



2012 FINANCIAL PLAN & BUSINESS STRATEGY OVERVIEW

Spectra Energy Value Today, Value Tomorrow

January 17, 2012



Agenda



Welcome

John Arensdorf

Chief Communications Officer

Business Strategy

Greg Ebel

President & CEO

Western Canada

Doug Bloom

President, Transmission West

U.S. Transmission

Bill Yardley

Group VP, Northeast Transmission

Mark Fiedorek

Group VP, Southeast Transmission

DCP Midstream

Tom O'Connor

*Chairman, President & CEO,
DCP Midstream*

2012 Financials

Pat Reddy

Chief Financial Officer

Investment Considerations

Greg Ebel

President & CEO

Q&A

Management Team

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.



2012 FINANCIAL PLAN & BUSINESS STRATEGY OVERVIEW

Spectra Energy Value Today, Value Tomorrow

Greg Ebel
President & CEO



2011 Highlights



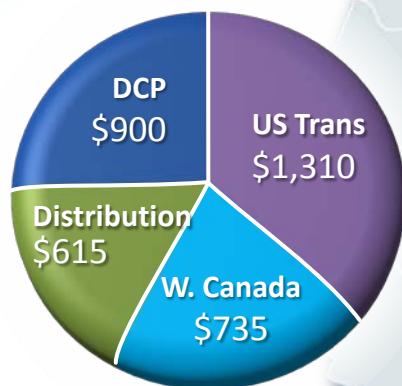
- ✓ Will exceed ongoing EPS target of \$1.65
- ✓ Dividend growth - delivering more, sooner
- ✓ Growing the total portfolio via project execution & acquisitions
- ✓ Increasing DCP Midstream cash distributions
- ✓ Leveraging asset footprint to capture capital investment opportunities
- ✓ Balance sheet very strong

The Power of Our Portfolio

Our expansive footprint and diverse portfolio delivers results today & growth tomorrow

2012e EBITDA

(USD millions)



- Gas storage facility
- Gas processing plant
- Propane terminal
- NGL storage
- Shale gas formations



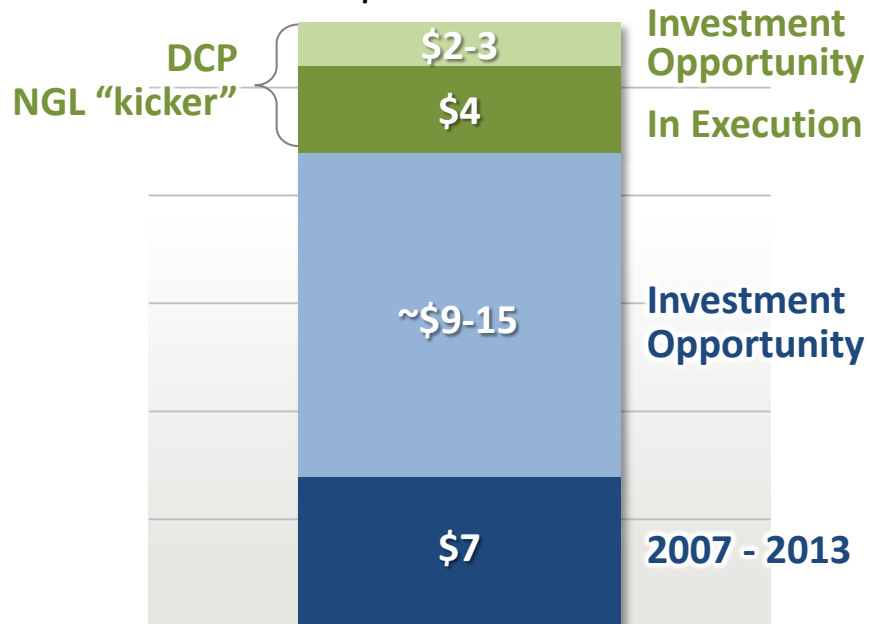
First & Last Mile Advantage

We go where the lights are...
Connecting the largest demand
markets with diverse supply

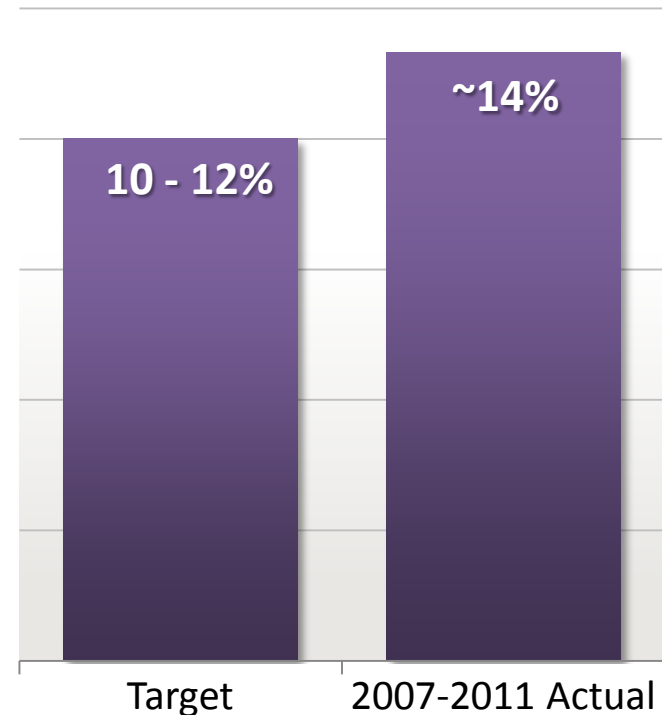
Delivering What We Promise

Growth CapEx (\$B)

\$~25B Total



SE Project ROCE



■ SE financed
■ DCP financed
(100%)

Strong track record of reinvesting in our business with ROCE results exceeding target

Confidence in Our Top Tier Performance

Our Strategic Focus

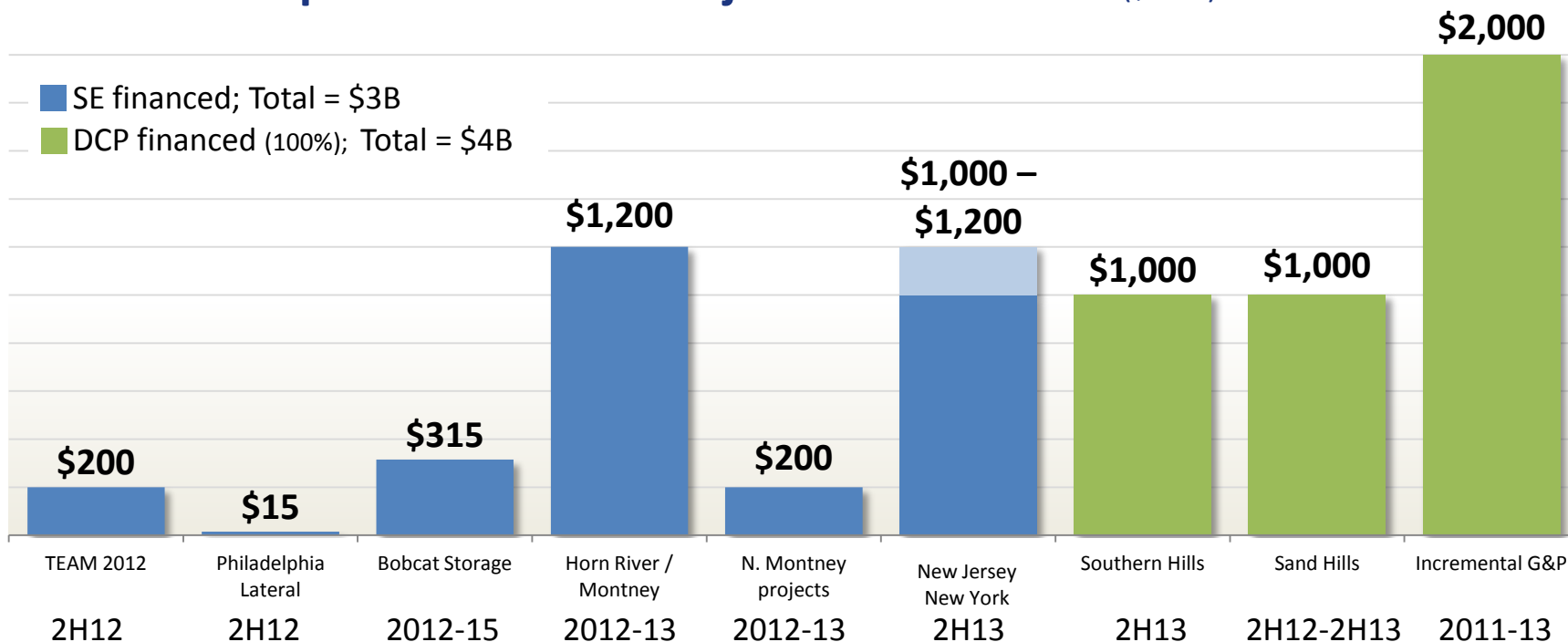
Our Performance...

<i>Top of mind for investors</i>	Profitability & Financial Flexibility	Total project ROCE exceeding 10%-12% target	Dividend growth for 2011-14 better than Alerian and S&P	Ongoing strengthening of balance sheet
<i>Top of mind for customers</i>	Customer Responsiveness	New peak day delivery & storage send-out records	TETCO & AGT contract renewal rate of 99%	DCP largest NGL producer in U.S.
<i>Top of mind for communities</i>	Safety & Reliability	Top decile employee safety	99%+ system reliability	Proactive industry advisory role

Consistent strategic focus & performance drive long term shareholder value

Confidence in Our Growth Plan

Estimated CapEx for Growth Projects in Execution (\$MM)



Contracted projects in execution provide stable earnings, cash generation and dividend growth

