



NY ISO Electric Gas Coordination Working Group Meeting
October 23, 2013

Spectra Energy Project Update

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Safe Harbor Statement

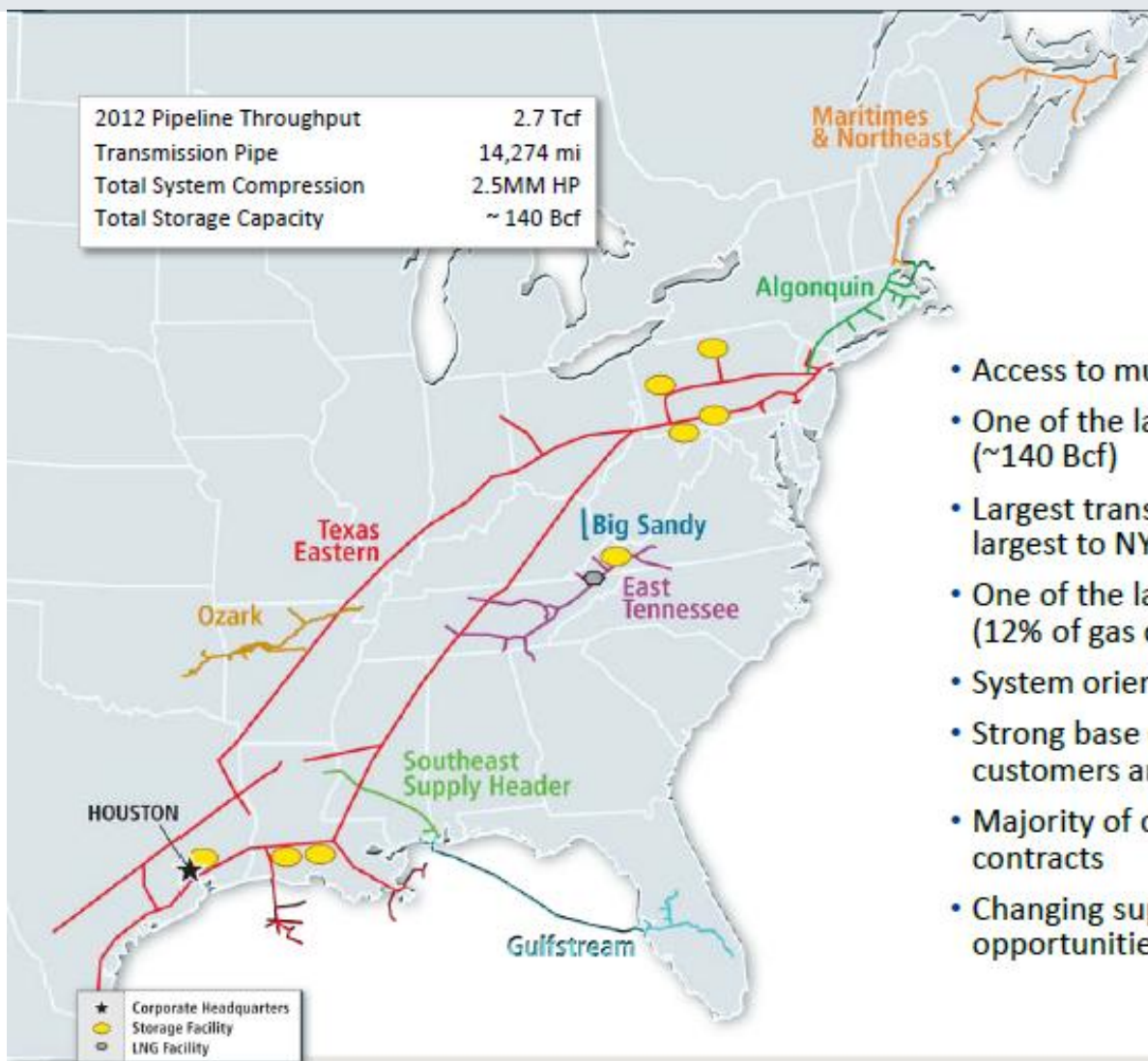
Some of the statements in this document concerning future company performance will be forward-looking within the meanings of the securities laws. Actual results may materially differ from those discussed in these forward-looking statements, and you should refer to the additional information contained in Spectra Energy's Form 10-K and other filings made with the SEC concerning factors that could cause those results to be different than contemplated in today's discussion.

