

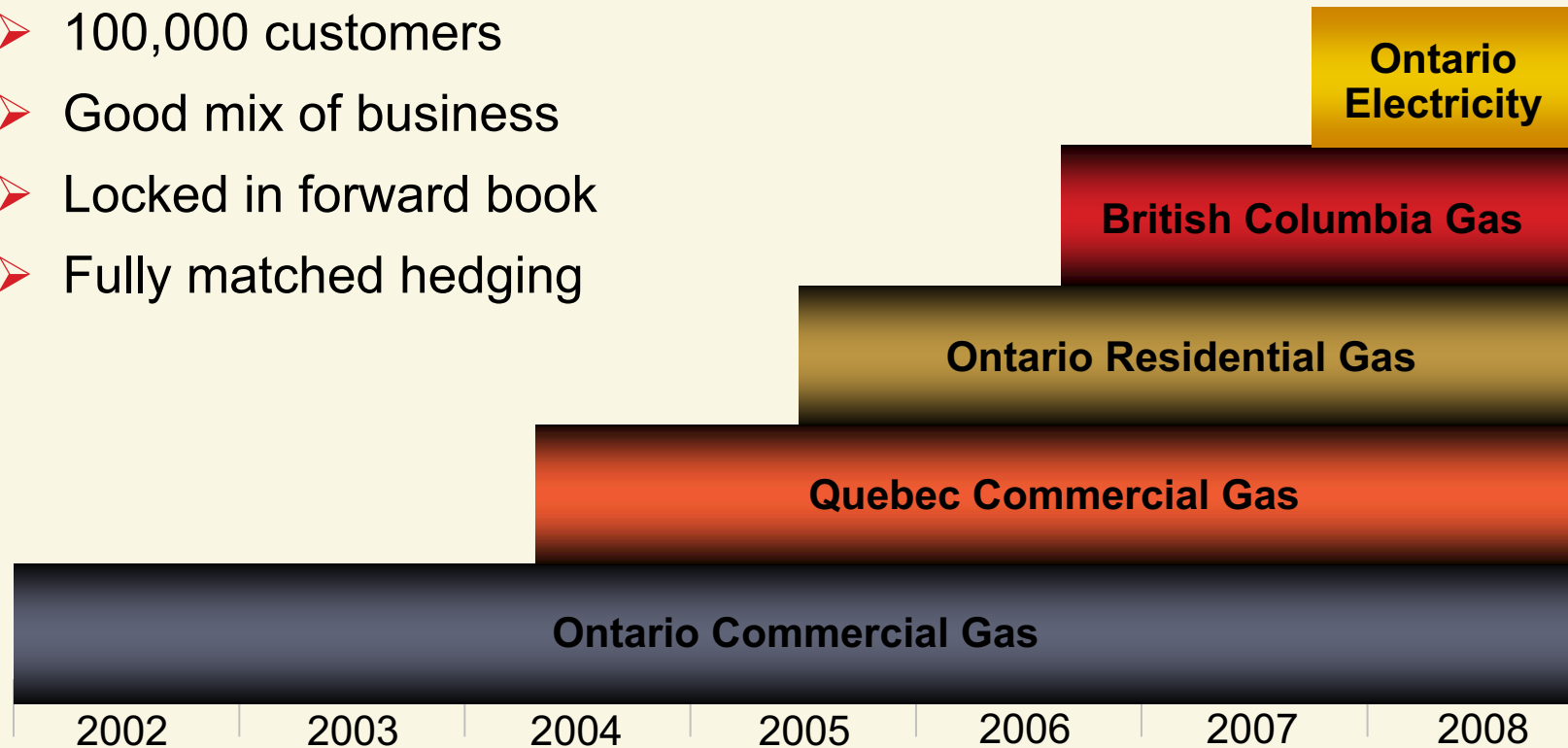


Fixed-Price Energy Services



Business Profile

- Cash flow growth
- 100,000 customers
- Good mix of business
- Locked in forward book
- Fully matched hedging