Confidence in Our Business Plan through the Decade

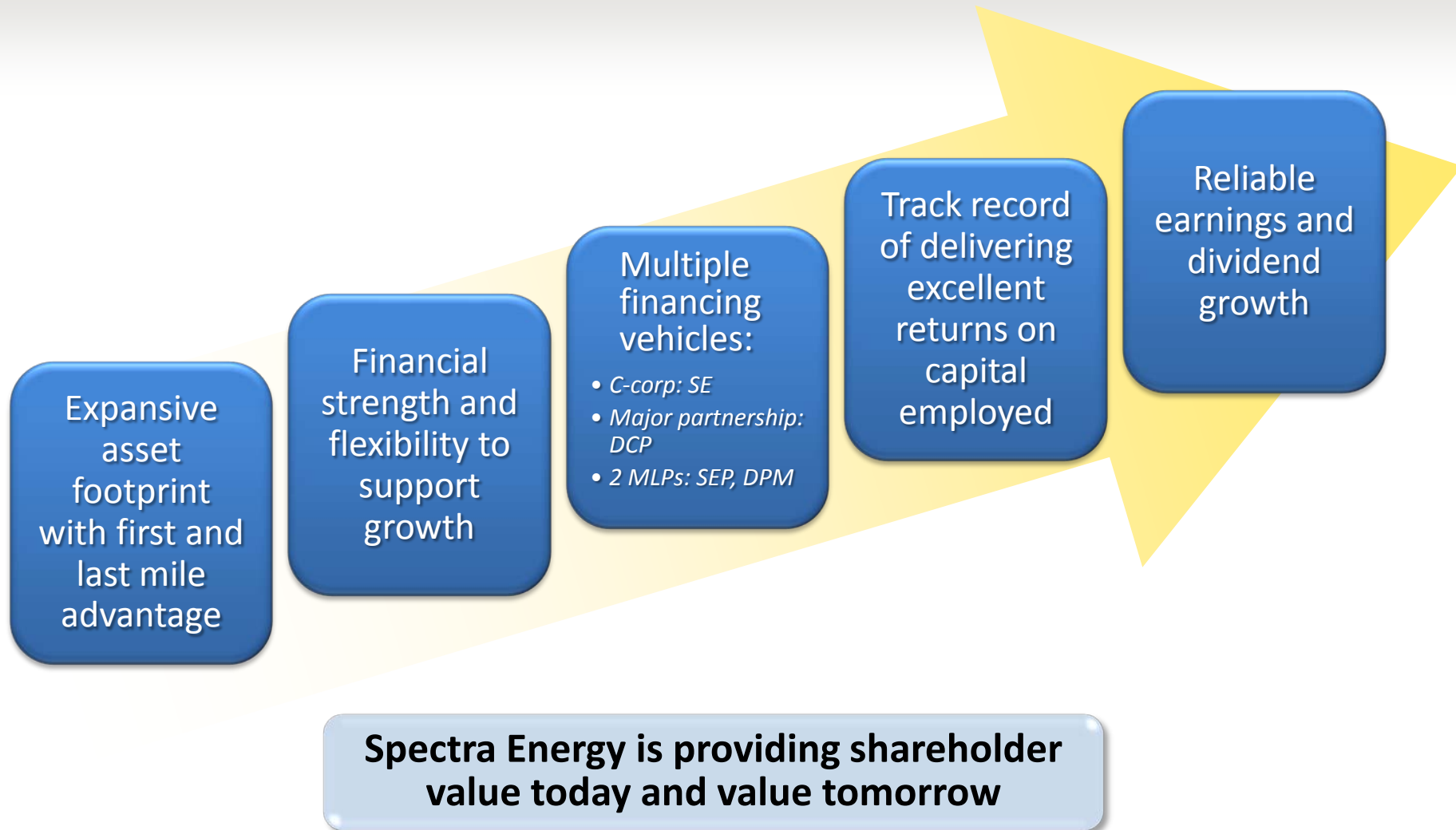


Growth Opportunities on the Horizon

<i>Business Segment</i>	<i>Investment Focus</i>	<i>Investment Opportunity</i>	<i>In-service Timeframe</i>
US Transmission	Attachment of shale supplies to markets (<i>Marcellus, Utica</i>)	\$ 2,000 - 4,000	2014+
	Service to power generation	\$ 2,000 - 3,000	2015+
	Emerging demand markets (<i>exports, industrial, petchem</i>)	\$ 500 - 1,000	2015+
Western Canada	Incremental gathering & processing and pipeline expansion in Montney & Horn River	\$ 1,500 - 3,000	2014+
	Infrastructure to support LNG export	\$ 2,500 - 3,000	2015+
Distribution	Service to power generation	\$300 - 400	2014+
	Supply diversification	\$500 - 700	2015+
SE Total		\$9B - \$15B	
DCP Midstream (100%)	Incremental gathering & processing and NGL infrastructure	\$2,000 - 3,000	2014+

**Ability to leverage premier asset footprint
provides growth through the end of the decade**

Spectra Energy – Investment of Choice





2012 FINANCIAL PLAN & BUSINESS STRATEGY OVERVIEW

Execution & Opportunity in Western Canada

Doug Bloom

President, Spectra Energy Transmission West

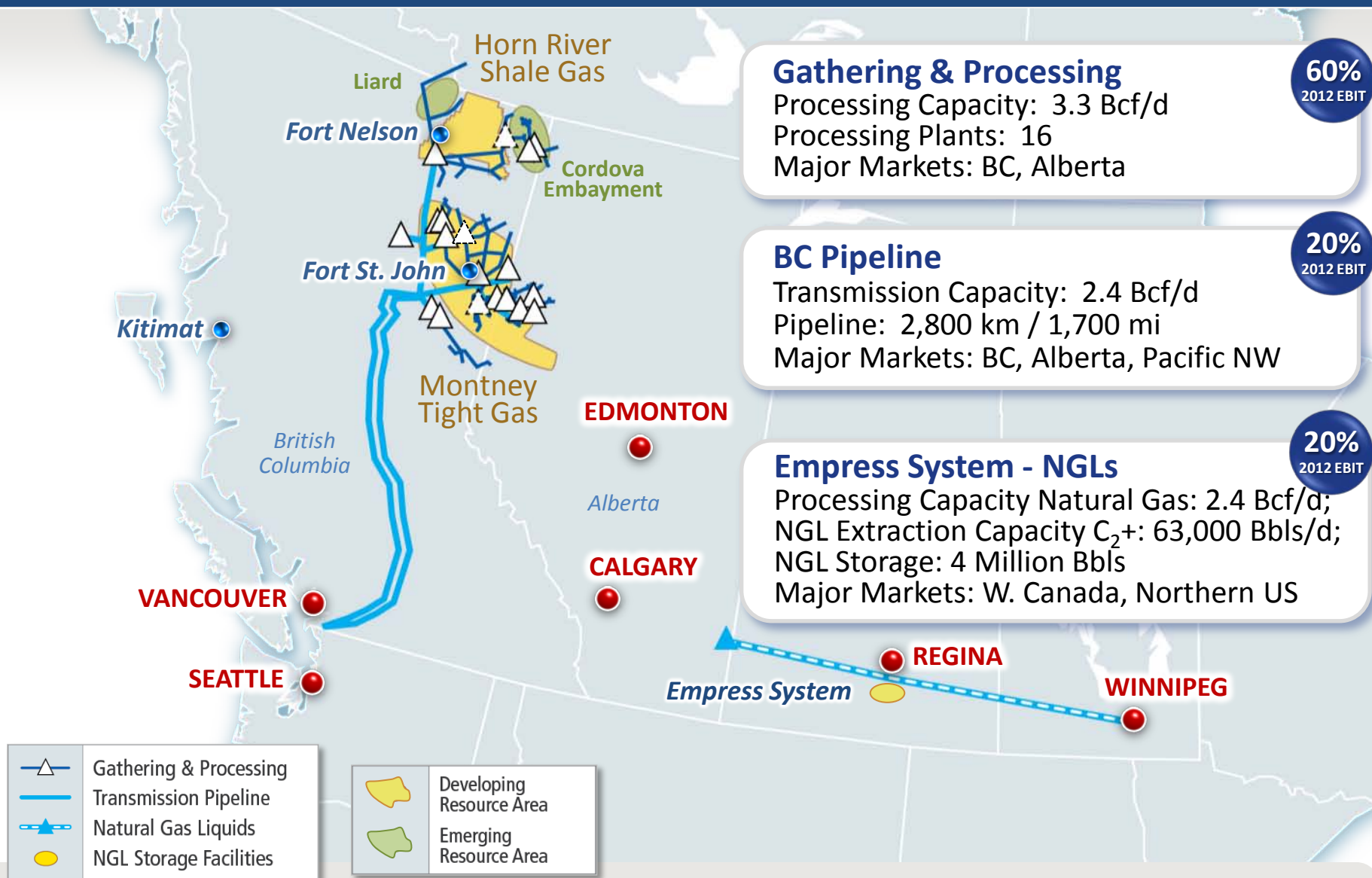


2011 Highlights – Western Canada



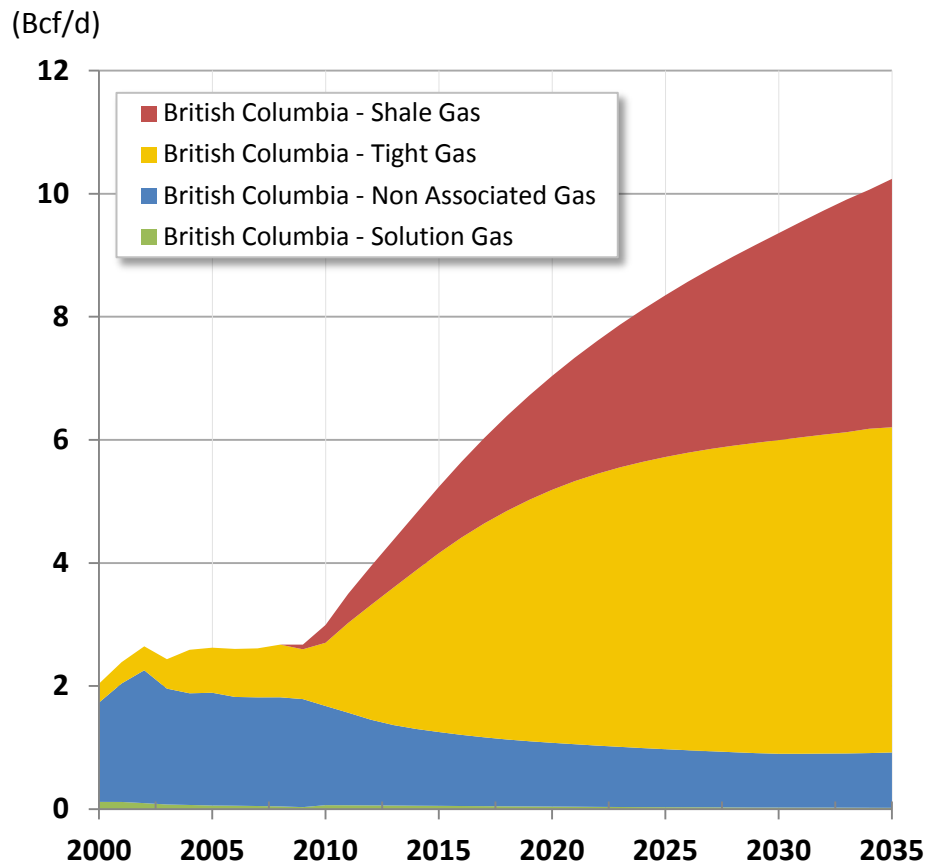
- ✓ ☒ Delivered world class reliability
- ✓ ☒ Executed \$700MM in growth capital
- ✓ ☒ Grew fee-based earnings ~20%
- ✓ ☒ Signed new gas processing and pipeline expansion contracts
- ✓ ☒ Positioned the business for future growth across all business lines:
 - Gathering & processing
 - Pipeline
 - NGLs
 - LNG (future business opportunity)

Spectra Energy's Western Canada Operations



Western Canada – Macro Environment

British Columbia Gas Production

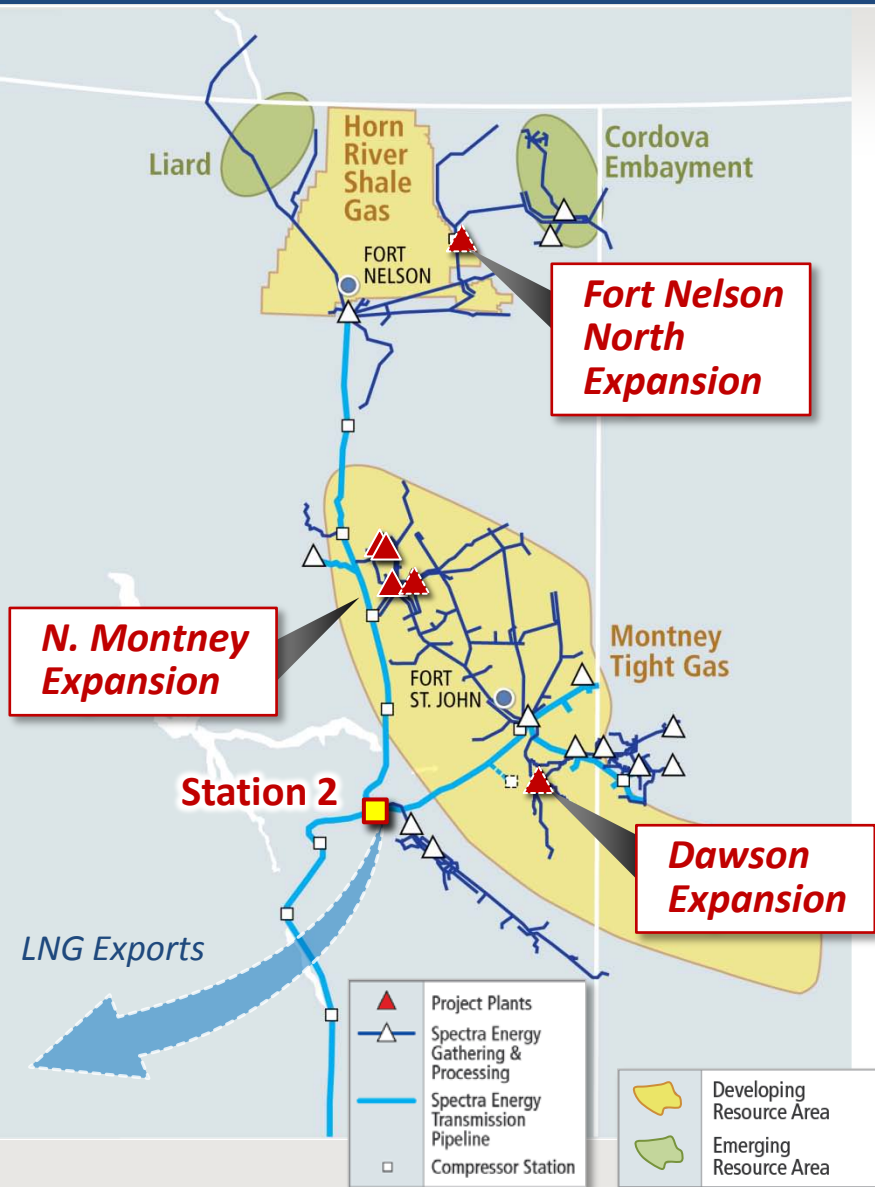


From NEB 2011 Energy Assessment

- Growth of unconventional gas supply
 - Horn River Basin 500 Tcf
 - Montney 450 Tcf
- Low gas prices driving shift to NGL-rich production areas
- Cost pressures mounting due to ongoing industry build out
- Strong interest in LNG opportunities
- Increasing offshore investment in upstream E&P ventures

