

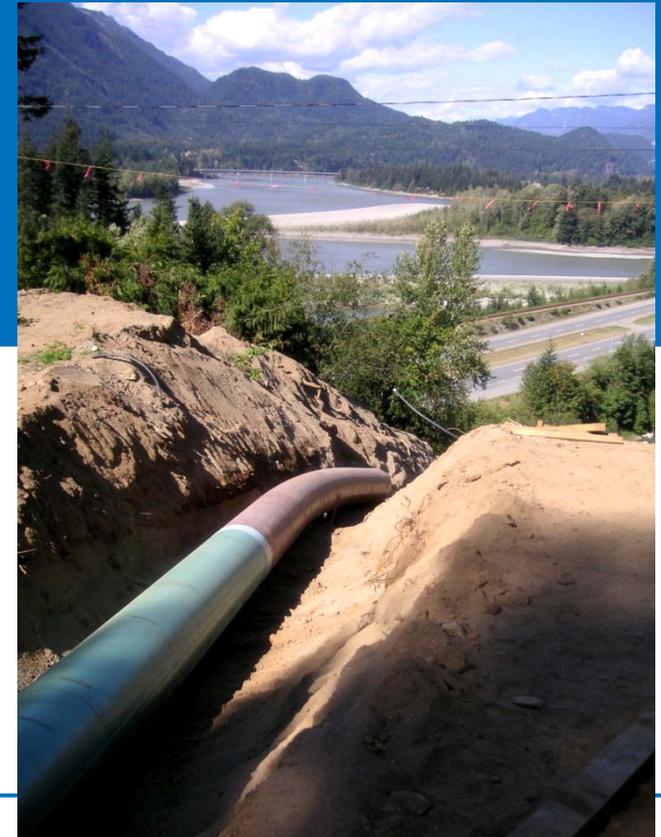
Spectra Energy

Expanding Infrastructure

November 17, 2011

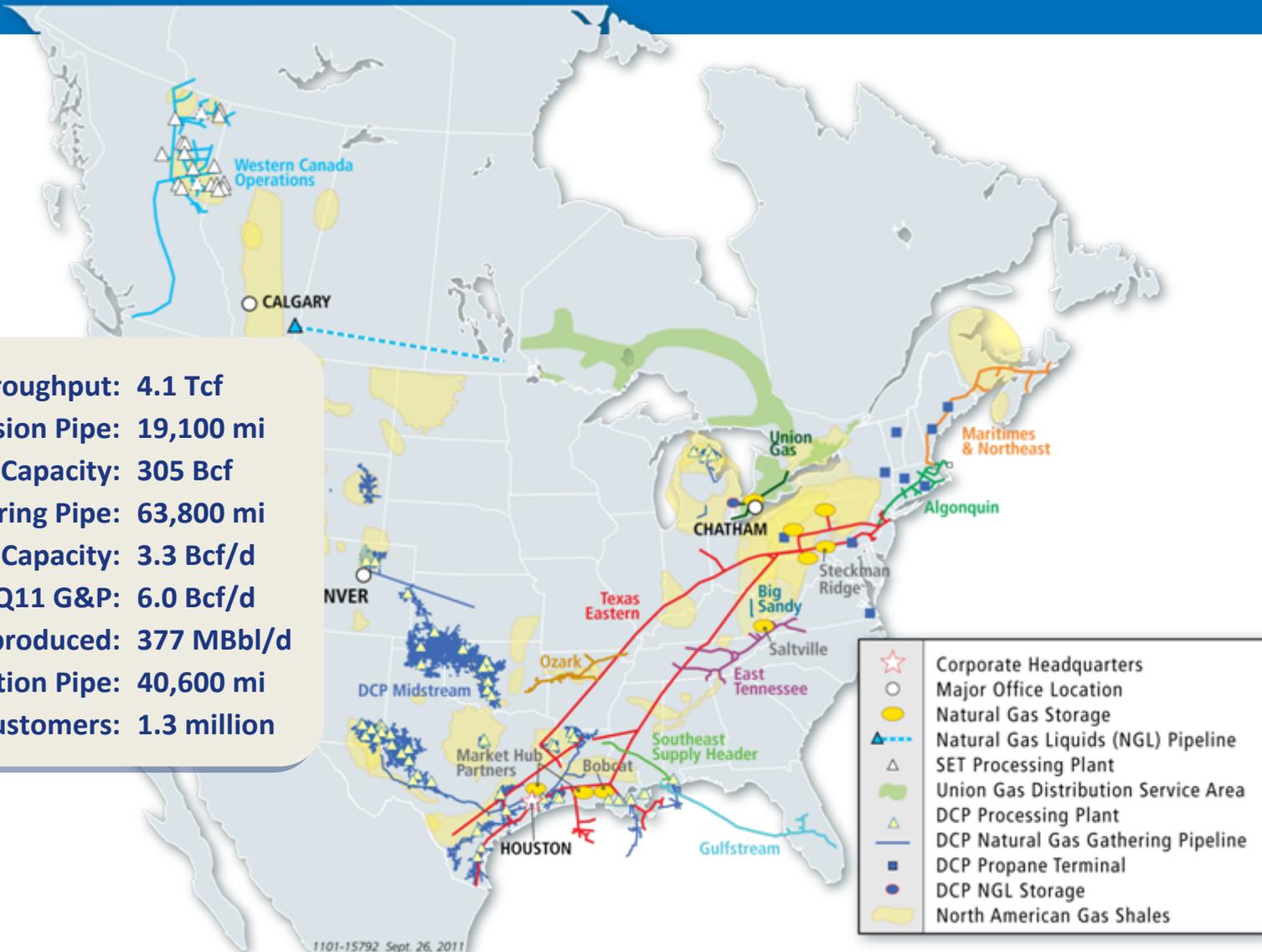
Marylee Hanley

Director, Stakeholder Outreach



Our Portfolio of Assets

2010 Pipeline Throughput: 4.1 Tcf
Transmission Pipe: 19,100 mi
Storage Capacity: 305 Bcf
Gathering Pipe: 63,800 mi
SE Gas Processing Capacity: 3.3 Bcf/d
DCP 2Q11 G&P: 6.0 Bcf/d
DCP 2Q11 NGLs produced: 377 MBbl/d
Distribution Pipe: 40,600 mi
Retail Customers: 1.3 million



Spectra Energy — Committed to Being:

Supplier of Choice	Partner of Choice	Advisor of Choice	Investment Opportunity of Choice	Employer of Choice
Reliability	Stakeholder Outreach/ Community Engagement	Communication And Education	Profitability	Safety