Reg G Disclosure

In addition, today's discussion includes certain non-GAAP financial measures as defined under SEC Regulation G. A reconciliation of those measures to the most directly comparable GAAP measures is available on our website.

U.S. Transmission

2012 Pipeline Throughput	2.7 Tcf
Transmission Pipe	14,274 mi
Total System Compression	2.5MM HP
Total Storage Capacity	~ 140 Bcf



- Access to multiple supply sources
- One of the largest storage positions in North America (~140 Bcf)
- Largest transporter of natural gas to New England, 2nd largest to NYC
- One of the largest pipeline systems in North America (12% of gas consumed)
- System oriented to high-growth U.S. markets
- Strong base of contracts with high credit quality customers and a high rate of contract renewal
- Majority of capacity sold under multi-year firm contracts
- Changing supply and market dynamics provide opportunities for growth

U.S. Transmission & Storage Projects in Execution



Thru 2017
~\$6 B in expansion projects
~3 Bcf/d in new pipeline capacity

<i>Expansion Project</i>	<i>In-Service</i>
New Jersey - New York Expansion	4Q13
TEAM 2014	2H14
Kingsport	2013-2015
OPEN	2H15
AIM	2H16
Sabal Trail	1H17

New Jersey – New York Expansion Project Update

Purpose:

- Extends Texas Eastern reach farther into New Jersey and into New York City for the first time

Project Scope:

- 800 MMcf/d expansion connecting Northeastern PA Marcellus supplies with a new delivery point in Manhattan
- CapEx: \$1.2 B

Customers:

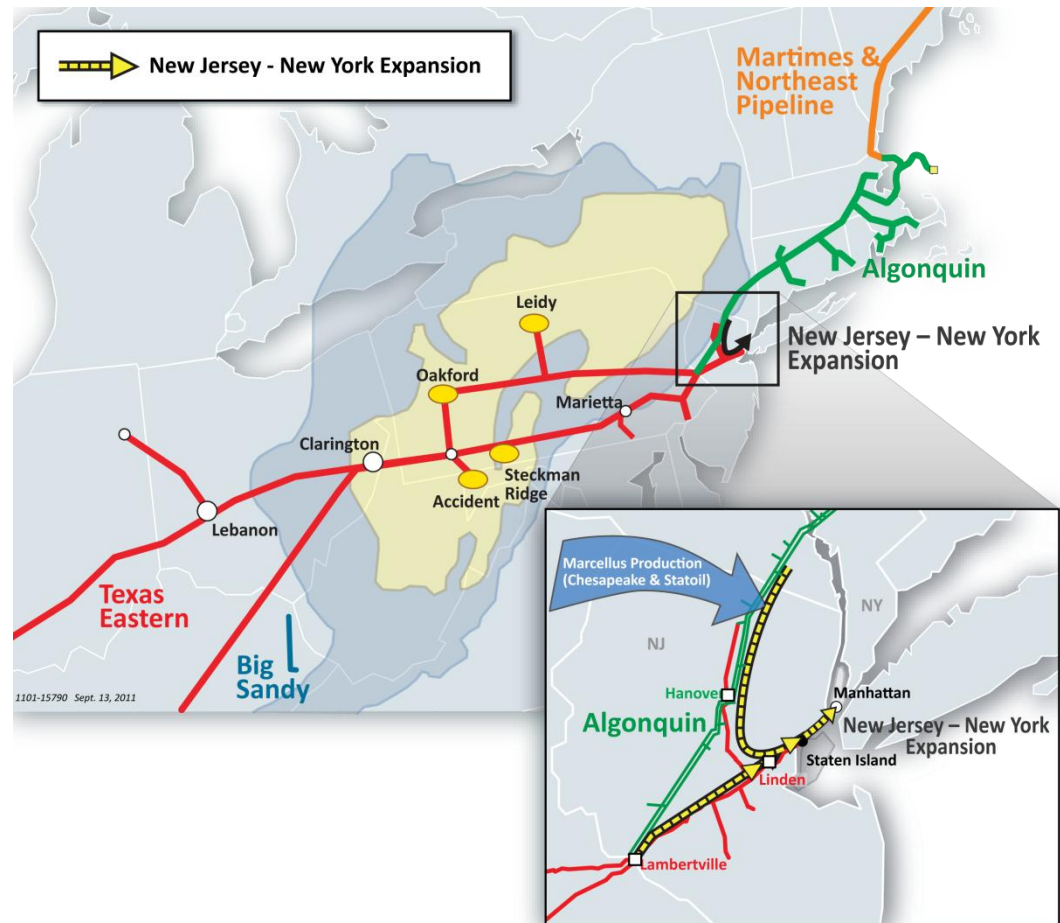
- Chesapeake Energy
- Consolidated Edison
- Statoil Natural Gas