Dividend Stability with Growth



Historical Financial Performance

	Sept. 30, 2008			
(millions except per unit margins)	YTD	2007	2006	2005
Natural gas sold (GJs)	25	37	40	37
Power sold (KwH)	42	-	-	-
Natural gas margin (cents per GJ)	102.3	81.3	54.3	39.2
Power margin (cents per KwH)	1.5	-	-	-
Total revenues	247.0	320.4	325.6	288.4
Cost of products sold	220.8	290.3	303.9	273.9
Total gross profit	26.2	30.1	21.7	14.5
Distributable cash flow	8.0	12.1	10.3	5.3
Residential gas customers (flowing)	90,711	94,421	85,900	51,997
Residential power customers (flowing)	2,877	1,622	-	-
Commercial gas customers (flowing)	6,017	6,449	6,700	5,298
Commercial power customers (flowing)	274	29	-	-

* SEM entered electricity market in 2007

Dividend Stability with Growth



Experienced Senior Management Team

	<u>Position</u>	<u>Age</u>
Greg McCamus	President	50
Peter Kampion	Vice-President, Finance	49
Susannah Robinson	Vice-President, Operations, Energy Procurement and Strategy	44
Scott Knapman	Vice-President, Sales and Marketing	50

Fixed-Price Energy Markets

British Columbia

- 750,000 gas consumers in B.C. lower mainland
 - 15% penetration
- 163,000 Business accounts
 - 25% penetration

Ontario

- 4 million consumers in Ontario
 - 3.2 million gas customers, 45% on fixed-price contracts
 - 4.3 million electricity meters, 20% on fixed-price contracts
- 350,000 business accounts
 - 40% penetration

Quebec

- 239,000 business accounts
- 30% penetration

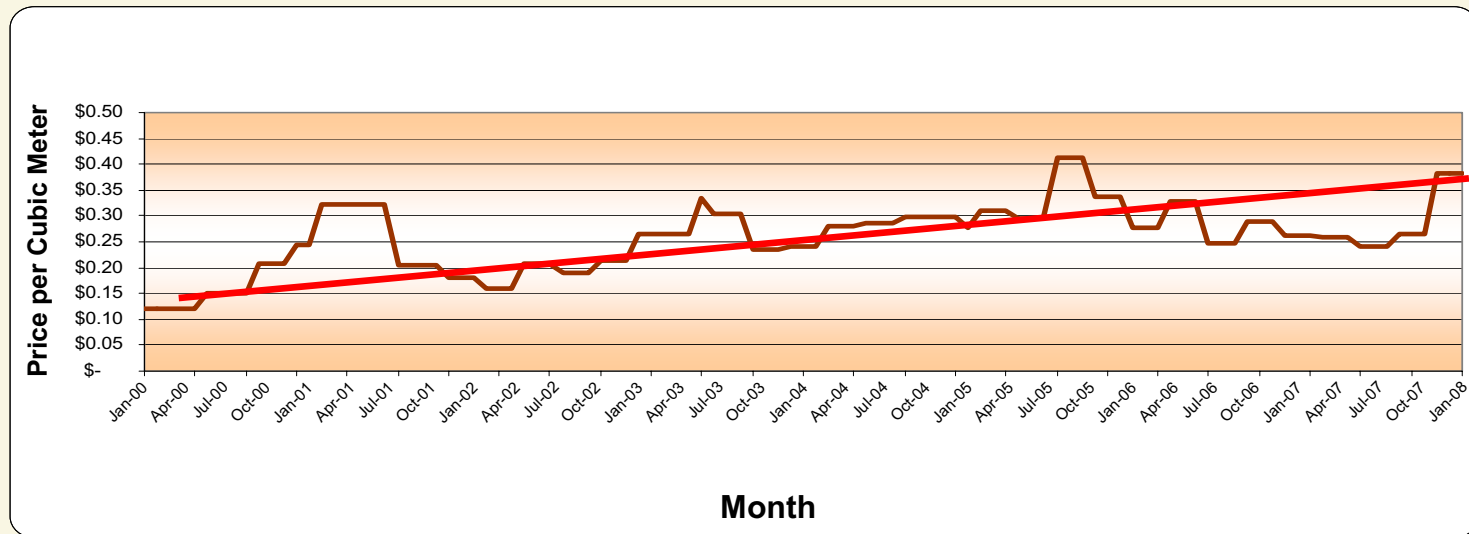
Customer Target Profile

- Residential and small/medium business customers
- Stability and predictability of gas and electricity costs
- Protection from ongoing escalation in short-term rates
- Similar to fixed-rate mortgages vs. floating
 - 40% - 60% of Canadians are on fixed-rate mortgages