Spectra Energy's assets are uniquely positioned to capture growth

Gathering & Gas Processing – Execution & Opportunity



Unsurpassed footprint in British Columbia unconventional gas plays

Numerous projects in execution

- Fort Nelson North Processing Facility expansion
- Dawson Plant construction and expansion
- North Montney new contracts and plant reactivation

New opportunities under development

- New and expanded G&P capacity to serve growth in developing resource areas
- NGL Deep Cut opportunities
- Other NGL infrastructure opportunities

\$1 - 2B in G&P growth opportunities

BC Pipeline – Execution & Opportunity

Station 2 is emerging as a regional hub providing customers with supply diversity & market optionality

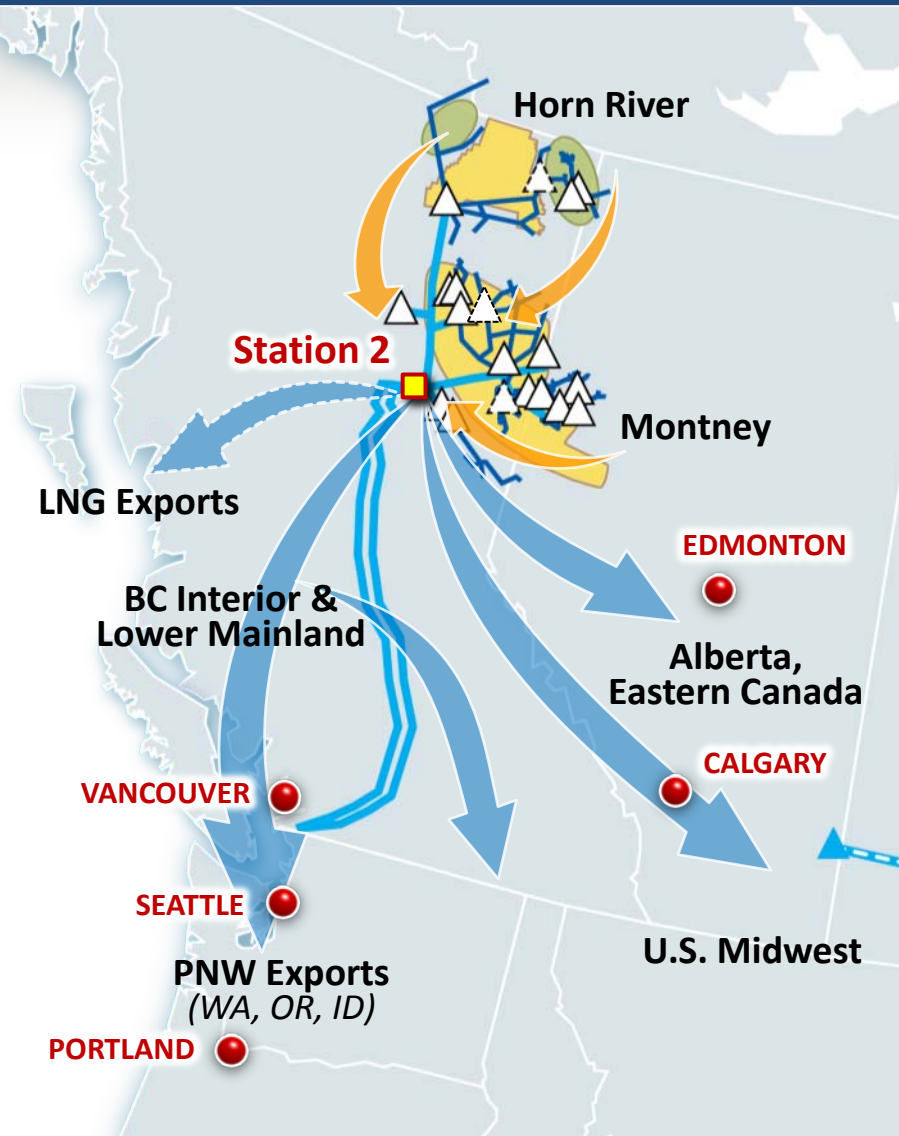
Projects in execution:

- T North expansions providing Horn River and North Montney takeaway capacity

New opportunities under development:

- Expanded capacity to serve domestic and US markets
- Uniquely positioned to provide service to proposed LNG export terminals, enabling incremental upstream G&P opportunities

**\$ 0.5 – 1B in pipeline growth, plus
\$ 2.5 – 3B in LNG opportunities**





2012 FINANCIAL PLAN & BUSINESS STRATEGY OVERVIEW

U.S. Transmission: Optimizing Our Reach

Bill Yardley

Group VP, Northeast Transmission

Mark Fiedorek

Group VP, Southeast Transmission

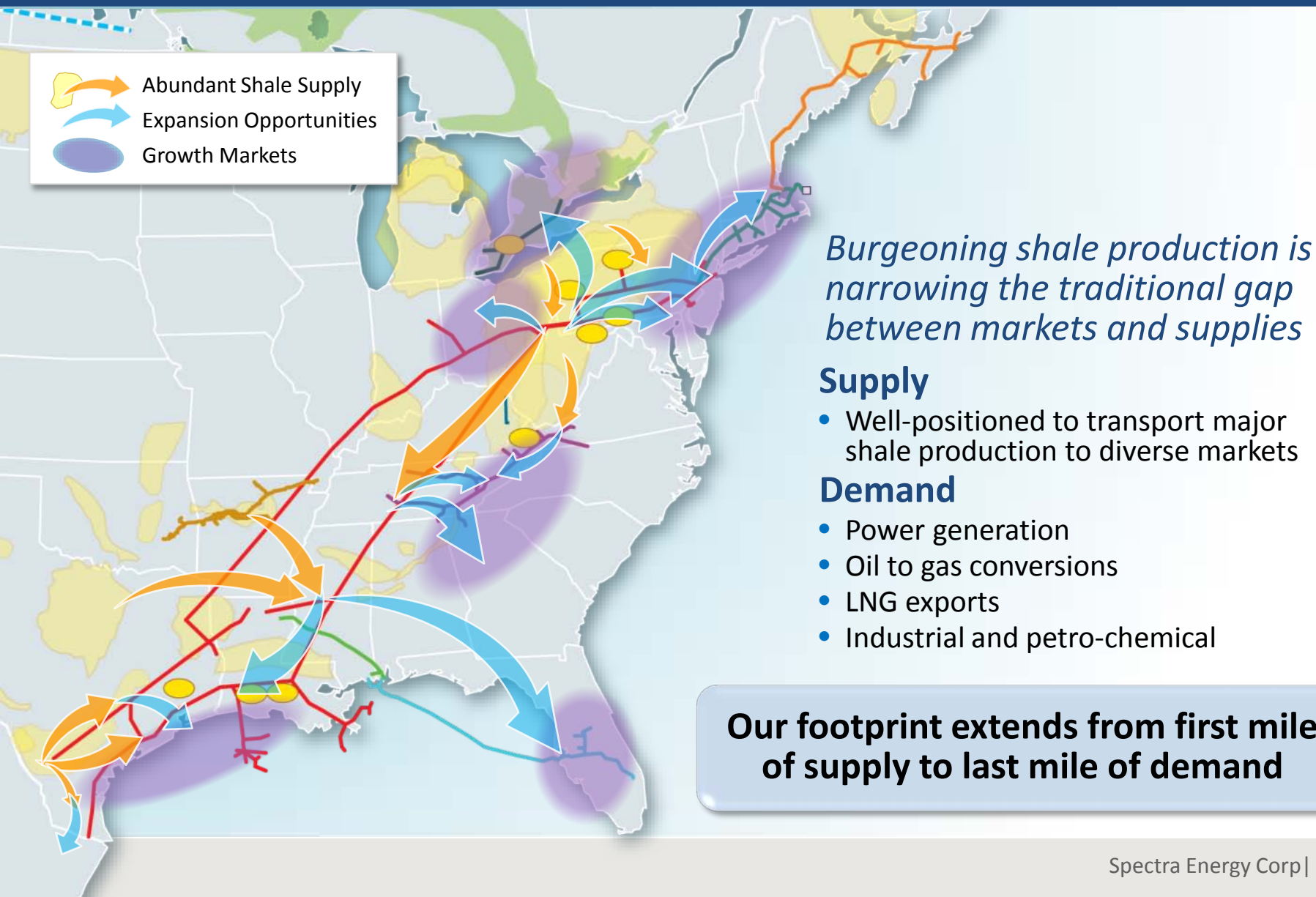


2011 Highlights – U.S. Transmission

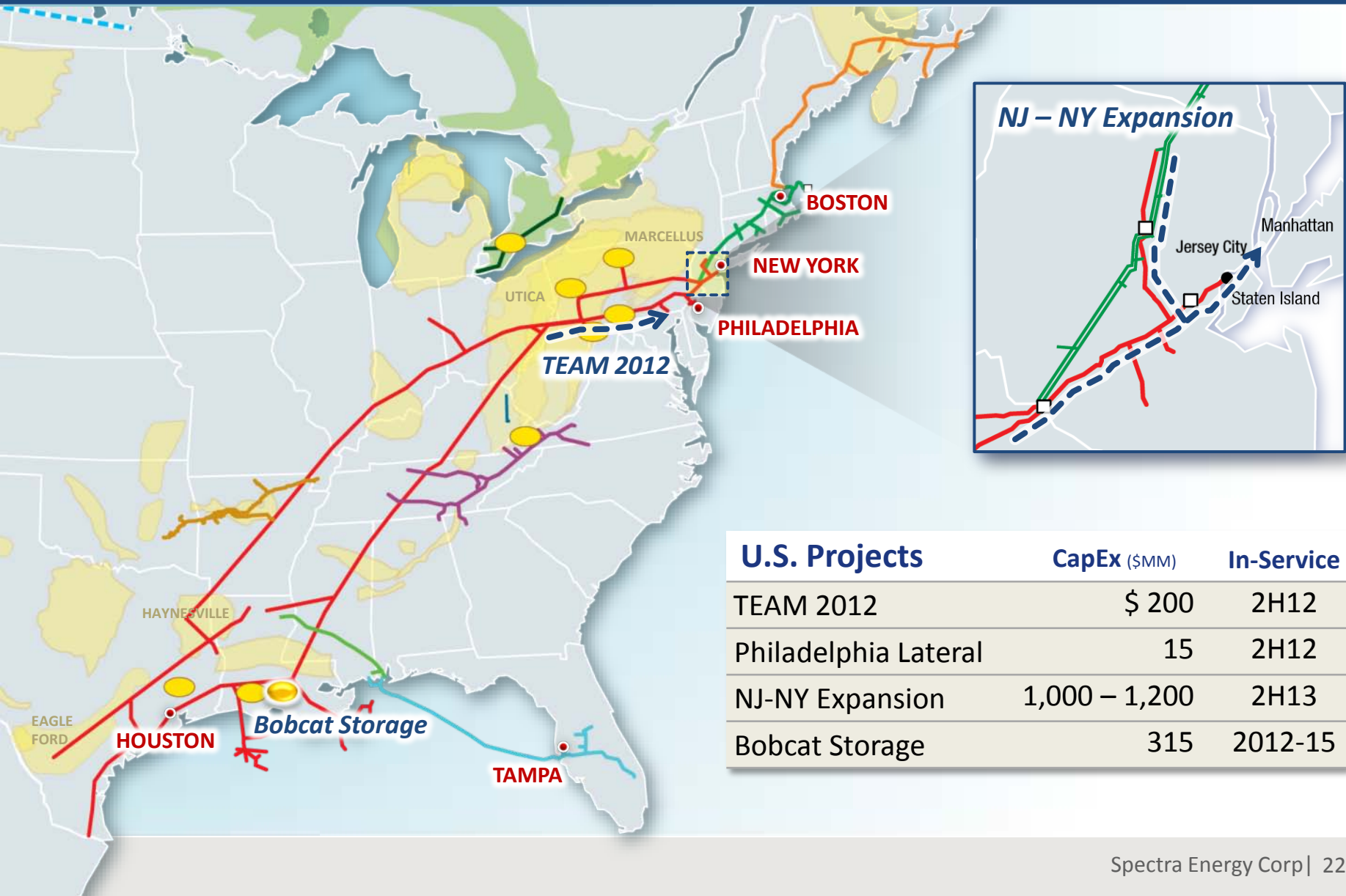


- ✓ Successful execution of high value expansion projects
 - *TEMAX/ TIME III, NET, Hot Spring Lateral, Gulfstream Phase V, Moss Bluff Expansion*
- ✓ NJ-NY Expansion on schedule for completion 4Q13
- ✓ Acquisition and integration of Big Sandy Pipeline
- ✓ Integration of Bobcat storage acquisition, additional capacity on track for phased in-service by 2015
- ✓ Record throughput across the system