Project Milestones:

- Filed FERC application Dec 2010
- Received FERC Certificate May 2012
- Construction started July 2012
- In-Service: November 1, 2013

Facilities:

- 15.9 miles of new 30" pipe extending from Staten Island to Manhattan, NY
- Replacement of approximately 5 miles of pipe with 42" pipe on Texas Eastern
- 3 compressor station reversals on Algonquin and Texas Eastern
- Meter and regulator upgrades



Hudson River HDD Pullback

December 1, 2012

Pipe being pulled across the Hudson River Walkway



Hudson River HDD Pullback

December 1, 2012

Pipe being pulled to the entry point



Arthur Kill HDD Pullback

January 27, 2013

Third pipeline section being supported through the over bend



Algonquin Incremental Market AIM Expansion

Purpose:

Provide growing New England demand with access to abundant regional natural gas supplies

Project Scope:

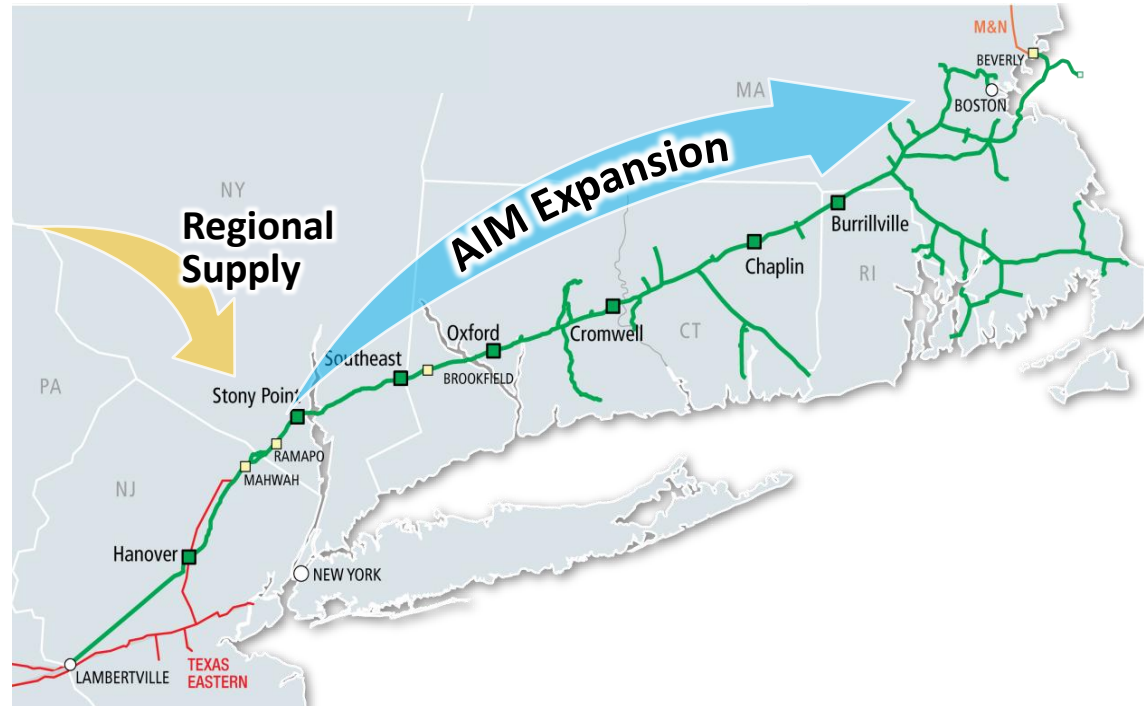
- Providing more than 300 MMcf/d of additional capacity to move Marcellus production to Algonquin City Gates
- CapEx: ~\$850MM

Customers:

- UIL Holdings
- Northeast Utilities
- National Grid
- NiSource

Project Status:

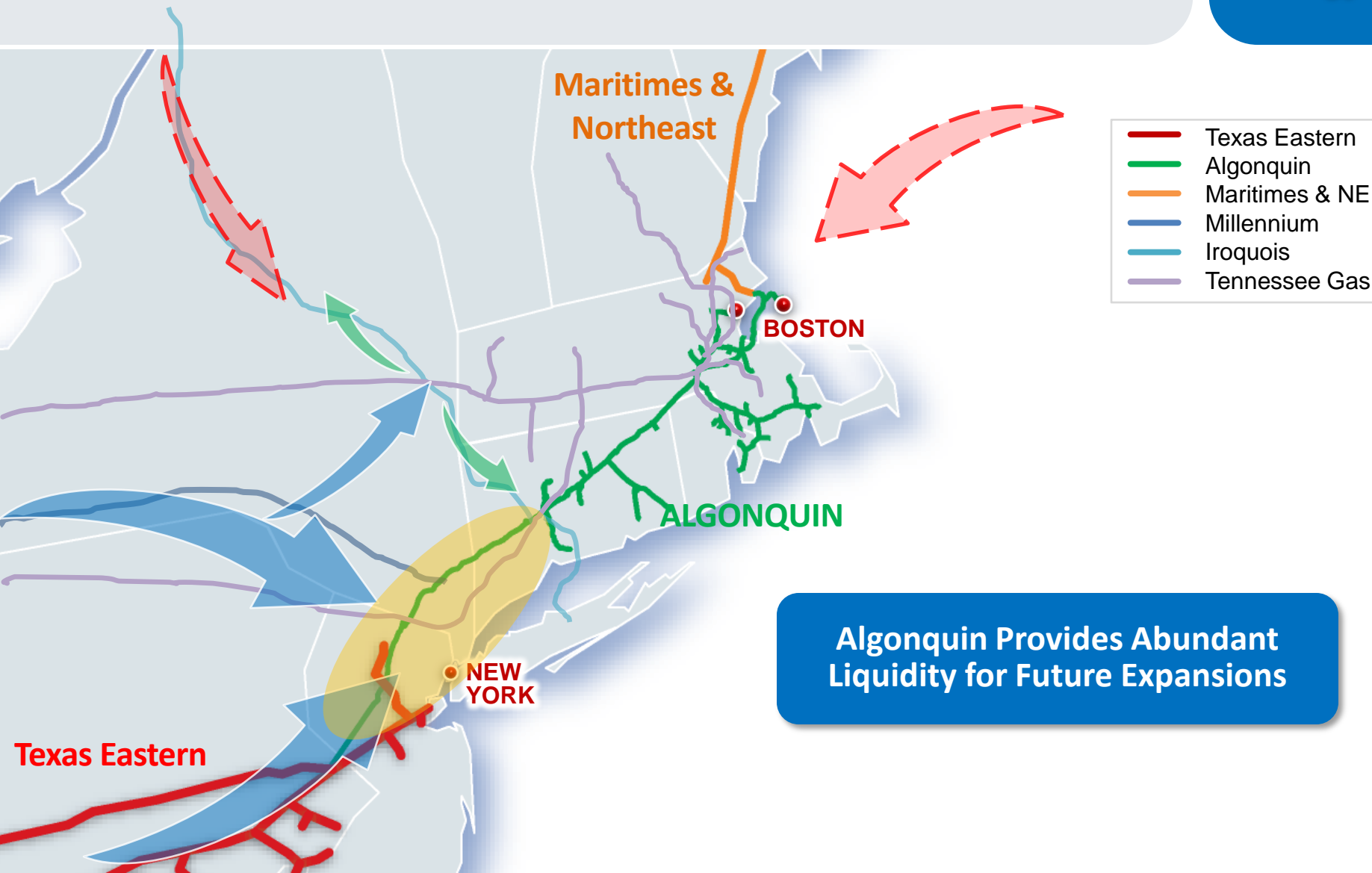
- FERC pre-filing commenced June 2013
- File FERC application 1Q14
- Receive FERC certificate 1Q15
- Commence construction 2Q15
- In-service 2H16



Facilities:

- Take up and relay portions of existing 26" with 42"
- Additional horsepower at almost every compressor station
- Expansion of constrained parts of the pipeline system
- Upgrades of meter stations to accommodate incremental flow

Current New England Supply Dynamics



What's Next?

- Currently Developing Additional Incremental Expansion of AGT
- Target In Service 2017
- Target markets
 - AGT City Gates
 - Northern New England
 - Atlantic Canada
- 100 – 200 MDth/d but scalable
- Incremental Project Benefits
 - Direct access to liquid supply points
 - AGT city gate access
 - Scalable to the market need
 - Lower environmental impact



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