Value Proposition

“Protect consumers from rapidly escalating energy costs by providing a long-term, fixed-price option to spot system rates that are subject to market volatility”

Quarterly System Gas Rates Jan. 2000 – Jan. 2008



— Enbridge System Rate

— Trend Line

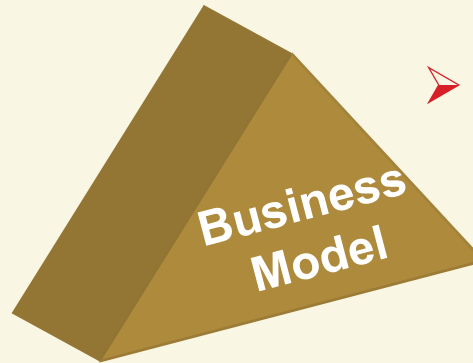
Dividend Stability with Growth



Superior Plus

Fixed-Price Energy Services Business Model

- Create simple fixed-price gas and electricity products
 - Purchase long-term commodity supply
 - Manage a fully matched portfolio to minimize risk
 - Large energy suppliers with strong credit profile
- Build and manage third party and internal sales channels
 - 140 agents in the field branded as SEM
 - Residential and small commercial agents
- Manage the aggregation of large volumes of customers
 - Enrolling and managing price plans, churn, moves
 - Customer service and support



Business Profile – Our Product

Natural Gas

➤ Residential

- Purchase 5-year gas supply to create an open position
- Develop offering based on targeted gross margins
- Equip sales channels with a fixed-price offering and sell through the position (2 to 3 weeks of supply)
- Top-tier supply partnerships

➤ Commercial

- Small/medium enterprise market is similar to residential
- Larger commercial customers are all “back to backed”
- Commercial agents offer other value-added services

Natural Gas – Residential Customer Economics

➤ Lifetime gross margin	\$725
➤ One-time acquisition costs	\$207
➤ NPV of a customer at 10% DC rate	\$462
➤ Payback period	16 Months
➤ Attrition rate	6% - 10%

Business Profile – Our Product

Electricity

- Ontario fixed-price electricity – 5-year contracts
- Bruce Power strategic supplier
 - Long-term supply partnership where Bruce provides secure supply and credit and SEM provides marketing and service
 - Unique margin sharing structure ensures partners are aligned
- Enhanced dual-product offering with electricity
- Better retention of quality agents with dual-product offering
- Electricity penetration approximately 15% to 20%

Electricity – Residential Customer Economics

- Lifetime gross margin \$600
- One-time acquisition costs \$127
- NPV of a customer at 10% DC rate \$252
- Payback period 17 Months
- Attrition rate 6% - 10%

Challenges-Focus Areas

- Residential electricity pricing in Ontario
- Expanding channel capabilities with quality
- Current credit markets and recession threatens traditional product offers



