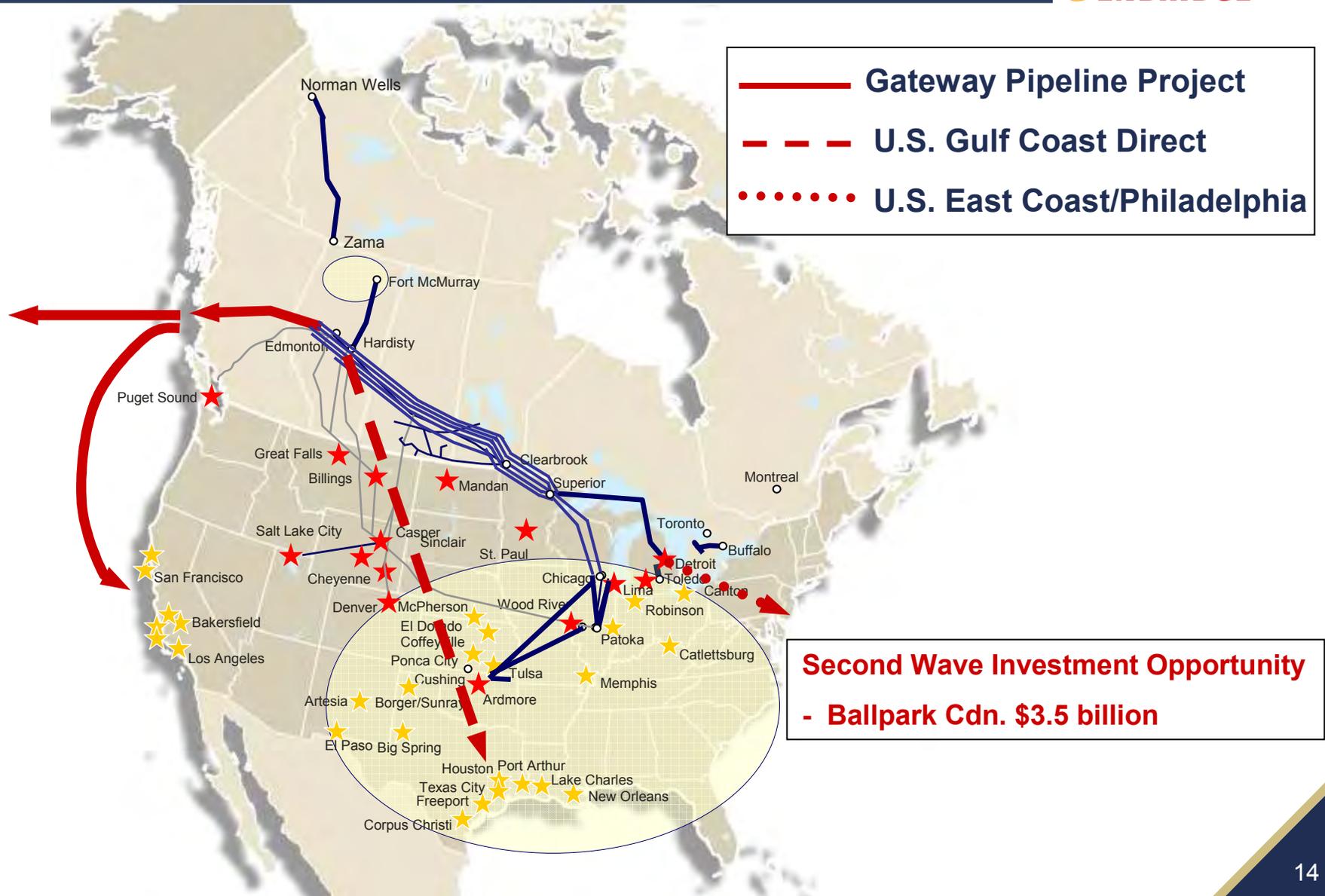
Anticipated Capital 2007-2011:

- Secured: Cdn \$0.8 billion
- Under Development: Cdn \$0.3 billion

Second Wave Opportunity 2011-2015

- Cdn. \$0.9 billion

New Market Access Longer Term Options



Liquids Pipelines Projects

Risk/Return Features



- **Full life or DCF Return on Equity:**
 - from 9% (Southern Access Canada)
 - to mid-teens (Waupisoo)
- **Return profile:**
 - from flat, same annual return every year
 - to upward tilted from mid single digits initially (Athabasca laterals)
- **Volume risk:**
 - from none, fully contracted and/or regulated cost of service
 - to partial, anchored by commitments but upside depends on growth (Spearhead)
- **Capital cost risk:**
 - from none, fully contracted and/or regulated cost of service (Southern Access Extension)
 - to partial, e.g. Southern Lights 12% \pm 2%
 - to full (rare)

Liquids Pipelines Projects Risk/Return Portfolio



<u>Project</u>	<u>Capital Magnitude (\$ billions)</u>	<u>In-Service</u>	<u>Full Life Return</u>	<u>Return Profile</u>	<u>Volume Risk</u>	<u>Capital Cost Risk</u>	<u>Debt/Equity</u>
Southern Lights	US \$1.3	2010	12% + kicker	flat	none	partial	70/30
Southern Access Extension	US \$0.4	2009	11% floating	flat	none	none	45/55
Southern Access Expansion U.S. *	US \$1.8	2009	11% floating	flat	none	none on 88%	45/55
Alberta Clipper Can.	\$2.0 (2007 \$)	2010	11% floating	flat	none	partial	55/45
Alberta Clipper U.S.*	US\$1.0 (2007 \$)	2010	11% floating	flat	none	partial	45/55
Line 4 Extension	\$0.3	2009	11% floating	flat	none	partial	55/45
Southern Access Expansion Can.	\$0.3	2009	9% floating	flat	none	none	55/45
Waupisoo	\$0.5	2008	mid teens	tilted	partial	partial	50/50
Athabasca Laterals	\$0.2	2006	mid teens	tilted	partial	50/50	50/50
Contract Terminaling	\$0.8	2007-9	low teens	tilted	none	full	50/50
Spearhead Expansion	\$0.1	2009	mid teens	tilted	none	full	50/50
Total (Cdn \$)	\$9.3						

* Southern Access Expansion U.S. and U.S. portion of Alberta Clipper flow to ENB via EEP incentive distributions which further enhances return at ENB level.