U.S. Transmission – Macro Environment



U.S. Transmission Projects in Execution

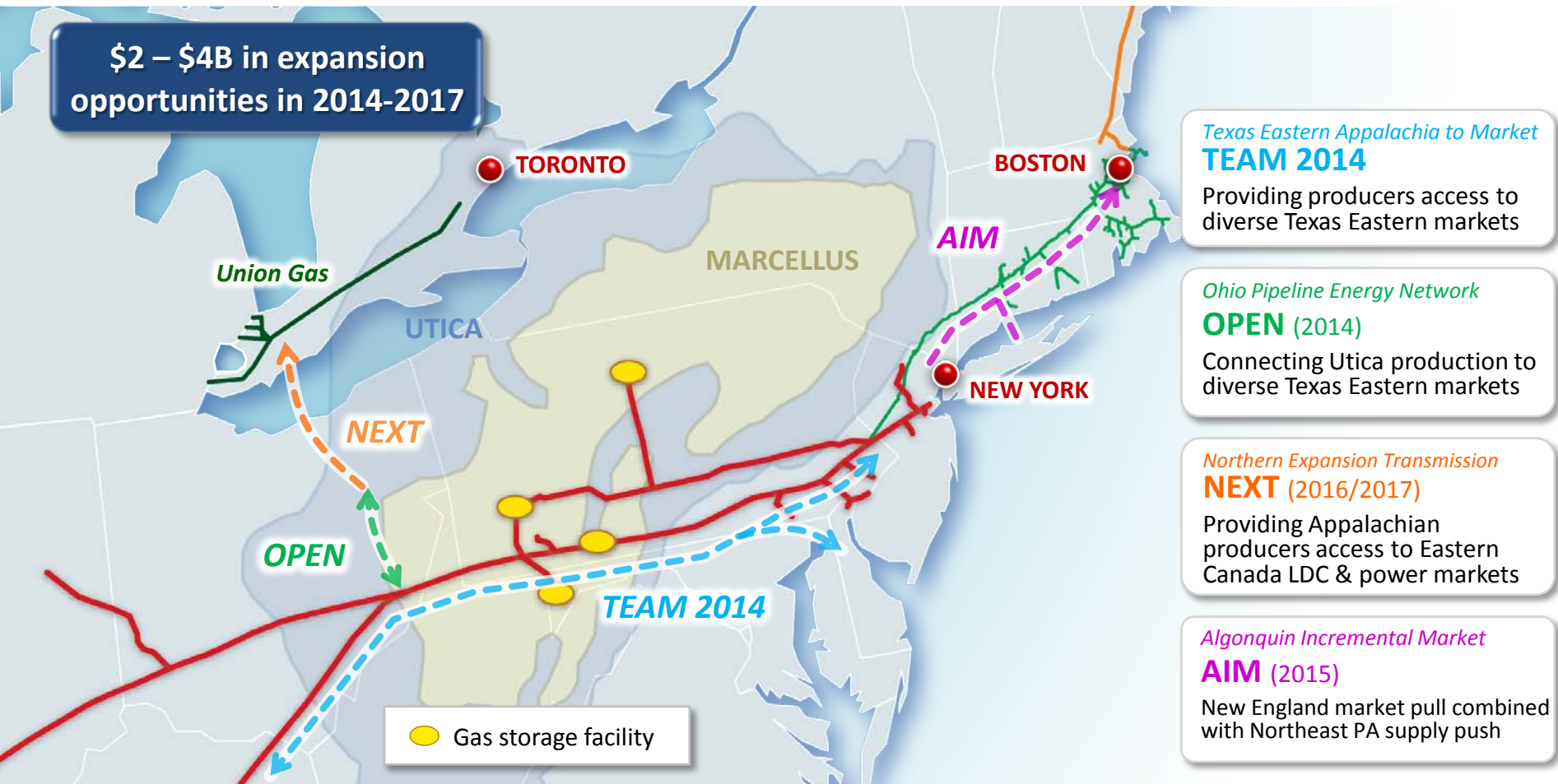


U.S. Projects	CapEx (\$MM)	In-Service
TEAM 2012	\$ 200	2H12
Philadelphia Lateral	15	2H12
NJ-NY Expansion	1,000 – 1,200	2H13
Bobcat Storage	315	2012-15

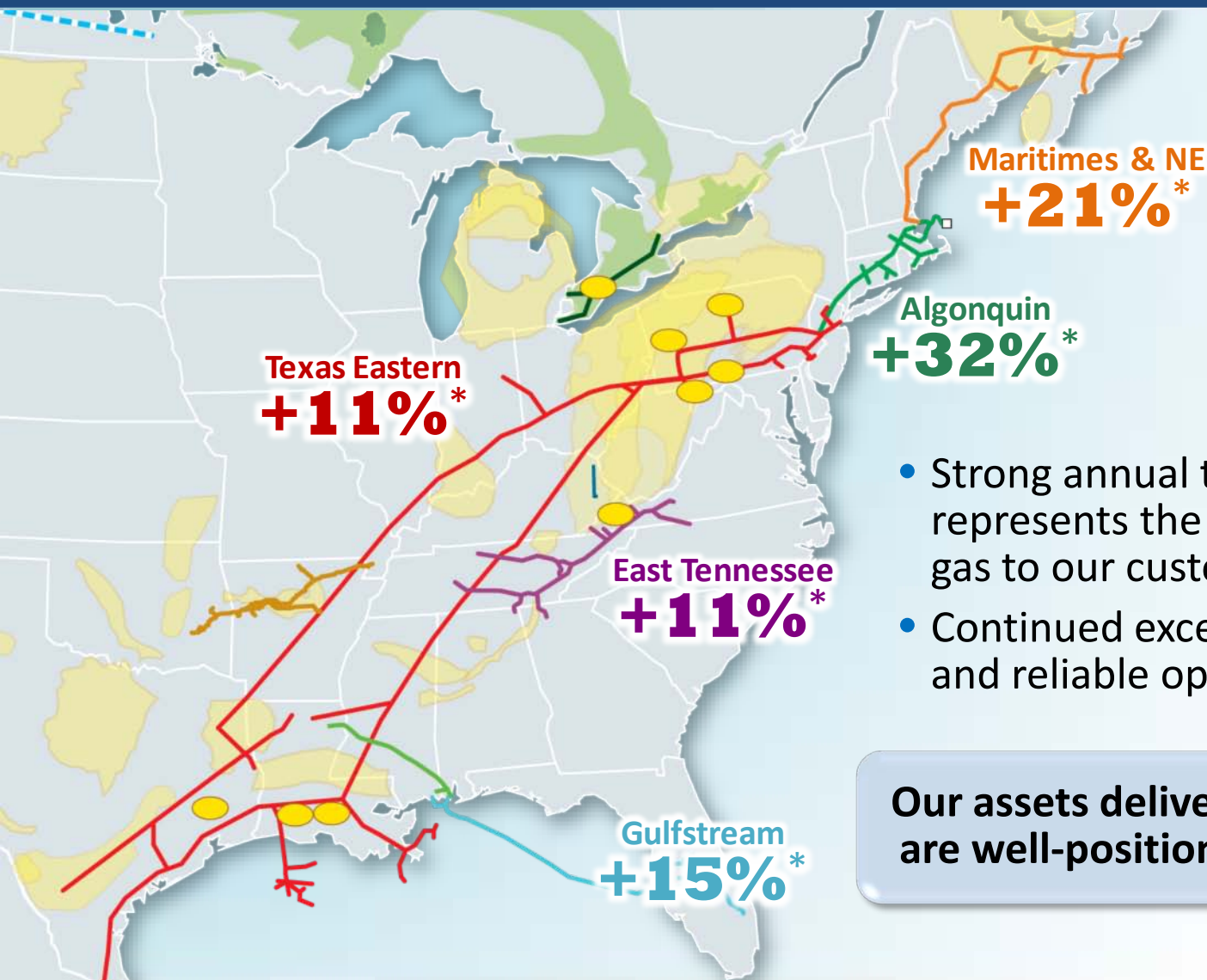
U.S. Transmission – Northeast Expansion Opportunities



Connecting Marcellus & Utica Supplies to Our Diverse Markets



Responding to Growing Demand with Operational Excellence



- Strong annual throughput growth represents the value of natural gas to our customers
- Continued excellence with safe and reliable operations

Our assets deliver value today and are well-positioned for the future

*Volume increases represent 2011 compared to previous 3 year average; Texas Eastern represents the M3 market region; Maritimes & Northeast is U.S. only.

U.S. Transmission – Capturing Southeast Power Generation Demand

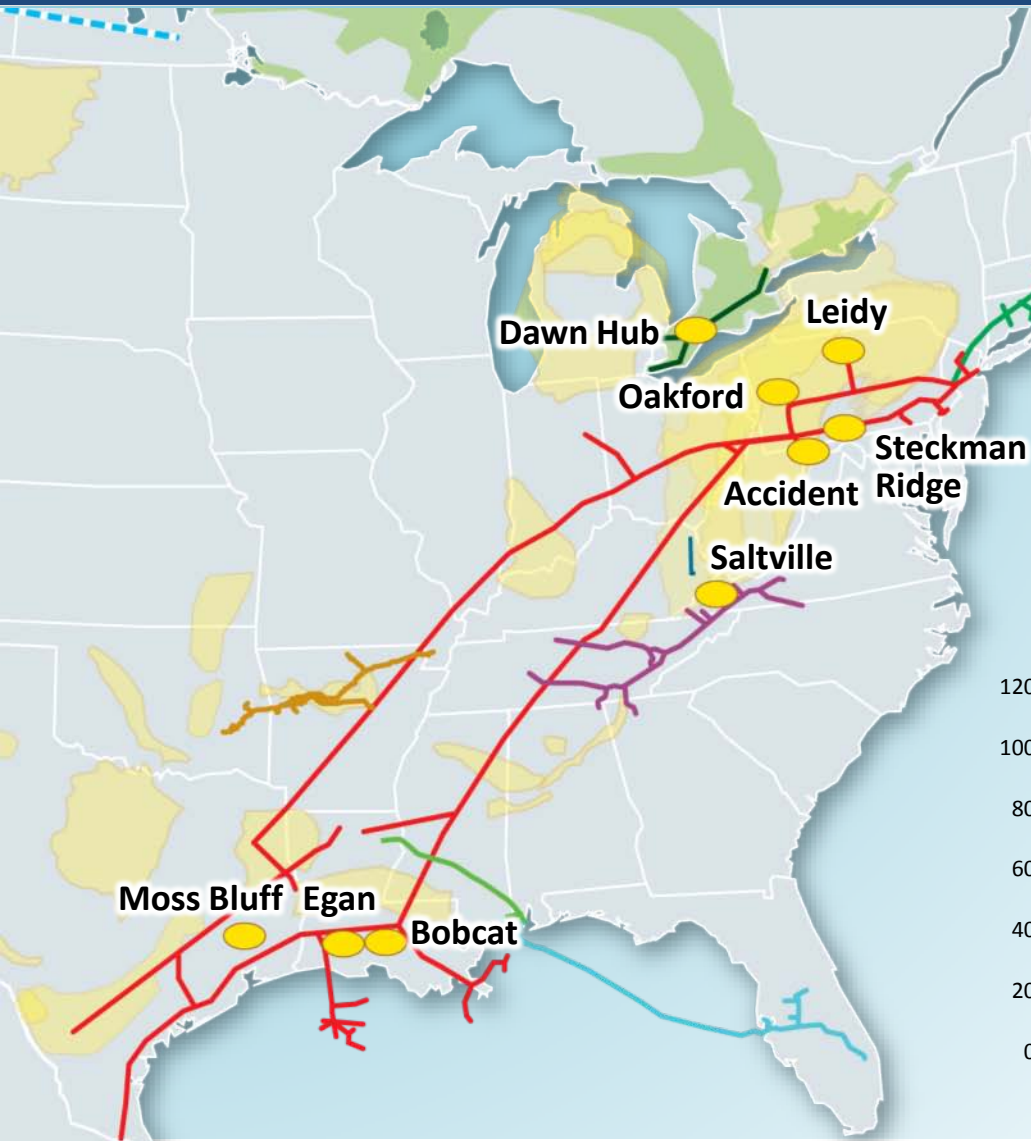
**\$3B+ in expansion
opportunities in 2015+**