Operational Improvement Projects

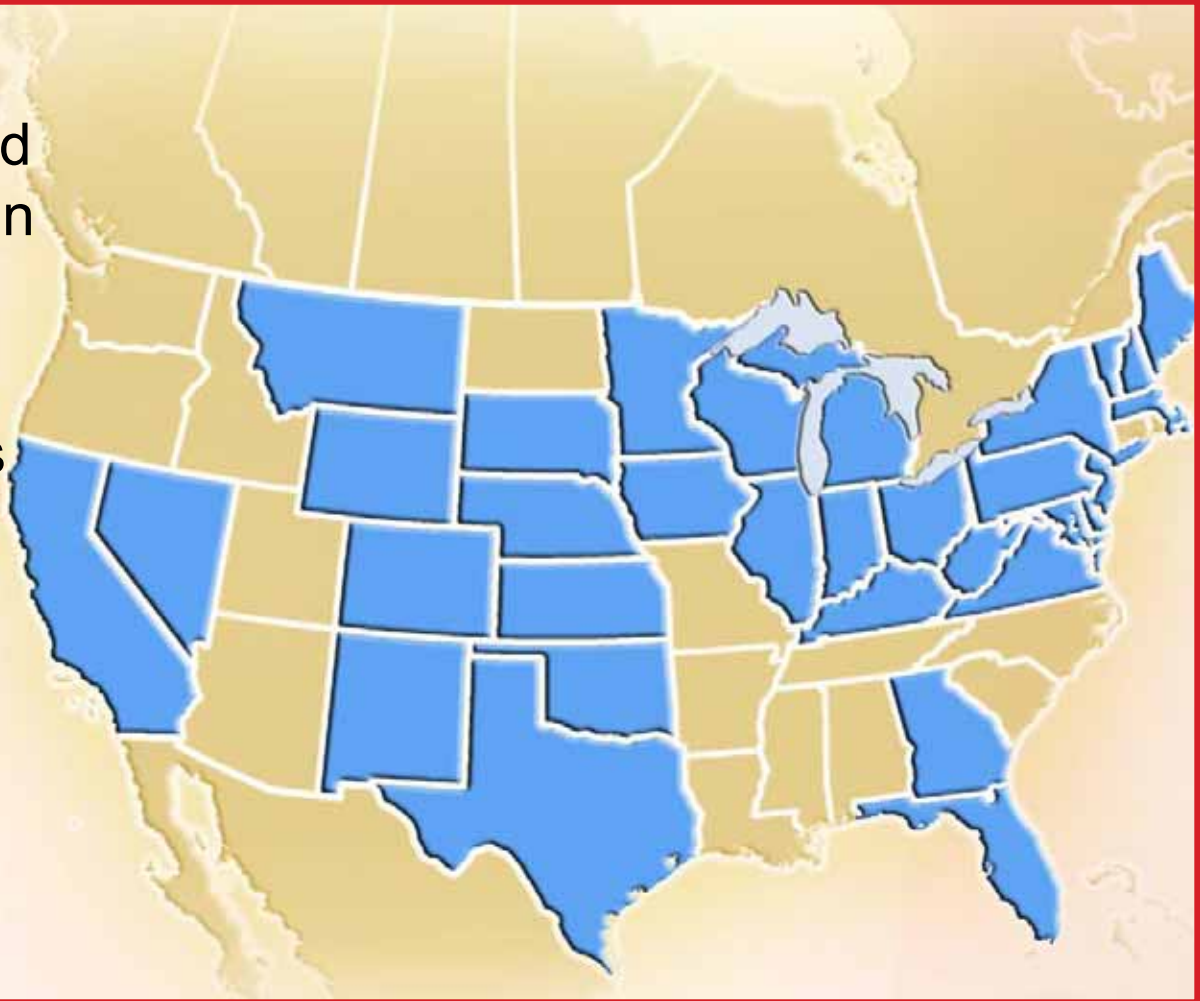
- Invest in commercial sales channels and support to strengthen commercial customer value proposition
- Improve the efficiency of residential sales and develop new channels to market
- Provide additional training and tools for sales agents to improve productivity and success

Growth Opportunities

- Invest to grow more aggressively in Ontario commercial gas and power
- Maintain current growth rate in Quebec and BC residential
- Introduce new focus on BC commercial channels.
- Expand into new products and sales channels utilizing Ontario and BC acquisition programs.