Customer Responsiveness	Sustainability	Stable Regulatory Environment	Stock Performance	Employee Engagement
Invest in the Future		Climate Change Greenhouse Gas Legislation & Rules		

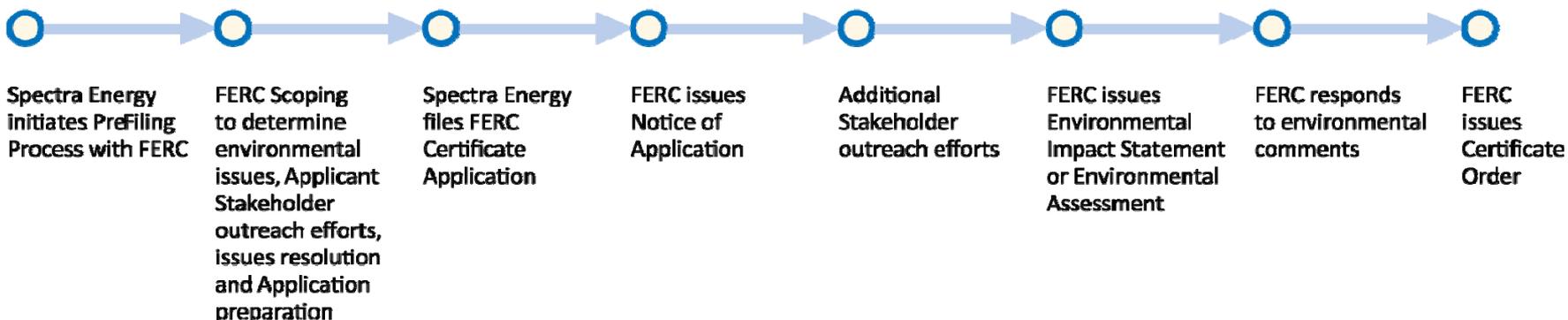
The Regulatory Process

Federal Energy Regulatory Commission (FERC) – Authorizes Projects

- Under direction from the U.S. Congress
- FERC is charged with determining proposed projects are needed and in the public interest
- FERC adheres to the National Environmental Policy Act and conducts a comprehensive environmental review working closely with Federal, state and local agencies such as U.S. Army Corps of Engineers, U.S. Fish and Wildlife Service, state departments of environmental protection, and other state and local agencies.