- Gas storage facility
- Gas-fired plant attached
- Coal-fired plant
- Oil-fired plant

- Implementation of environmental regulations will bring next wave of opportunity
- Increased services to facilities currently attached or adjacent to our system
- 20,000+ MW of incremental gas-fired generation driving growth in 2015 – 2017
 - Coal and oil-fired generation converting to natural gas

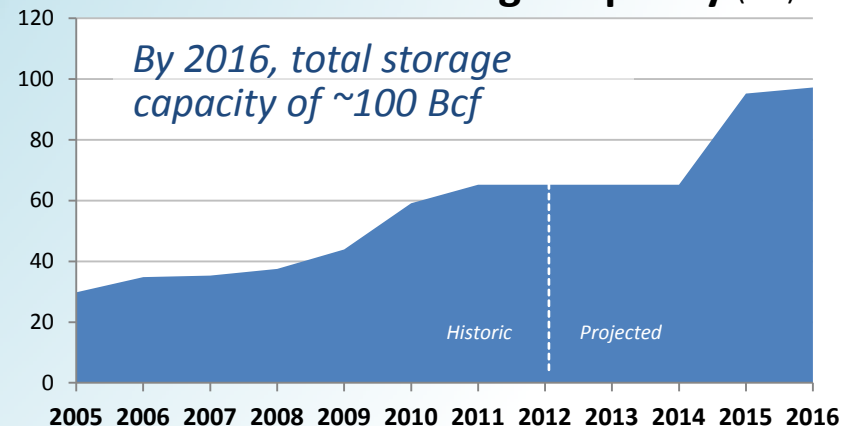
**Spectra Energy is well positioned
for power generation opportunities**

U.S. Transmission – Highly Interconnected Gas Storage



- Increased gas utilization for winter heating and power generation will drive storage values
- High turn, salt dome storage will be needed to meet both winter and summer peaks
- Spectra Energy's high performance storage facilitates participation in future power generation opportunities

SE's Gulf Coast Storage Capacity (Bcf)*



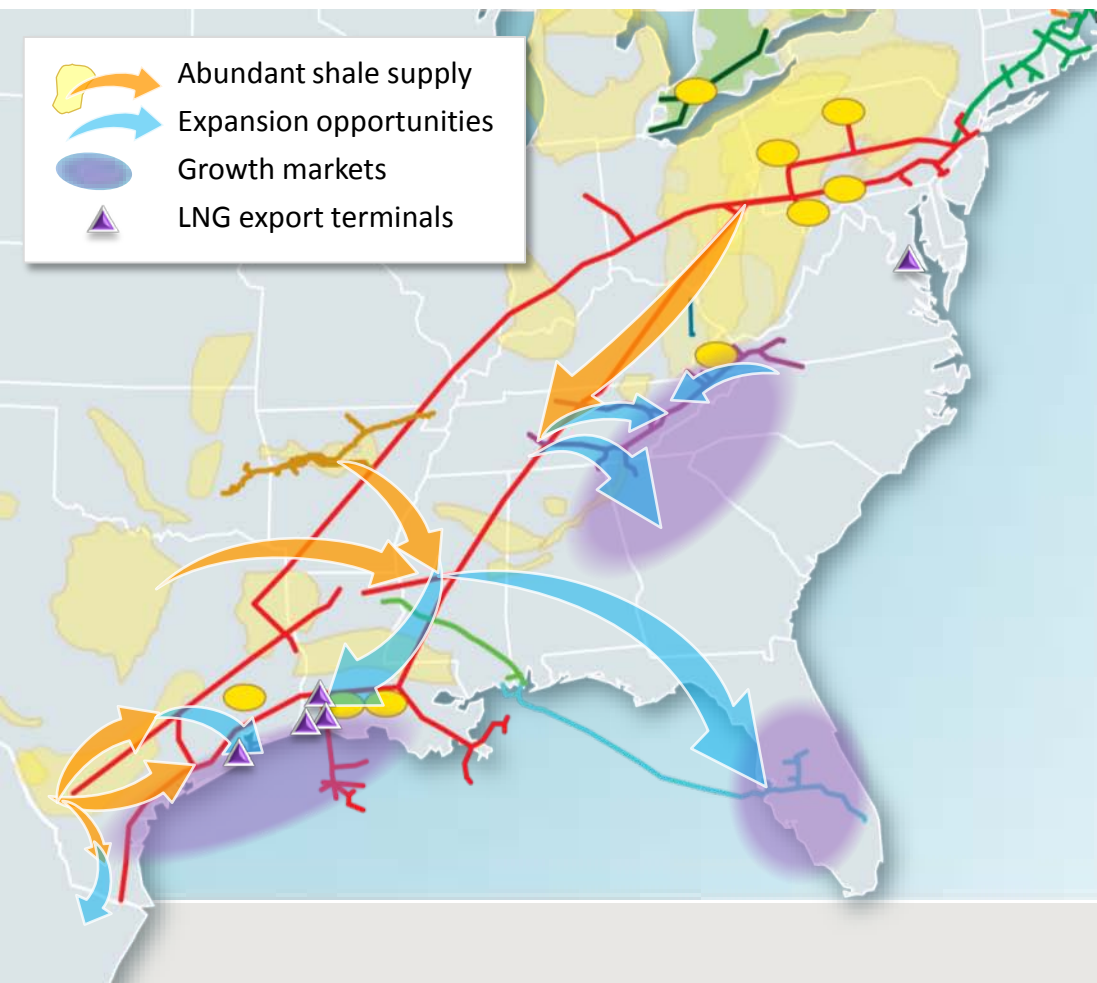
2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016

*Reflects MHP and Bobcat; Includes 100% SEP ownership

U.S. Transmission – Southeast Expansion Opportunities

New pipeline infrastructure & storage balancing will drive growth in the Southeast

\$3 – 4 B of investment opportunities in 2015-2017



- Connected to growing demand markets:
 - Power generation
 - Industrial / petrochemical
 - LNG exports
 - Gas-to-liquids
- Favorable market fundamentals driving demand for natural gas
- Track record of operating safely and reliably
- Active market engagement
- Extensive footprint that cannot be duplicated



2012 FINANCIAL PLAN & BUSINESS STRATEGY OVERVIEW

DCP Midstream – *Delivering Growth & Attractive Distributions*

Tom O'Connor

Chairman, President & CEO, DCP Midstream



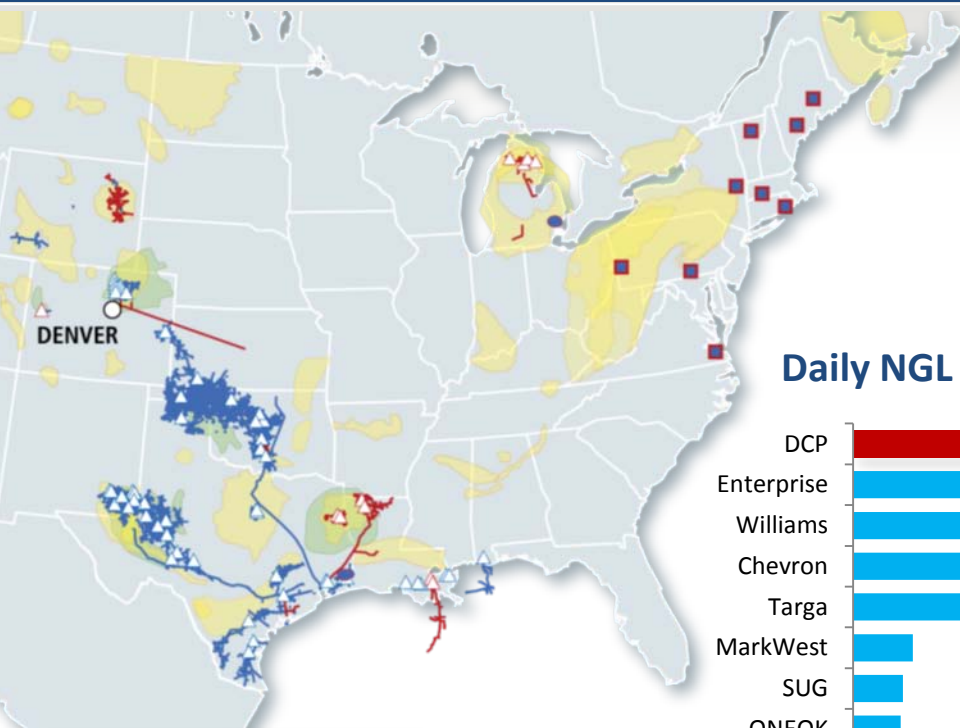
2011 Highlights – DCP Midstream



- ✓ Exceptional safety performance
- ✓ Solid financial performance
- ✓ Successful project completion
- ✓ Attractive financings at DCP Midstream and DCP Partners
- ✓ Accelerating co-investments with DCP Partners
- ✓ Strong growth momentum

**2012 earnings forecast ~\$1.1 B
and distributions of ~ \$925 million**

Integrated Assets with Scale and Scope

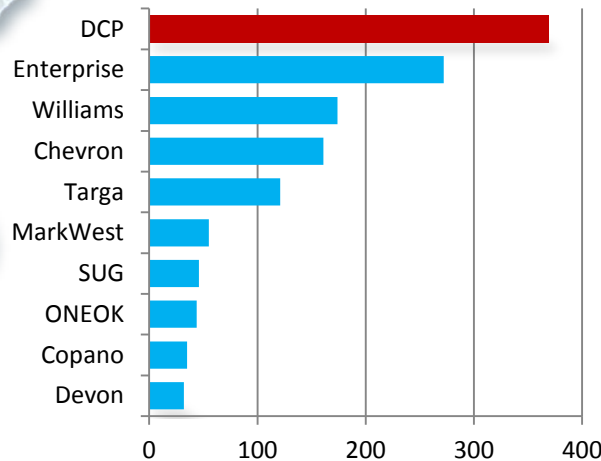


**61 Plants, 12 Fractionators
~62,000 miles of Pipeline***

**Includes DCP Midstream Partners, assets on map shown in red*

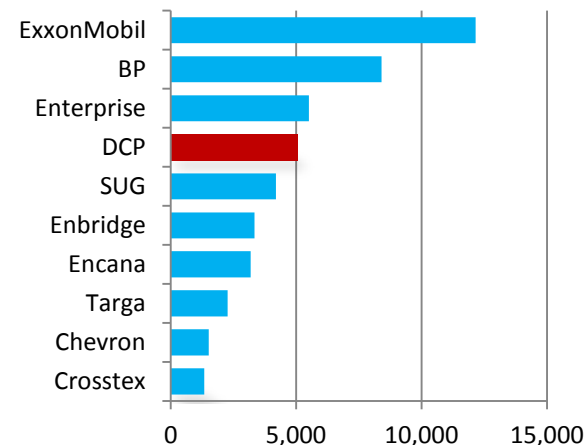
- Gas processing plant
- Propane terminal
- NGL storage
- Shale gas formations

Daily NGL Production (Bbl/d)



Source: Hart Energy, Top 10 NGL Producers of 2010

Natural Gas Processing (MMcf/d)