Future Growth Strategy

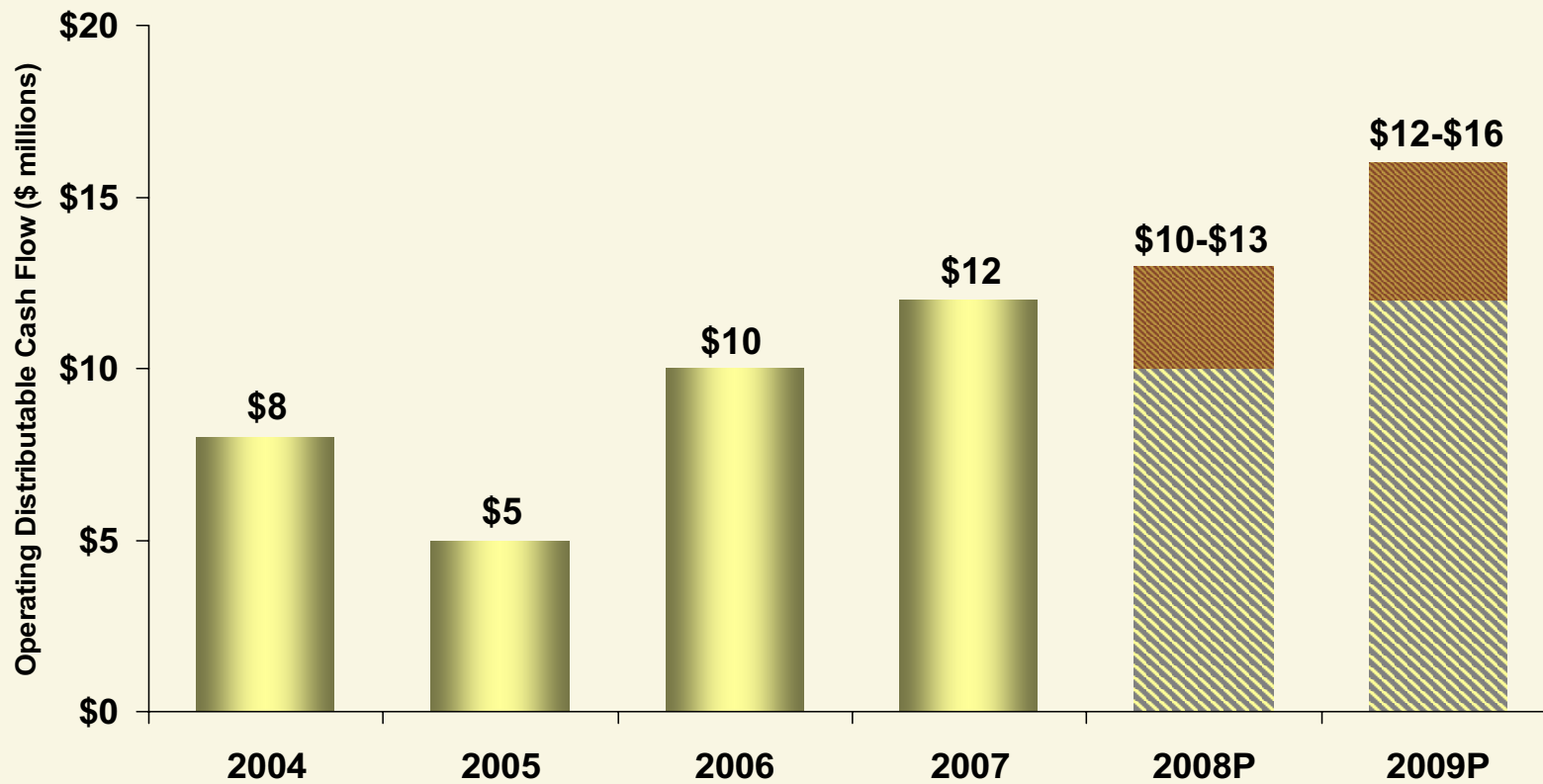
- Leverage new and existing markets in Canada
- Target key U.S. opportunity states



Financial Outlook

- Estimated Range
- Projected
- Actual

(\$ millions)



Dividend Stability with Growth



Summary

- 100,000 residential and commercial gas and electricity customers
- Risk managed with locked in margins
- British Columbia, Ontario and Quebec operations
- Good mix of business in residential and high-value commercial
- Strong team in place and well positioned for execution in new markets



Questions & Answers