Process for Natural Gas Certificates for Major Projects



Project Execution Team

Building credibility and trust by maintaining reputation as an experienced pipeline developer and operator

- Project Management
- Engineering
- Legal
- Regulatory
- Environmental
- Right-of-Way
- Government Relations
- Stakeholder Outreach and Public Relations
- Local Contractors



Project Philosophy

Components of Successful Projects

PLANNING

- » Clear Project Objective
- » Stakeholder Strategy
- » Permitting Strategy
- » ROW Strategy
- » Environmental Strategy
- » Construction Strategy
- » Project Execution Plan
- » Safety Plan
- » Contingency Planning
- » Route Alternatives

PROJECT EXECUTION

- » Project Team On-Site
- » Key Relationships
- » Credibility with Key Stakeholders
- » Outreach Program
- » Customer Satisfaction
- » Responsiveness
- » Route Flexibility
- » Compliance
- » Reliability

PROJECT MANAGEMENT

- » Experienced Execution Team
- » Resource Allocation
- » Project Schedule with Milestones
- » Project Controls
- » On-Time/-Budget Performance

PROCESS MANAGEMENT

- » Risk Assessment
- » Change Management

Experience and Approach

Key Outreach Objectives – Communication Plan

- Ensure timely permitting and regulatory treatment
- Inform key stakeholders of pending project
- Generate a positive response to the proposed project from the public, policymakers and other stakeholders
- Provide and obtain feedback on route options
- Identify areas of concern
- Collaborate with stakeholders and mitigate concerns

Tiered Approach to Communication

Phase 1

Inform elected officials of potential project and seek feedback

- Develop core execution team
- Develop list and engage **Tier One** key stakeholders – local, state and federal officials
- Conduct study route risk assessment/due diligence/feasibility
- Document feedback/concerns/suggestions/our responses throughout all phases

Phase 2

Collaborative effort to engage stakeholders

- Engage **Tier Two** key stakeholders – agencies and landowners
- Refine scope with stakeholder feedback
- Prepare detailed presentation materials
- Refine study corridor with alternative routes
- Conduct FERC “Pre” Pre-File Meeting

Phase 3

Advancing the project

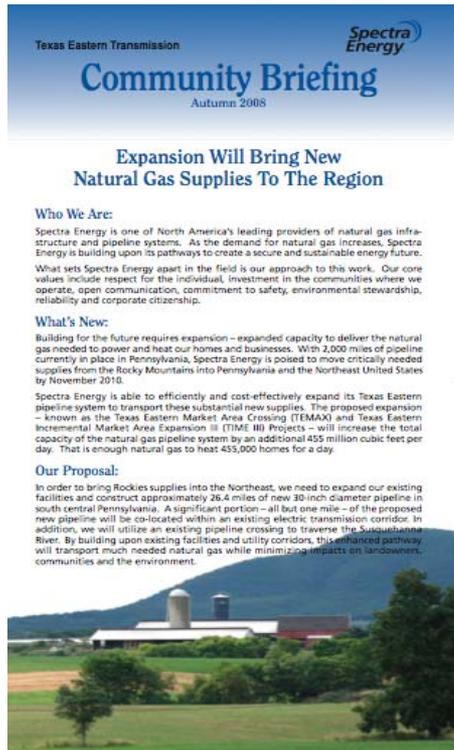
- Refine permitting and regulatory strategy
- Engage **Tier Three** key stakeholders – non-governmental organizations (NGOs)
- Notify community with voluntary public informational meetings
- Request survey permission
- Commence field work
- Continue route review

Natural Gas Expansion Projects Challenges & Outreach



Challenges

- Misinformation
- Recent pipeline incidents have shaken the public's confidence



Outreach

- Continual communication with and information to stakeholders – Landowner Informational Meetings, Open Houses, face-to-face meetings, website, videos, flyers, advertisements, newsletters, door-to-door canvassing
 - need for the project
 - safety factors built into proposed pipeline
 - benefits that the pipeline will bring to the community
 - avenues for the public to ask questions
- Discussions with stakeholders to address their issues and concerns
- Commitment to bring communities safe, reliable, clean burning natural gas
- Steadfast in our belief that this process needs to be as open, honest and publicly transparent as possible

Conclusion – *Keys to Success*

- Efficient and effective project team
- Early identification of stakeholders – tiered approach
- Clear communications
- Recognition of stakeholder concerns and challenges
- Attention to and, when possible, resolution of issues
- Development and implementation of coordinated public and agency participation plan
- Interagency meetings – all inclusive
- Recognition of local programs and needs
- Remaining flexible and responsive
- Focus on win-win for all parties

Appendix

Densely Populated Area

Boston Skyline Excavation and Soil Sampling



Densely Populated Area

Pedestrian and Traffic Detours