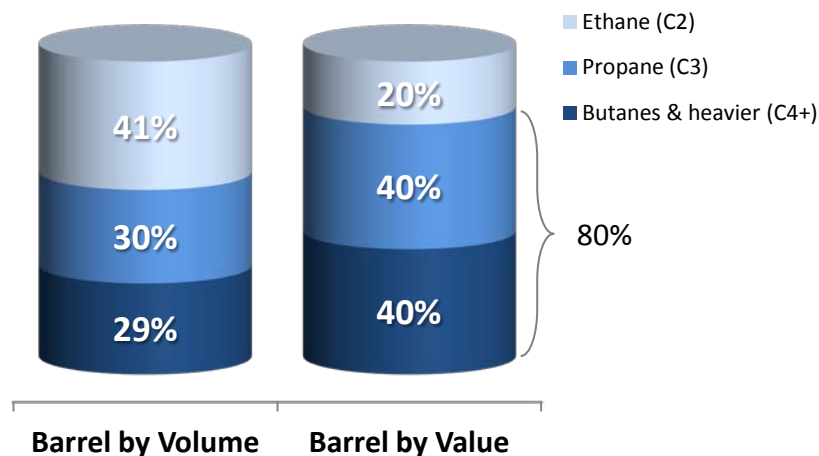
Source: Hart Energy, Top 10 Gas Producers of 2010

DCP Midstream has an industry leading footprint in the liquids-rich gathering and processing regions with a growing NGL pipeline position

NGL Supply & Demand Outlook

- US very competitive in the world NGL supply stack
- Ethane is the most favorable feedstock for cracking
- Favorable outlook for growth in cracking capacity

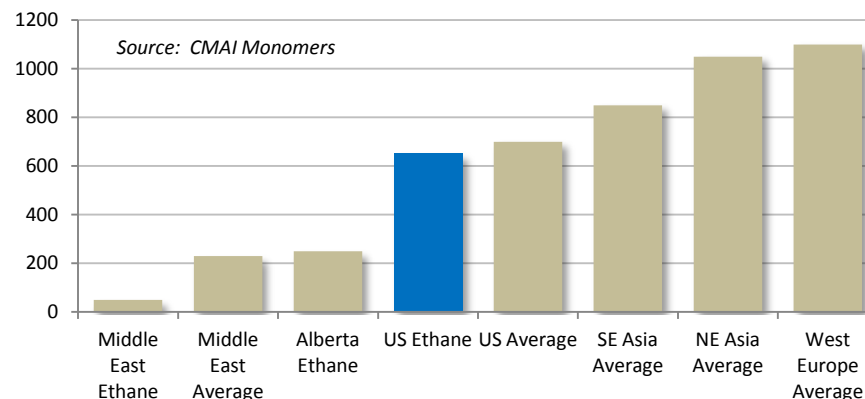
Generic NGL Barrel Profiles



C3+ component pricing expected to continue tight correlation to crude

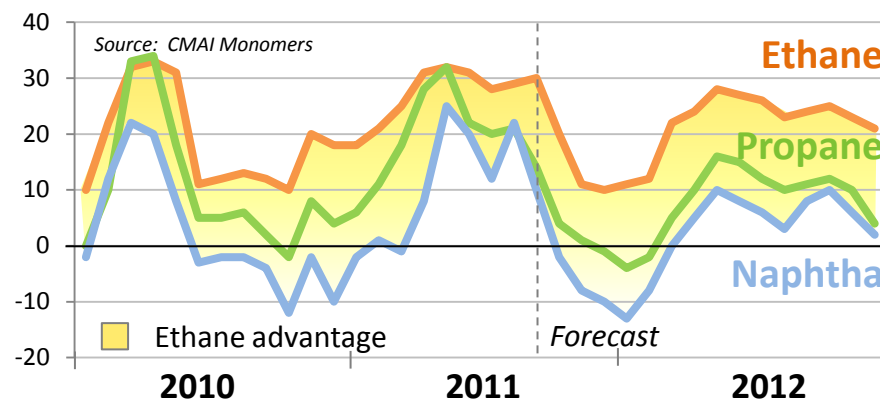
World Ethylene Cost Comparison

(USD/metric ton, Nov 2011)

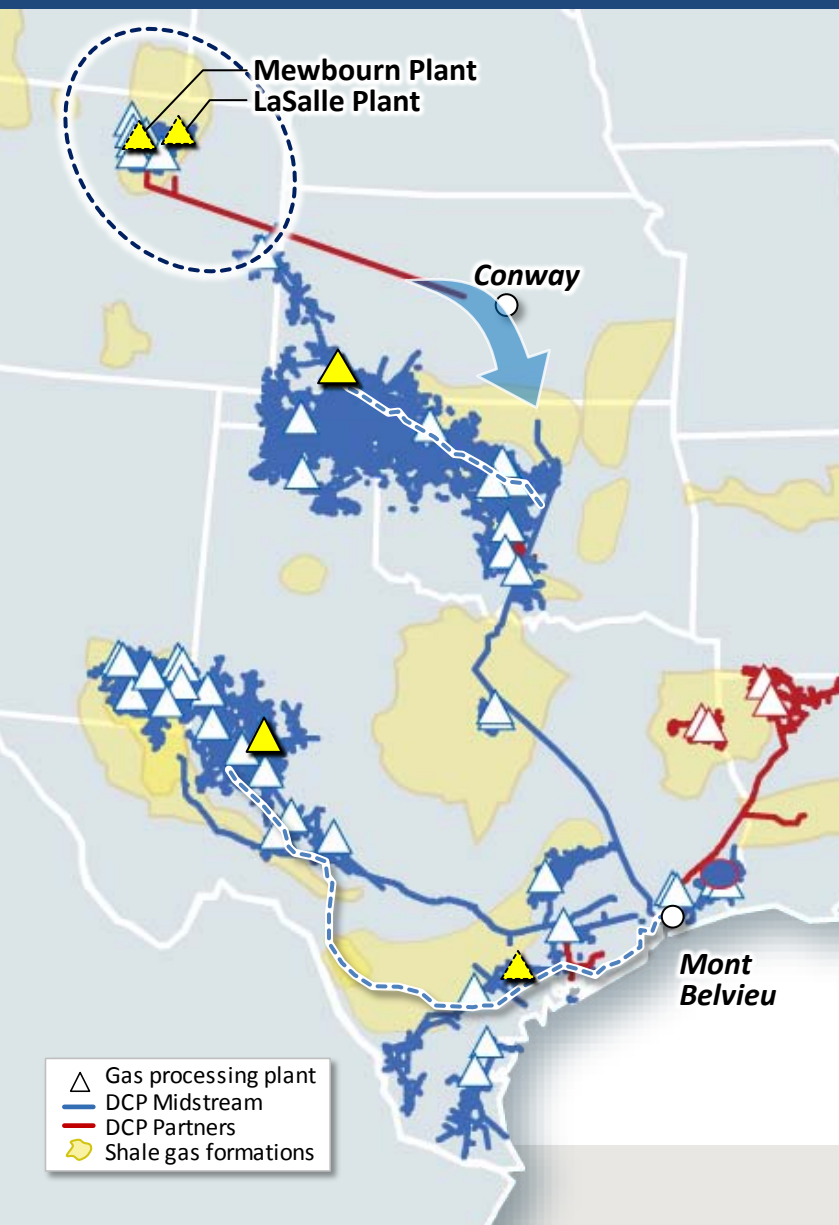


Profit Margin by Feedstock for US Ethylene Cracking

(margin cents/ pound)



Northern G&P Business Unit



Key Developments

- Niobrara Codell
- Niobrara shale

2011-2014
Growth CapEx Opportunity
\$500 - \$750MM

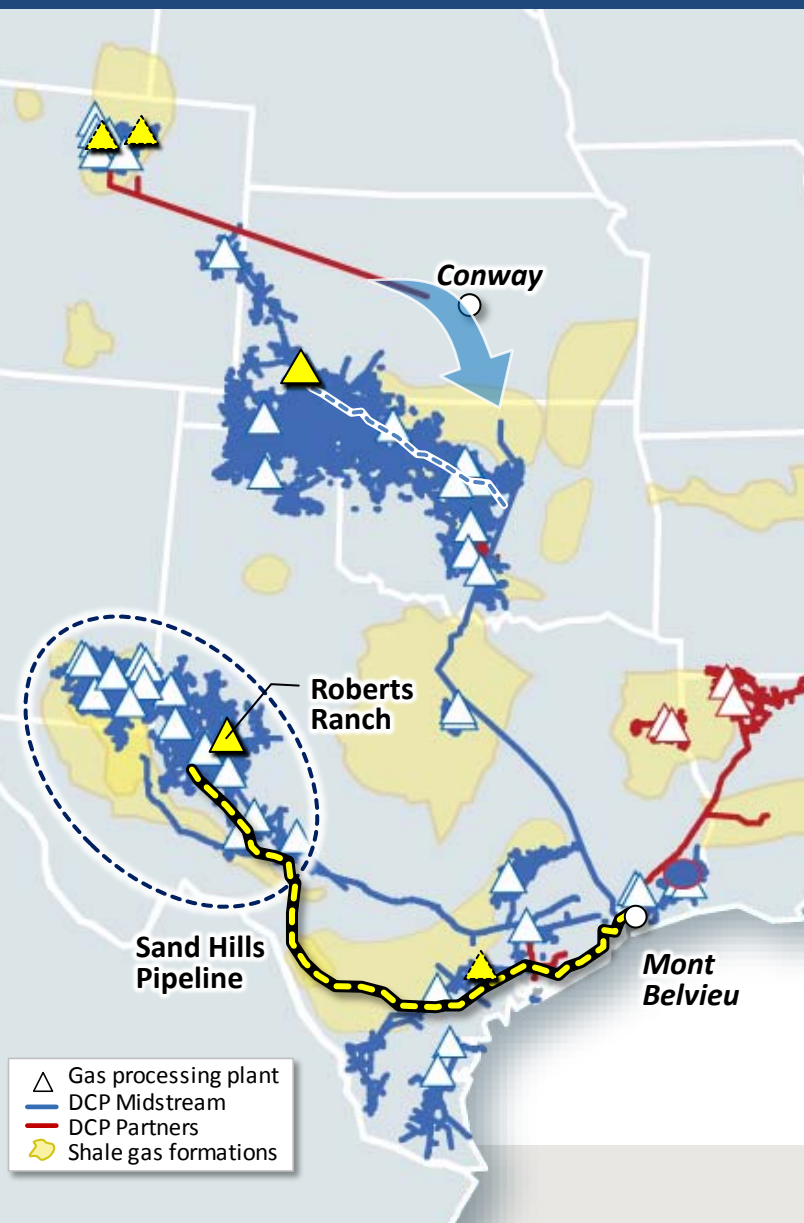
Regional Outlook

- Crude oil/liquids focused drilling
- Life of lease contracts
- Expansion opportunities to the north in the Niobrara shale

Strategic Execution

- Mewbourn Plant in service May 2011
- LaSalle Plant 110 MMcf/d under construction
- 110-200 MMcf/d of additional capacity in development
- Incremental NGL infrastructure under consideration

Permian G&P Business Unit



Key Developments

- Avalon
- Wolfberry
- Wolffork

2011-2014
Growth CapEx Opportunity
\$300 - \$800MM

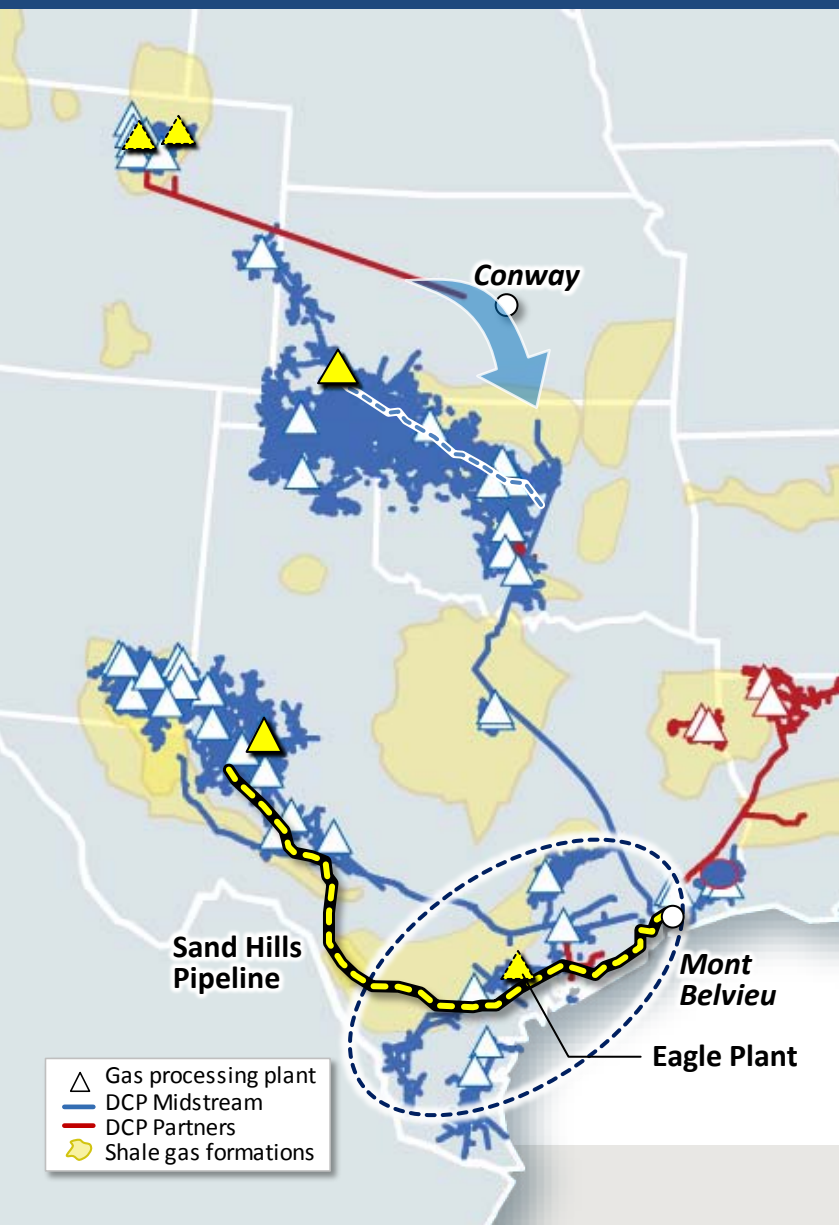
Regional Outlook

- DCP largest processor in the basin
- Horizontal crude oil focused drilling
- High liquids content, oil-associated gas

Strategic Execution

- Roberts Ranch 75 MMcf/d in service
- Additional ~125 MMcf/d de-bottleneck and plant restarts by 2012
- 300-500 MMcf/d of additional capacity in development
- Sand Hills Pipeline to provide NGL takeaway for the Permian basin

Southern G&P Business Unit



Key Development

- Eagle Ford

2011-2014
Growth CapEx Opportunity
\$500 - \$900MM

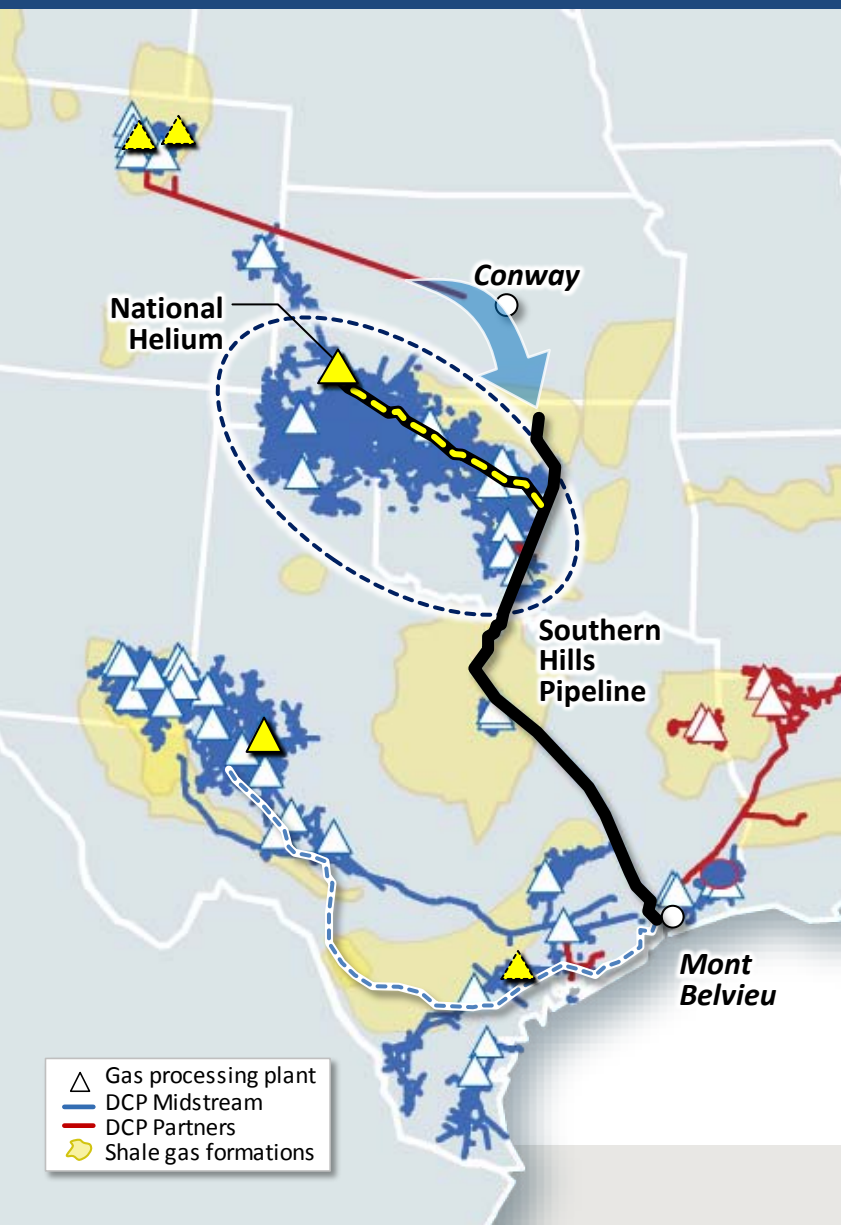
Regional Outlook

- Liquids-rich Eagle Ford focused drilling
- DCP has 800 MMcf/d of capacity in region
- Producer agreements with production from over 500,000 acres
- Eagle Ford volumes now at +200 MMcf/d

Strategic Execution

- Gathering in place to tie producers to six plant super system
- New 200 MMcf/d Eagle Plant under construction
- 200-400 MMcf/d of additional capacity in development
- Sand Hills Pipeline to provide NGL takeaway for the Eagle Ford shale

Mid-Continent G&P Business Unit



- Gas processing plant
- DCP Midstream
- DCP Partners
- Shale gas formations

Key Developments

- Granite Wash
- Woodford Cana
- Mississippi Lime

2011-2014
Growth CapEx Opportunity
\$750 - \$1,100MM

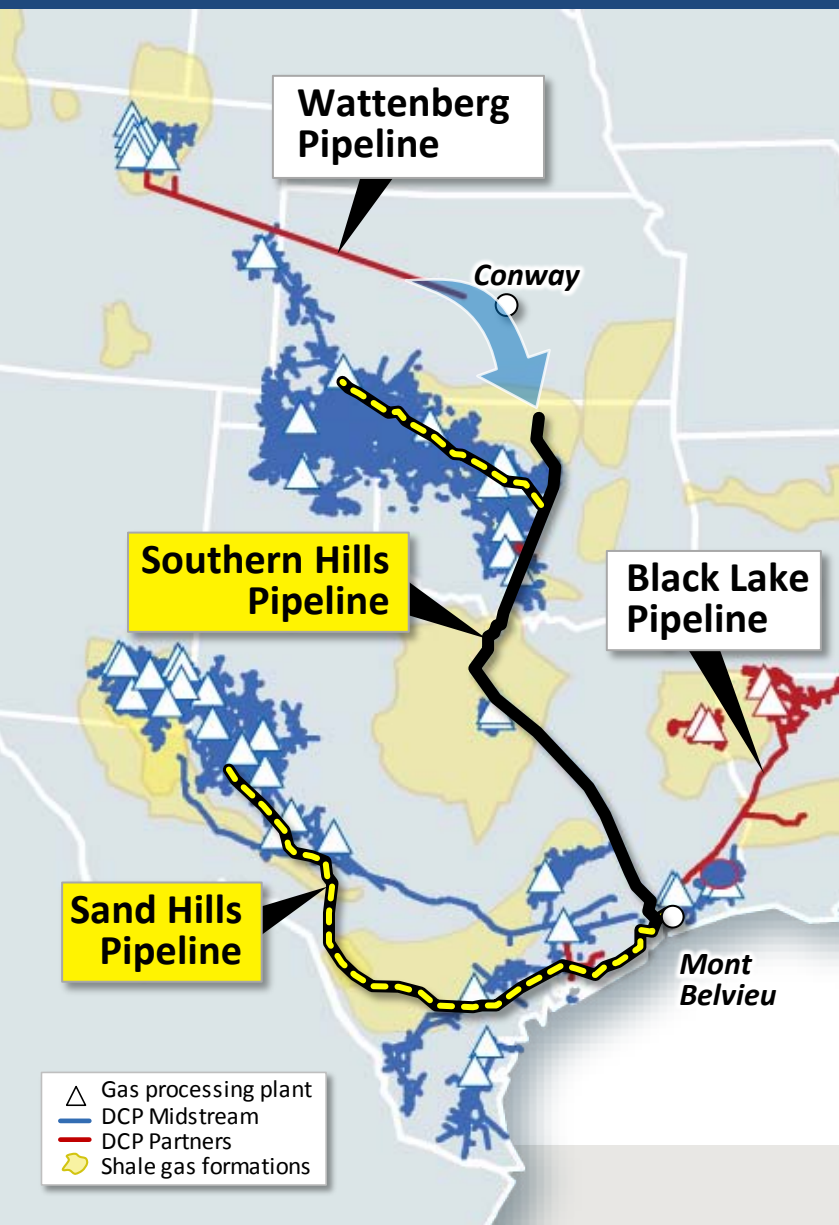
Regional Outlook

- Producer focus on liquids rich formations
- DCP Midstream has ~ 2 Bcf/d capacity and ~29,000 miles of gathering in the region
- Agreements in place for ~1 million acres in high growth areas

Strategic Execution

- National Helium expansion underway
- Gathering expansions into Granite Wash and Mississippi Lime
- 400-600 MMcf/d of additional capacity in development
- Southern Hills will provide NGL takeaway for the Mid-Continent region

NGL Logistics Business Unit



2011-2014
Growth CapEx Opportunity
\$2,250 - \$2,750MM

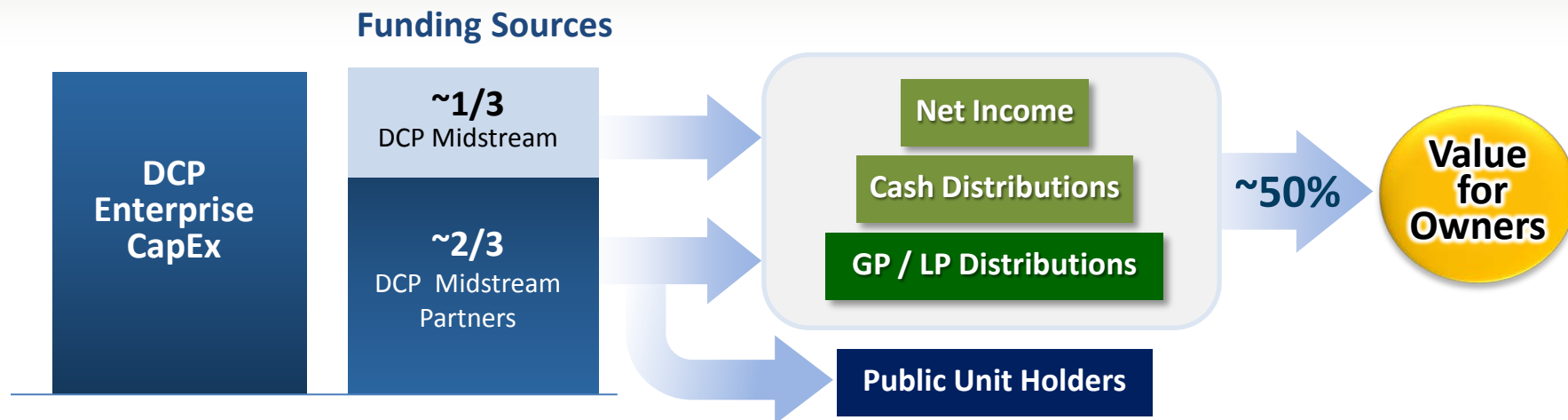
Regional Outlook

- Accelerating liquids growth from processing
- Constrained takeaway from key basins – reliability challenges
- Value chain extension enhances competitive position

Strategic Execution

<i>NGL Pipeline</i>	<i>Capacity (MBbl/d)</i>	<i>Supply</i>	<i>Market</i>
Southern Hills	150	Mid-Continent	Gulf Coast
Sand Hills	Up to 350	Permian, Eagle Ford	Gulf Coast
Wattenberg	22	DJ Basin	Conway
Black Lake	40	N. Louisiana	Mont Belvieu

Illustrative Financing + Value Creation



Corporate Structure & Co-Investment Advantages

- Corporate structure provides flexibility to fund accelerating growth / preserve strong distributions
- DCP Midstream funds approximately 1/3 of Enterprise growth capital, DCP Partners funds the balance
- DCP Midstream realizes ~50% of incremental cash flow and earnings growth
- Partners' cash flows to Midstream accelerate with increasing investment (fee-like predictability)

DCP Midstream Growth ... DCP Partners Growth ... Strong Distributions

DCP Midstream - Value Proposition

- Industry fundamentals support growing infrastructure needs
- Large integrated service provider with leading liquids position
- Strategically located assets centered in liquids-rich developments
- Attractive, self-funded expansions drive commodity price neutral net income growth
- Strong liquidity and access to capital markets through DCP Midstream and DCP Partners
- Increasing distributions to owners



2012 FINANCIAL PLAN & BUSINESS STRATEGY OVERVIEW

2012 Financial Overview

Pat Reddy
Chief Financial Officer



Ongoing Objectives for Long-term Value Creation

**Expect
2011 - 2014
EPS compound
annual growth
rate in the
7-9% range**

- ✓ ☒ \$1.90 ongoing, fully diluted earnings per share for 2012
 - Including \$0.13 from expansion projects
- ✓ ☒ 2012 annual dividend of \$1.12/share, with \$0.08/year increase assumed through 2014
- ✓ ☒ Continued execution of growth plan: \$1B+ annual growth CapEx through 2015, with \$1.3B in 2012
- ✓ ☒ Expect Return on Capital Employed in the 10 – 12% range

2012 Ongoing Earnings Expectations

\$1.90 ongoing, fully diluted EPS

(\$MM)	EBIT	EBITDA
U.S. Transmission	\$ 1,005	\$ 1,310 ⁽¹⁾
Distribution	400	615
Western Canada Transmission & Processing	525	735
Field Services ⁽²⁾	560	900
Other	(95)	(40)
TOTAL Ongoing Segment and Other	\$ 2,395	\$ 3,520

(1) EBITDA includes Spectra Energy's proportional share of DD&A and Interest for SESH, Gulfstream, Steckman Ridge less Minority Interest DD&A for M&NE and SEP.

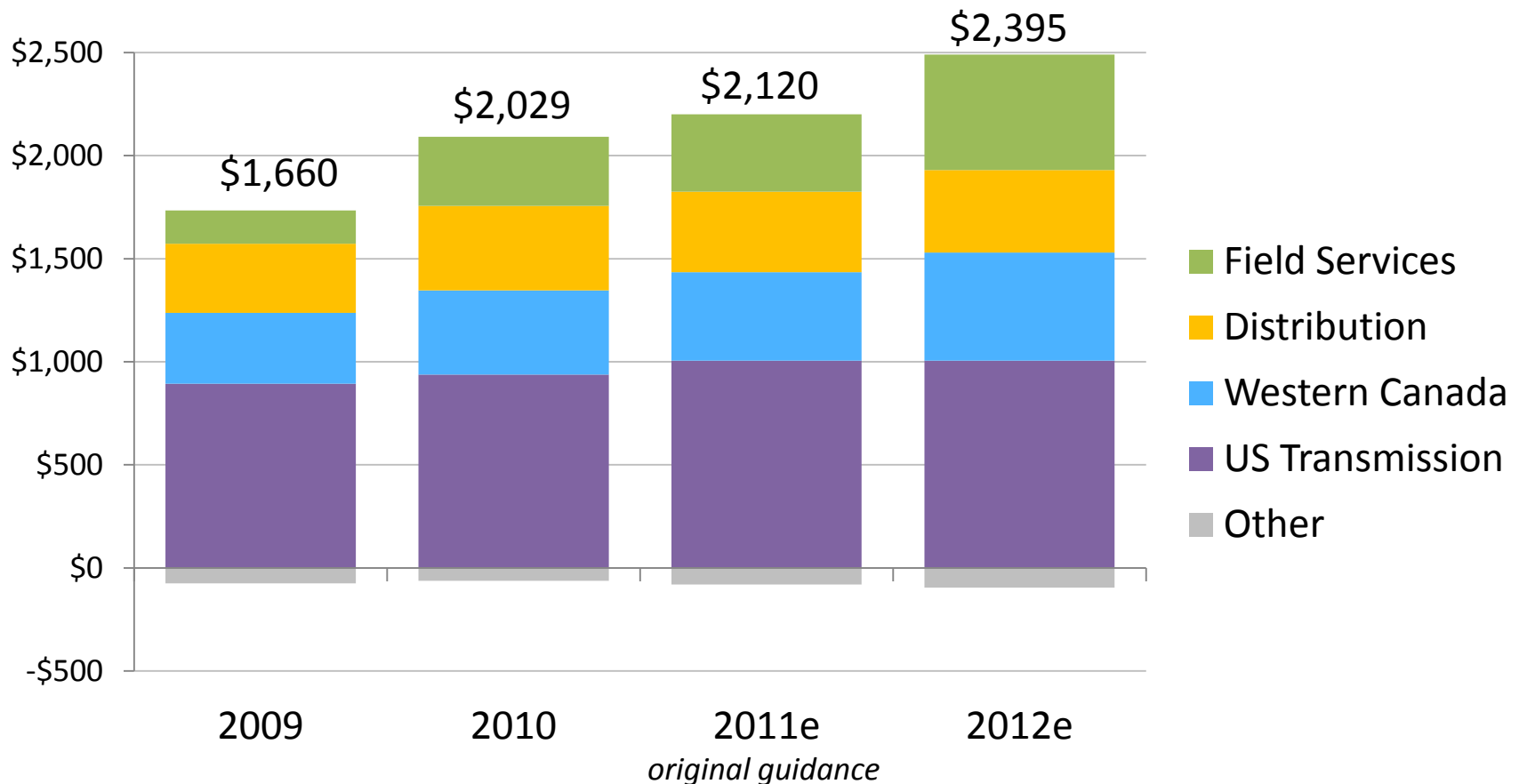
(2) EBIT represents Spectra Energy's half of DCP Midstream's Net Income/Equity. EBITDA determined by adding half of DCP Midstream's DD&A, Interest, and Taxes.

Other financial metrics:

- Net Interest Expense = \$ 630 MM
- Expected Tax Rate = ~29.5%
- Fully Diluted Shares Outstanding = 654 MM

The Power of Our Portfolio

Ongoing EBIT by Segment (\$MM)



2012 Plan – Key Assumptions

Expansion CapEx	\$1.3 billion
Maintenance CapEx	\$700 million
Ownership of SEP	Constant at 64%
Canadian Dollar/US Dollar	C\$1.00/\$1.00 USD

DCP Midstream commodity assumptions:

Composite NGLs	\$1.25 / gal
Natural Gas (NYMEX)	\$4.00 / MMBtu
Crude Oil (WTI)	\$100 / Bbl

2012 Plan – Sensitivities

	Assumption	Price Change	Annual Sensitivity
DCP Midstream <i>Represents Spectra Energy's 50% interest in DCP Midstream</i> DCP Midstream's primary exposure is to NGL prices and secondary is to natural gas prices with a minor exposure to oil (condensate)	NGL: \$1.25/gal	+/- \$0.01/gal	+/- ~\$6.5 MM EBIT
	Natural Gas: \$4.00/MMBtu	+/- \$0.10/MMBtu	+/- ~ \$3 MM EBIT
	Oil: \$100/Bbl	+/- \$1.00/Bbl	+/- ~ \$2.5 MM EBIT
F/X	C\$1.00/1.00 USD	+/- \$0.01 C\$/USD	-/+ ~ \$5 MM Net Income

2012 Cash Contribution to Expansion CapEx

Primary Sources:

(\$MM)

Ongoing Net Income – Controlling Interests	\$ 1,245
Depreciation & Amortization	760
Deferred Taxes (primarily bonus depreciation benefit)	215
Total Primary Sources	\$ 2,220

Primary Uses before Expansion CapEx:

Maintenance CapEx	\$ (700)
Dividends	(735)
Cash Contribution to Expansion CapEx	\$ 785

**Cash flow covers maintenance capex and dividends
and 60% of expansion capex requirements**

Financial Strength & Flexibility

No SE equity issuances needed to support growth

- Four credit facilities totaling \$2.9B
 - ~\$1.9B of available liquidity as of 12/31/2011
- Increasing cash distributions from DCP Midstream
 - \$395 million in 2011
 - \$463 million budgeted for 2012
- SEP as acquisition vehicle with some drop-down potential
- DCP Midstream self-funding rapid growth – \$4B committed projects and \$2B potential
 - DCP Midstream funds one-third of growth requirements
 - DCP Partners funds remainder
 - Sizable asset drop-down potential for DCP Partners
 - Fee-based capital projects like Sand Hills Pipeline and Southern Hills Pipeline

Prudent Financial Management

- ✓ Pursue only investments with returns that balance risk/reward and meet or exceed cost of capital
- ✓ Strong balance sheet with solid investment grade credit ratings
- ✓ Renewed, enlarged liquidity positions
- ✓ Opportunistic approach to long-term financing including the use of our MLP currencies to achieve lowest cost of capital
- ✓ Prepared for future opportunities

Disciplined financial management and balance sheet flexibility provides competitive advantage



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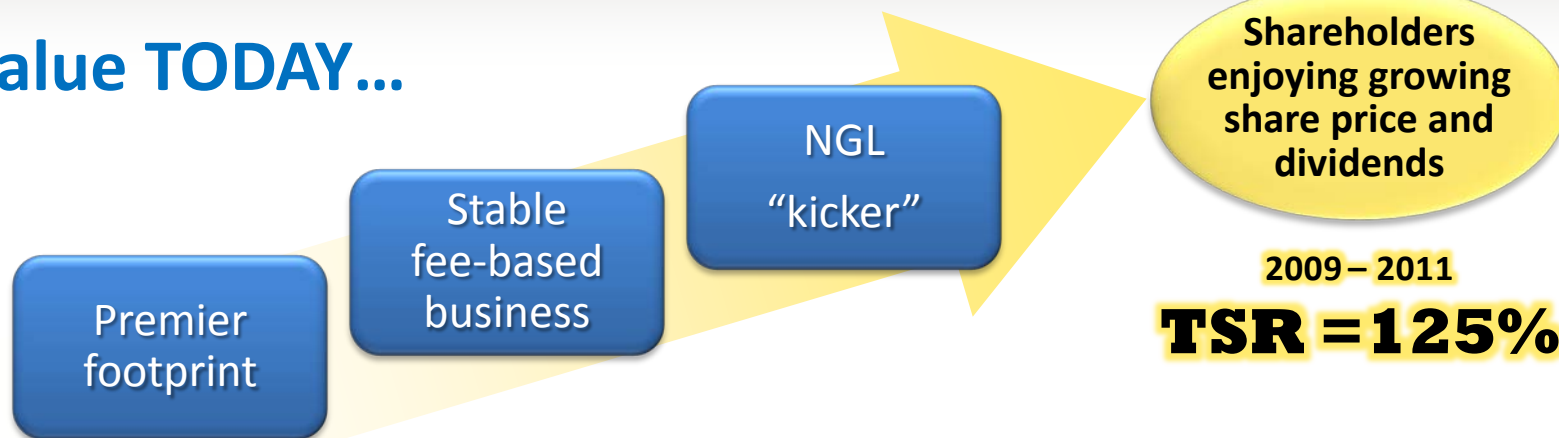
Spectra Energy Value Today, Value Tomorrow

Greg Ebel
President & CEO



Providing Shareholder Value

Value TODAY...



Value TOMORROW...





Q&A



SE
LISTED
NYSE

Recognized by:



CARBON DISCLOSURE PROJECT



FTSE4Good



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